



Restructuring Tenure for Sustainable Forest Management: Is Real Action Possible?

TODAY'S FOREST TENURE SYSTEM IS, TO A LARGE extent, anachronistic. It was originally designed to satisfy three main goals. The first was to ensure the orderly liquidation of old-growth and its replacement with new stands, often plantations, to be managed in perpetuity on a sustained basis. The second was to attract private capital to fuel the province's economic development by opening up vast primary timber resources. The third and final was to create stable income and employment in timber dependent communities.

Through to the late 1970s, the tenure system was successful, by and large, in realizing its objectives. However, during the 1980s, forests became the focus of environmental concerns. In 1987, the term 'sustainable development' was coined and quickly captured the public's imagination and galvanized the efforts of the environmental movement worldwide. By the dawn of the new millennium, 'sustainable forest management' (SFM) had become the overriding goal of provincial governments across Canada.

Sustainable forest management embodies environmental, economic and social sustainability.

- Environmental sustainability implies that the structures of forest ecosystems are maintained to allow desired combinations of goods and services to be produced over time.
- Policies designed to further economic sustainability ensure that forests maintain, and ideally enhance, their contributions to local, provincial and national incomes and employment.
- Social sustainability is concerned with the fair distribution of wealth created by forests among individuals, groups and regions. In BC, meeting the aspirations of Aboriginal Peoples is of particular importance.

BC governments have not risen to the challenges of SFM by developing new innovative tenure arrangements. Notwithstanding the important changes that were made to BC's tenure policies under the 2003 Forest Revitalization Program, most of the trappings of the traditional tenure system remain. Although lip-service is paid to SFM, sustained yield remains entrenched as a fundamental policy objective. Harvest volumes are regulated by allowable annual cuts and periodic yield controls. The maximum impact environmental constraints can have on allowable annual cuts is enshrined in policy.

To accommodate changing policy imperatives, a complex regulatory framework has been introduced that greatly increases the responsibilities tenure holders must assume in order to exercise their timber harvesting rights and dramatically increases the costs of timber production. There has been a marked shift of responsibilities from the government to the private sector resulting in decreasing reliance on incentives and market forces and increasing reliance on coercive regulations as means of achieving public objectives. These trends have had a negative impact on the sustainability of the forest industry and, many would claim, have failed to adequately promote environmental and social sustainability. If public forests are to realize their full potential as a source of socioeconomic benefits for the people of BC, it is time that fundamental reforms to the existing tenure system are seriously considered.

What should a tenure system designed to meet contemporary environmental, economic and social imperatives for public forestland look like? While it is impossible to present details in this brief note, in my opinion some salient attributes of such a system are as follows:

- Any successful public forest policy in Canada must have social legitimacy. That is, the system must have public support,

First Nations' support and stakeholders' support at local and regional levels.

- The system must be sufficiently flexible to accommodate changing economic circumstances and social preferences.
- Tenure arrangements must be transparent; understandable to all licensees and public employees and free of ambiguities. Particularly, they should be clear concerning the division of rights and responsibilities between licensees and the public sector.
- The system should rely, where possible, on incentives, both market and statutory, rather than broadly based regulations and penalties. Where regulations are necessary, compliance costs should be at a minimum commensurate with overall objectives.
- The system must be diverse. That is, it must provide licenses of different sizes and purposes that are held by a variety of industrial and non-industrial holders.



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While restructuring of BC's forest tenure system is clearly required, BC governments have not risen to the challenge.

The advantages of diversity are many. They include greater security for forest dependent regions that become less dependent on a small number of employers and a rise in the volume of timber produced by non-integrated firms thus strengthening regional, competitive stumpage and log markets. It also generates a more diverse flow of forest products as individuals, communities, First Nations and small and large companies will likely manage their licenses to meet a broad range of outcomes.

Major restructuring of British Columbia's forest tenure system is clearly required and many would say long overdue. However, fundamental institutional changes are difficult to implement and are fraught with political uncertainty for any government attempting them for the following reasons:

- There is no consensus on how the tenure system should be restructured.
- Different groups of stakeholders have very divergent opinions on the nature and direction of such reforms.
- Governments perceive, probably correctly, that the end result might be to please no one—a recipe for political disaster.
- Even if agreement on the nature of reforms could be reached, outcomes are difficult to predict and present considerable risk. Theories on the impacts of various tenure models abound but empirical evidence is difficult to find.
- Any restructuring of the province's forest tenure system would generate enormous opposition from those groups with vested interests in the status quo including large segments of the forest industry, both private and public sector unions and many of those public employees who manage forests and other related natural resources.

In spite of these many difficulties, I believe that the time for action is now. The forest sector is on its knees but could recover to become once again a vital component of British Columbia's economy and social fabric. Tenure reform that recognizes the social and economic realities of the 21st century should be regarded as an essential component of the recovery process. 🌱

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