



B.C. FORESTS IN CRISIS

A Community Call for Reform





BC FORESTS, OUR FUTURE.

A Community Dialogue



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“Public lands are no longer managed for the public good. The social contract is gone.”

Campbell River
participant

“The future for our forest industry is unclear - where are we going?”

Kamloops
participant

“We have to stop giving our products to everyone else to manufacture.”

Campbell River
participant

SUMMARY

For good reason, British Columbians are worried about the future of their forests. In the last 10 years more than 33,000 direct forest sector jobs have been lost more than 70 mills have closed. Families and communities across B.C. have been devastated. Deregulation and deep cuts to the B.C. Forest Service have eroded forest stewardship, causing a groundswell of alarm about the current and future health of our forests and a disturbing lack of public oversight in the woods.

In short, there is a crisis in B.C.’s forests.

This report summarizes the key issues and ideas discussed at community dialogues in four forest-dependent B.C. municipalities. The meetings were organized in early 2011 by the B.C. Government and Service Employees’ Union (BCGEU) to find out first-hand from local leaders how communities have been affected by the crisis in the forest sector and hear their ideas for restoring and enhancing our province’s most vital resource sector on behalf of all British Columbians.

The union also surveyed residents of the communities we visited, as well as front-line workers in the B.C. Forest Service, on key forest issues. The polling clearly showed a strong recognition of the importance of the forests sector to the health and well-being of the community, as well as a deep concern for the current state of the forests sector and the need to change course.

The recommendations in this report are based on what we heard through the polling and community dialogues.

We call on the government to act quickly to implement these recommendations to address the current crisis and ensure a vibrant, sustainable future for our forests, the families and communities that depend on them, and all British Columbians.

The meetings were organized in early 2011 by the BCGEU to find out first-hand from local leaders how communities have been affected by the crisis in the forest sector and hear their ideas for restoring and enhancing our province’s most vital resource sector.

Summary of Recommendations

Strengthen public oversight and accountability

Establish a public commission of inquiry on forests to provide an independent assessment of the state of B.C.'s forest sector and the effectiveness of our current laws and practices.

Recommit to good forest stewardship

Restore staff and funding to the B.C. Forest Service, and provide enhanced funding for key programs including compliance and enforcement, forest inventory, research and reforestation.

Reconnect communities with their forests

Review and reform B.C.'s forest tenure system to provide more local participation in managing local forestlands, and ensure communities benefit from their local resources.

Generate more value from B.C.'s forests

Implement strategies to support greater diversification and more value-added enterprises in B.C.'s forest sector, including tightening restrictions on raw log exports.

Together, these recommendations form a plan of action to address the current crisis and re-shape our forest sector to better serve the interests of all British Columbians. We call on the provincial government to implement these recommendations immediately.

“Forests should be the future for our kids, but right now, there’s no real future.”

Castlegar
participant

“There’s a redistribution of wealth happening—taking it away from workers and community and giving it to big companies.”

Prince George
participant

“We have an export mentality. We’re the most resource-rich jurisdiction. So why are we so poor?”

Kamloops
participant

INTRODUCTION

In the last decade, tens of thousands of forest sector jobs have been lost in B.C., and dozens of mills have closed. Families and communities across B.C. have been devastated by the industry's near total collapse. The mountain pine beetle epidemic has damaged millions of hectares of B.C. forests. And instead of strengthening forest stewardship, deregulation and deep cuts to the B.C. Forest Service have put our forests at even greater risk. In short, there is a crisis in B.C.'s forests.

In response, the BCGEU decided to reach out to local leaders in forest-dependent communities to hear first-hand how their communities have been affected by the crisis in the forest sector, and how the province can move forward to remedy it.

B.C. Forest Service workers, local citizens and community leaders shared common concerns about the management of B.C.'s forests. In all four dialogues, the participants said there is a pressing need to change course.

Between January and March 2011, the union held four day-long community dialogues in Castlegar, Campbell River, Kamloops, and Prince George. Over 130 people participated in the dialogues, including forest workers and forest professionals, leaders of local environmental and community groups, First Nations representatives, labour leaders, elected representatives and academics. The participants came together and engaged in frank, spirited and productive discussions about the key issues in B.C.'s forest sector and viable solutions for building a better future.

In addition to the community dialogues, the BCGEU commissioned a series of public opinion polls on forests issues in each of the four communities between December 2010 and March 2011. We also commissioned a poll of BCGEU members working for the Ministry of Forests and Range¹ on similar forest-related issues. A summary of the polls is included with this report.

Front-line BC Forest Service workers, local citizens and community leaders shared common concerns about the management of B.C.'s forests. In all four dialogues, the participants said there is a pressing need to change course. B.C.'s forests and the communities that depend on them desperately need our attention and our investment in order to ensure a vibrant and sustainable future for our province. This report summarizes both the issues and ideas we heard, and makes recommendations for action.

BACKGROUND

A Decade of Change in B.C. Forests

Almost two-thirds of British Columbia (nearly 60 million hectares) is forested land, nearly all of which is owned by the province. B.C.'s publicly-owned forest resources have always been a mainstay of its economy, fuelling the province's development for more than a century². Many B.C. communities are deeply connected to their forests, not just for their economic value, but also for their environmental, social and spiritual importance. For B.C.'s forest sector, the most recent decade has been a period of unprecedented change and upheaval.

¹ Key results from these polls are summarized in Appendix 1 of this report.

² B.C. Ministry of Forests Mines and Lands, The State of British Columbia's Forests Third Edition, 2010, p.1, http://www.for.gov.B.C..ca/hfp/sof/2010/SOF_2010_Web.pdf

A “New Era of Sustainable Forestry”: Market reforms, self-regulation

In the last 10 years, the government has implemented a host of reforms in the province’s forest sector. Together, these changes represent a fundamental policy shift that has transformed B.C.’s forest industry. The Forestry Revitalization Plan of 2003 introduced changes to the stumpage system and re-allocated 20 percent of the industry’s tenure. These changes introduced a more market-based system for setting the price paid to the provincial government for publicly-owned timber. Further economic deregulation was achieved by eliminating cut controls and utilization requirements which stipulated that all or most of the trees harvested at a logging operation be hauled to mill towns and used. As well, restrictions on tenure transfers and clauses that required logs to be processed locally (called appurtenancy) were removed.

The regulatory regime governing forest practices was also radically changed. The detailed, prescriptive standards of the Forest Practices Code were scrapped and replaced with the ‘results-based’ Forest and Range Practices Act (FRPA) in 2004. Under FRPA, industry was given control over its operations, and entrusted to achieve on-the-ground results with less government supervision. Industry was allowed to define its own ‘results’, as long as the results were consistent with general government objectives, and forest professionals would be relied upon to ensure sustainable practices (called “professional reliance”). British Columbians were assured that stiff penalties and rigorous enforcement of ‘results’ would ensure that forest companies adhered to high environmental standards in their forest practices.

Direct government involvement in on-the-ground forest management was seriously limited, and key levers to influence industry activities were removed.

These policy changes significantly reduced the role of government in the forest industry. Direct government involvement in on-the-ground forest management was seriously limited, and key levers to influence industry activities were removed.

Staff and funding cuts to B.C.’s Forest Service

Reducing the government’s role in the forest sector was also achieved through deep staff and funding cuts to B.C.’s Forest Service, the main agency responsible for managing, protecting and enhancing our forests. Since 2001, the Ministry of Forest’s budget has been slashed. Between 2008/09 and 2010/11, the ministry’s budget was cut by \$179 million or almost one-quarter³. And more cuts are planned. This year’s budget (2011/12) for the newly created Ministry of Forests, Lands and Natural Resource Operations reduces funding by another \$43 million over last year (2010/11)⁴.

In addition to budget cuts, more than 1,000 Forest Service staff have been eliminated. Over 20 Forest Service offices have been closed or downgraded, representing a full-fledged retreat from B.C. communities⁵. Compliance and enforcement staff have been seriously cut back, the ministry’s forest inventory program shrunk, and its research branch dismantled. Layoffs of administrative workers have added to workloads for professional staff. In less than a year, the ministry has undergone two major reorganizations which have created significant uncertainty and turmoil within the agency.

3 Ben Parfitt, Axed: A Decade of Cuts to B.C.’s Forest Service. Available at <http://www.policyalternatives.ca/axed>.

4 BC Ministry of Finance, Estimates- Fiscal Year Ending March 31, 2012 (Presented to the Legislative Assembly May 3, 2011). Available at http://www.bcbudget.gov.bc.ca/2011/estimates/2011_Estimates.pdf.

5 Ben Parfitt, Axed.

Overall, in the past decade, the once-proud Forest Service has been systematically stripped of its capacity to properly protect, manage, and conserve B.C.'s public forests.

A brighter future realized?

When the Forestry Revitalization Plan was introduced almost a decade ago, the provincial government promised a brighter future for B.C.'s forest sector. The government said "We are reshaping our forest sector to restore the B.C. advantage to our province's number one industry, both at home and abroad. These changes will help revitalize the economy, generate jobs and spin-off benefits for communities, and provide long-term contributions to our province's standard of living."⁶

Dialogue participants said the current policy framework is failing to ensure good stewardship of our forests, and is not meeting the needs or the aspirations of B.C. communities.

But, a bright future for our forests has clearly not materialized. Instead, the industry has been hit by the worst downturn in decades. Since 2001, more than 33,000 direct forest sector jobs have disappeared, and dozens of mills have permanently closed⁷. An estimated 14 million hectares of Interior forests, meanwhile, have been damaged by the mountain pine beetle, casting into question the ability of our forests to store maximum amounts of carbon and to assist the province in its efforts to combat climate change⁸.

Today, exports of B.C. wood products generate less than half the value that was realized in the late 1990s⁹. Revenue to the province has plummeted to just \$387 million in 2010 from \$1.3 billion in 2001¹⁰. B.C. families and communities have been devastated by

the industry's near total collapse.

The promised benefits of FRPA's 'results-based' code are also hard to discern. Innovative forest practices are still rare. Inspections by Forest Service compliance and enforcement officers are down by more than half over 10 years ago, clearly calling into question the government's commitment to enforcement made when the Act was first implemented¹¹. The province's independent forest watchdog, the Forest Practices Board, has criticized the legislation, pointing out that it does not provide adequate opportunity for public input, and a large proportion of the on-the-ground 'results' committed to by industry are not readily enforceable¹². Declining public oversight, weak regulations and evidence of serious forest health issues are fuelling public perceptions that B.C.'s forests are being mismanaged.

COMMUNITY RESPONSE

The discussions in the four communities confirmed there are major problems in B.C.'s forests today. Dialogue participants said the current policy framework is failing to ensure good stewardship of our forests, and is not meeting the needs or the aspirations of B.C. communities.

6 B.C. Ministry of Forests, The Forestry Revitalization Plan, <http://www.for.gov.bc.ca/mof/plan/frp/summary.pdf>.

7 B.C. Stats, British Columbia Employment by Detailed Industry, Annual Averages 1987-2010, Available at <http://www.B.C.stats.gov.B.C..ca/data/dd/handout/naicsann.xls>.

8 B.C. Ministry of Forests Mines and Lands, The State of British Columbia's Forests Third Edition, 2010, p.4-5, http://www.for.gov.B.C..ca/hfp/sof/2010/SOF_2010_Web.pdf

9 B.C. Stats, BC Origin Exports. Available at http://www.bcstats.gov.bc.ca/pubs/exp/exp_ann.xls.

10 B.C. Ministry of Finance, Budget Estimates 2004, 2007 and 2010, First Quarterly Report September 2010. (Unadjusted estimates). Available at <http://www.fin.gov.bc.ca/pubs.htm>.

11 B.C. Ministry of Forests and Range, Ministry of Forests Compliance and Enforcement Program Annual Reports, 2000-01 to 2008-09. Available at <http://www.for.gov.bc.ca/hen/reports/index.htm>.

12 Forest Practices Board, A Review of the Early Forest Stewardship Plans Under FRPA (Special Report), May 2006, Available at <http://www.fpb.gov.bc.ca/publications.aspx?id=2712> and Board Bulletin Volume 3- Opportunity for Public Consultation Under the Forest and Range Practices Act. Available at <http://www.fpb.gov.bc.ca/Bulletins.htm>.

Overall, a clear emerged of a pressing need for change in the way our forests are managed. Serious issues were identified, and participants offered many constructive, forward-looking ideas aimed at achieving a vibrant and sustainable future for B.C.'s forests. Following is a synthesis of key points made by community members.

COMMUNITY ISSUES

The bright future hasn't arrived: B.C.'s forest communities are struggling.

Community leaders emphasized the significant and ongoing impacts in their communities as families and local authorities grapple with the effects of forest industry restructuring. Instead of enjoying the bright future promised by the government's Revitalization Plan, ordinary British Columbians in the province's forestry towns are struggling with a widespread loss of steady, family-supporting jobs.

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In all of the communities visited, participants talked about how their families had been hurt by forest job losses, both in the private and public sectors. Many families have been forced to move, or family members separated, as former mill workers and loggers sought work outside of their home communities, often in faraway northern B.C. or Alberta.

The strain of coping with unemployment, career changes and family separations has had real consequences for families and their communities. In Campbell River, for instance,

dialogue participants reported their community is facing unprecedented demands on social services related to poverty, addiction, crime and domestic violence.

At the same time, local governments are struggling to find the funds and develop the capacity to keep their communities afloat in the face of a radically diminished forest industry presence. Widespread mill closures have shrunk the industrial tax base, creating significant revenue pressures for forest-dependent municipalities. Many city councils have reduced property taxes for heavy industry in the hope that their mill will continue to operate, or as a result of intense pressure from industry.

For example, we heard that in the past two years, major forest companies in both Castlegar and Campbell River have refused to pay their taxes and demanded concessions from the municipality.

"Forests should be the future for our kids, but right now, there's no real future."

Castlegar
participant

"In Campbell River, we've seen a six-fold increase in demand for services—from addictions to food banks, crime, family violence, increased grow ops, increased use of the needle exchange."

Campbell River
participant

"On Northern Vancouver Island, people are leaving the region. We don't have a thriving population. All our young demographic is leaving."

Campbell River
participant

“Lots of young men now work outside of the community in the oil patch. They may like the money, but they don’t like being away from their families.”

Campbell River participant

“The job I just lost was because of the situation in the forest industry.”

Kamloops community poll respondent

“In the past, local issues were hashed out at local tables, but that’s not happening anymore. The land use plan in my area is defunct, and there’s no new planning. Things keep going forward without any opportunity to participate in decision-making.”

Kamloops participant

“We’re limited in the products we produce—we’re just a two-by-four, pulp-making province.”

Prince George participant

Faced with an industry tax revolt, both cities agreed to reduce property taxes for major industry. Small forest communities are now faced with hard choices between service cuts and increasing taxes for residents and small businesses at a time when they can least afford it.

Forest communities feel their interests have been sidelined.

Local leaders were particularly frustrated with recent policy changes that have freed industry from obligations to the local area where they harvest timber.

Forest companies can now buy, sell and divide tenure rights to public forests, regardless of the impact on the local community. There is no longer any requirement to process timber locally, and both cut controls and utilization requirements (which stipulated that all or most of the trees harvested at a logging operation be hauled away to mill towns and used) have been eliminated.

Companies have closed local mills rather than invest in them. Ownership has become more concentrated, work is less predictable and residents watch as logs are trucked out of the country to be processed.

Many dialogue participants felt these changes have exacerbated the impact of industry restructuring on forest dependent communities in B.C. Companies have closed local mills rather than invest in them. Ownership has become more concentrated, work is less predictable and residents now watch as logs are trucked out of the area or out of country to be processed.

Communities feel they have little voice in local forest matters.

“Access to public information on public forest lands is being severely eroded. We cannot get information on cut block plans, development planning, compliance reports and so on.”

Castlegar participant

Dialogue participants said public involvement in land use planning and forest management decision-making has declined significantly. Many local land use plans are out of date or not well monitored. Plans for logging operations are hard to get. The requirements for tenure holders to notify and consult with the public about stewardship and harvesting plans were reduced under the Forest and Range Practices Act. Consequently, opportunities for public involvement and consultation in forest resource management planning are extremely limited.

In addition, with the closure of local Forest Service offices, amalgamation of forest districts and reduced decision-making powers of Forest Service officials, local input into local forest management decisions is even more circumscribed.

Too little value is generated from local forest resources.

Community leaders expressed deep frustration with the ongoing failure of both industry and government to leverage forest resources to generate the greatest possible value for local communities. Many participants felt that rather than encouraging value-added operations, government policy has emphasized the export of unprocessed or minimally processed raw materials.

The thousands of job losses, ongoing raw log exports and increasing wood waste were cited as clear indications the government is failing to set the conditions that will generate maximum value from our forest resources.

Participants were also concerned about generating fair value for the public from our forests, saying ongoing low stumpage rates (the fees paid to the provincial government for harvesting provincially owned timber) limits revenue to the provincial government, amounting to the province 'giving away' a valuable public resource.

Community members said the forest policy changes of the past decade have not served the interests of their communities well. Without any real policy levers left to regulate industry, and few opportunities for public input, communities are left feeling both powerless and voiceless.

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As well, oversight of log volumes and values by trained government officials called scalers is declining as Forest Service staff have been laid off.

Participants worried that a lack of public oversight will open the door to more abuse of the system, leaving the public with little guarantee it is receiving fair value for its timber.

In summary, community members said the forest policy changes of the past decade have not served the interests of their communities well.

Without any real policy levers left to regulate industry, and few opportuni-

"[forest companies] invested in the States instead of here. They send the raw logs back to have them milled. What are we doing wrong, when we can't deliver the product ourselves?"

Campbell River participant

"We're not getting value for our forests. The stumpage is too low, and that leads to increased waste and high grading [taking the most valuable trees without regard for the remaining stand]."

Kamloops participant

"Most tenure is currently held by private interests, with profits sent out of country, instead of being invested back into B.C. jobs and value-added milling infrastructure."

Campbell River participant

“We need oversight and it’s not there. We didn’t elect them to give away our province and that’s what they’re doing.”

Campbell River
participant

“We’ve noticed the decrease in C&E [compliance and enforcement] staff, and that there are fewer checks. Residents in my area are concerned.”

Campbell River
participant

“It’s a serious issue that we don’t really know what the inventory is and how much needs to be planted.”

Kamloops
participant

“Whenever cuts came, silviculture was always the first to get cut, because it was purely an expense. Timber sales produce revenue in the short-term; but without reforestation, we’re cutting off future revenue.”

Prince George
participant

FOREST STEWARDSHIP ISSUES

In the communities we visited, serious concerns were also raised about the adequacy of forest management in B.C. today.

A lack of public oversight.

At all four of the dialogues, participants said public oversight over B.C.’s forests has declined precipitously. Participants repeatedly pointed to a lack of adequate monitoring and enforcement in local forests, and said staff and funding cuts in the Ministry of Forests have eroded the capacity for proper enforcement.

In short, there are too few ‘eyes and ears’ in our forests. Compliance and enforcement officers attending the meetings confirmed they spend far less time in the field than in the past, even though with fewer staff they are each responsible for a much larger land area.

Out-of-date forest inventory.

A central issue for dialogue participants was the lack of up-to-date forest inventory information. Forest inventories are an assessment of how many trees and other plant life are found in our forests and are a critical building block for sustainable forest management.

A number of participants said government is irresponsibly risking one of our most valuable resources since, without a proper inventory, important forest management decisions are being made without good information about the state of our forests.

Inadequate investment in reforestation.

Dialogue participants identified the pressing need to invest in reforestation as a key issue. Together, the mountain pine beetle attack and massive forest fires have created a need for reforestation of millions of hectares of provincial forestland. But the provincial government has yet to take serious action to address the problem.

Commitment to forest research eroded.

Participants were very worried about the province’s lack of response to climate change and its effects on B.C. forests. Besides the pine beetle and increased forest fire risk, more climate change-related impacts are expected. Yet, government is investing less in research and fewer resources are available for monitoring our forests.

Timber-centric forest legislation ignores important forest values.

Participants in all four community dialogues expressed concern that current forest management legislation makes timber the central priority, while other important forest values such as soil quality, biodiversity, wildlife, recreation resources, and especially water, are not adequately managed and protected. Participants felt that a new, more integrated framework is needed, so that a better balance can be achieved among the many important forest values and the impacts of activities on the land base can be better managed.

The deregulated, “results-based” approach to forest management needs fixing.

Many of the comments expressed in the dialogues relate to the current legislative forestry framework in B.C. Changes made in the past decade have provided greater control to industry by shifting to a “results-based” regime. Industry is allowed to define its own ‘results’, as long as they are consistent with general government objectives, and forest professionals are relied upon to ensure sustainable practices.

Participants pointed out numerous problems with the current framework for forest management. There is concern that public officials have little power to adjust plans to fit local conditions or to establish a higher standard for forest practices.

When the legislation was introduced, the government promised tough enforcement of results. At the dialogues, however, participants pointed out numerous problems with the current framework for forest management. There is concern that public officials have little power to adjust plans to fit local conditions or to establish a higher standard for forest practices.

Many participants felt these changes give too much leeway to forest companies and do not provide enough public oversight of forest practices. Instead, the focus on ‘results’ puts

forest resources at risk, since enforcement occurs after-the-fact, rather than before environmental damage is allowed to occur.

Some participants felt the promised rigorous enforcement is not happening, and many of the ‘results’ proposed by industry are difficult—if not impossible—to enforce. Some participants said plans for forests are often written in ‘legalese’, and serve to insulate companies from liability for their actions. Participants also pointed to the tension created between forest professionals and their employers as a result of the professional reliance system. The concern is since the interests of forest professionals are aligned

“Right now in the ministry there’s no ability to maintain current research and give opportunities for young researchers to do studies.”

Castlegar participant

“We focus on fibre production as opposed to all other values, of which there are a heck of a lot more. And that view is extremely harmful.”

Prince George participant

“Government has completely given up its role. The Forest Service no longer has any say about what the companies do. The government has completely given up its mandate. ‘Results-based’ means a low-cost approach is driving everything.”

Prince George participant

“Professional reliance is a problem. Licensed forest professionals want to be managing sustainably. That’s what they’re trained to do. But they’re hired by timber companies whose only criterion is to make money.”

Campbell Rive
participant

“Currently Forestry [Ministry of Forests] doesn’t have the ability or the mandate to do what needs to be done.”

Prince George
participant

“The Forest Service has a lack of staff to properly manage and oversee the forest sector.”

Campbell River
participant

“We need a government that will look out for the environment and the interests of citizens not just big business.”

Castlegar
participant

with their employers, they may have strong incentives to emphasize only minimum standards and the lowest-cost approach, rather than push for the highest standards in forest practices.

Resource management is uncoordinated and under-resourced.

“[As a First Nation] we get 500 to 800 referrals for proposed developments each year. It’s crazy. You’re led to believe that by diversifying you’re going to have a sustainable economy. But it’s difficult to believe if you look at the cumulative impacts of all those developments (or proposed developments). Look at how all of this can affect just one resource—water. Who’s monitoring? The reality is that nobody’s in charge.” Prince George participant

Dialogue participants expressed concern about the cumulative impacts of all of the different activities that occur in B.C.’s forests, and a lack of a coordinated assessment and response by the provincial government. Even with the recent reorganization of the ‘dirt ministries’, several different ministries deal with different natural resources, and different legislation applies to forestry, mining, and oil and gas developments. At the same time, dialogue participants recognized the agencies that are responsible for managing our natural resources do not currently have the resources they need to effectively provide oversight and ensure sustainability.

EXPLORING SOLUTIONS: A COMMUNITY VISION FOR B.C. FORESTS

In the communities we visited, local leaders welcomed the opportunity to come together to discuss the issues in B.C.’s forests. Throughout the sessions, it was made abundantly clear that although the current system is not working, leaders in forest communities are committed to finding a way forward and creating positive change for both forests and their communities. Many specific policy changes were proposed by meeting participants—changes they believed would contribute to a revitalized and more sustainable forest sector. The following section summarizes the key ideas for change that were put forward.

Public oversight and accountability

There was much discussion about the need to enhance public oversight of activities on B.C.’s forestlands. Many participants felt that more Forest Service staff and resources should be provided to carry out monitoring and enforcement. Another proposal was to decentralize the operations of the Ministry of Forests, creating more smaller offices closely connected to the land base.

Beyond adding more staff or changing the ministry's organization, community members felt changes to current forest management legislation are needed to facilitate better public oversight and accountability. A key suggestion was to re-establish clear and readily enforceable standards for forest practices that apply to both public and private forestland, so industry and government are held accountable for their actions. As well, participants said the requirements for public consultation and the provision of information to the public must be expanded.

There was broad support among dialogue participants for an independent public commission of inquiry to examine and make recommendations to revitalize B.C.'s forest sector.

There was broad support among dialogue participants for an independent public commission of inquiry to examine and make recommendations to revitalize B.C.'s forest sector. Participants felt a commission would kick-start a public debate on B.C.'s forests and provide an opportunity for public involvement in the issues.

Most importantly, a public commission would enhance public accountability by offering a considered, independent assessment of the state

of B.C.'s forest sector and the effectiveness of our province's current forest laws and management system.

Forest Stewardship — A New Approach

In all of the communities we visited, dialogue participants told us a new approach to our forests is needed. Many said B.C.'s timber-centric forest legislation needs to be changed so that a better balance can be found among multiple forest values. Participants particularly highlighted the protection of water resources.

As well, there was support for changes to both administration and legislation to better integrate the management of resources, so that the cumulative impacts of different activities on the land base can be addressed, and long term sustainability achieved.

Reinvesting in forest management

There was broad agreement among dialogue participants for more public investment to ensure our forests are sustainably managed. They said government should provide immediate funding to ensure proper, up-to-date forest inventory information is available for the entire province.

Participants identified forest research as another priority area for

“Government should change regulations to ensure adequate monitoring and enforcement, making sure there are enough staff to carry out this function.”

Castlegar
participant

“We should be solidifying goals through a commission that focuses us on where we should go. A commission creates awareness and broadens the base that puts pressure on government.”

Campbell River
participant

“At a societal level... we need to identify what the goal is. Do we want fibre, carbon storage, cooling habitat, clean air, water? I don't think this government has a vision... without that vision, we end up with an uncoordinated mess.”

Prince George
participant

“We need to tie access to forest and timber licences to a responsibility to ensure that a clean environment is created—that the water is left clean, that the air is not unduly polluted, and that our forests are healthy and properly support the wildlife and plants that depend on it for survival.”

Castlegar participant

“Local governments must have say in these lands so they fit in to what the communities need. We need to give some control back to local governments.”

Campbell River participant

“We need to link resources to communities. Not necessarily a return to the old rules of appurtenancy, but something that links the allocation of resources to community well-being.”

Campbell River participant

investment, saying generating more knowledge about our forests is critical to developing a realistic vision and to support their long-term health and sustainability.

Participants also emphasized the need to fund greatly expanded reforestation efforts. Those in the B.C. Interior said increasing resources to mitigate the risk of forest fires is important. And participants at all four dialogues believed the B.C. Forest Service should be adequately staffed and funded in order to effectively carry out its stewardship responsibilities.

Communities and their forests

Dialogue participants were adamant local B.C. communities should have more control over their local forests and suggested a wide range of proposals to facilitate an expanded role for communities in their forests.

Many participants said the expansion of community forests and other smaller area-based tenures is desirable, and would serve to enhance local control.

Participants in all four dialogues said the management of local watersheds should be in the hands of local authorities. Another idea included establishing a revenue-sharing scheme so that communities have access to a portion of the public revenue from local forests .

Several participants supported moving to a new form of local, democratic governance, where elected community boards are tasked with managing forests in their area.

There was significant support for implementing processes to include a broader segment of the public in decisions about how resources are managed. An important and common proposal was to reinstate appurtenancy, so that access to timber would again carry an obligation for companies to process wood locally.

There was broad agreement that significant tenure reform is needed to address the disconnect between communities and their forests, along with a number of other issues identified in the dialogues. Many participants said the expansion of community forests and other smaller area-based tenures is desirable, and would serve to enhance local control.

Value-added and diversification

Participants said government needs to take concrete action to effectively generate more value from our forests. Many said tight

restrictions on log exports would push companies to invest in local manufacturing. It was suggested that reforming the stumpage system could encourage more valued-added manufacturing and generate more revenue for the provincial government.

For example: Stumpage could be shifted from the stump to the end product, with much higher fees for unprocessed log exports and lower fees for wood used to make finished goods here in B.C. Other proposals included using tax credits and other creative incentives to encourage investment in value-added operations.

Participants talked about getting more economic value from our forests by exploring new opportunities, including bio-fuels, bio-products, wood pellets, or other strategies for using waste wood. Participants suggested promotional campaigns to encourage consumers to use wood and buy local wood products would be worthwhile.

Participants said reforming B.C.'s forest tenure system could help reshape the industry in a way that creates the most value for B.C. communities. For example: Granting new tenures to high-value, high-job creating operations could help to reinvigorate the forest industry in some communities.

While the dialogues focused on ways to reshape and revitalize B.C.'s forest sector, participants also said greater diversification is necessary for forest communities to be more stable and sustainable. They said government should provide the resources and support communities to develop and implement economic diversification strategies.

While the dialogues focused on ways to reshape and revitalize B.C.'s forest sector, participants also said greater diversification is necessary for forest communities to be more stable and sustainable.

"The revenue that gets generated in the heartland always gets directed to general revenue. A certain percentage should always stay in the basin that generated it."

Kamloops participant

"With so much waste wood in the forest due to changes in reporting, monitoring and stumpage, we need to find ways to better utilize the wood."

Castlegar participant

"Forest companies have to start getting more innovative. China is taking more of our wood, but they're buying our low-value commodity lumber and then re-manufacturing it. We need to add value. We're not an innovative industry. We do some stuff well, but there's a lot of missed opportunity."

Kamloops participant

RECOMMENDATIONS

Through spirited and productive discussion, dialogue participants told us that the deregulation and disinvestment of the past decade is not working for their forests or their communities. But despite their frustration and deep concerns, the people we met believe it is possible to create a vibrant and sustainable future for B.C.'s forests.

Like other British Columbians, these local community leaders want a forest sector that benefits communities and ensures the good stewardship of our publicly-owned forest resources. Based on what we heard in the community dialogues, polls we conducted in four forest communities, and what our own union members working in the forest sector have told us, we make the following recommendations:

Strengthen public oversight and accountability

In recent years, public oversight of B.C. forests has declined precipitously. There needs to be public accountability for the clear shortcomings in the management of our forest sector over the past decade. Government should undertake the following measures to enhance public oversight and accountability in B.C.'s forests:

- Establish a formal provincial commission of inquiry on forests. A commission can offer an independent assessment of the state of B.C.'s forests and recommend needed changes.
- Review and change current forest legislation to:
 - o require more public consultation in forest planning
 - o enhance requirements for public information disclosure by government and industry;
 - o ensure requirements for forest practices are clear and readily enforceable;
 - o allow for more proactive oversight of industry activities by forest officials.
- Increase field inspections and effective compliance and enforcement by restoring staff and funding to the Ministry of Forest's compliance and enforcement program to pre-2001 levels.

Recommit to good forest stewardship

Today, widespread and growing concerns about forest health, climate change impacts, water quality, and the adequacy of our future timber supply make it clear that the provincial government's strategy of disinvestment and deregulation over the past decade is not working. The government must make a stronger commitment to sustainable management of our forest resources through the following actions:

- Implement a balanced, integrated approach to forest management:
 - o Establish a clear and transparent decision-making land use process by implementing a comprehensive land management framework that is informed by public input, including Aboriginal peoples.
 - o Review and change legislation to provide better balance among multiple forest values.

- Reinvest in the good stewardship of our forests. Key actions include:
 - o Increase funding and restore staff levels within B.C.'s Forest Service to pre-2001 levels — providing adequate resources to manage the full range of forest values, conduct research, ensure effective public oversight, and support the development of a vibrant, sustainable forest industry.
 - o Immediately increase funding for forest inventories, to complete a comprehensive forest inventory for the entire province.
 - o Restore staff and enhance funding for the Ministry of Forest's research branch.
 - o Increase funding to mitigate the risk of forest fires in B.C. communities.
 - o Make a significant, long-term investment in expanded reforestation of public forest lands.

Reconnect communities with their forests

B.C.'s forest communities have expressed a desire to play a greater role in their local forest lands, and the government should facilitate more local control. Government should:

- Review and reform B.C.'s forest tenure system to allow local communities to participate in decision-making about the management of local forestlands.
- Grant communities control over the management of their watersheds.
- Implement a revenue-sharing framework to provide local governments access to a portion of the public revenue from local forests.
- Reinstate appurtenancy, to ensure that access to timber carries an obligation for companies to process wood locally.

Generate more value from B.C.'s forests

B.C.'s forest sector relies heavily on low-cost commodity exports. This strategy has shaped a boom-and-bust industry that is vulnerable to external factors like currency fluctuations and trade barriers, and that produces much less economic activity for its wood compared to other countries. It is time for the government to reshape the industry to create more value for British Columbians from their forest resources. To do this, the government should:

- Tighten restrictions on raw log exports.
- Change the stumpage system to increase public revenue and provide incentives for local, higher-value manufacturing.
- Implement tax credits for companies that make investments in value-added and next-generation forest products.
- Grant tenures to companies that have clear proposals to add more value to the timber they harvest.
- Improve resource utilization by implementing policies to reduce waste and explore new opportunities for bio-products.
- Provide resources for forest dependent communities to develop and implement economic diversification strategies.

CONCLUSION

Dialogue participants clearly stated that deregulation and disinvestment isn't working for their forests or their communities. There is a crisis in B.C. forests. A handful of recent mill openings and increased raw log exports to Asia do not come close to offsetting the massive job losses and widespread mill closures that have devastated B.C. communities in recent years.

A groundswell of alarm is emerging about the health of B.C.'s forests, and the lack of public oversight in the woods. British Columbians – the owners of these incredibly valuable and precious forest resources -- deserve better.

The recommendations in this report reflect the first-hand experience of B.C.'s forest communities, and a keen desire to create a vibrant, sustainable forest industry that provides lasting benefits for British Columbians.

Together, these recommendations form a plan of action to address the crisis in B.C.'s forests, to re-shape our forest sector to better serve the interests of British Columbians. We call on the provincial government to implement these recommendations immediately.

Appendix 1: Summary of Key Polling Results

Families have been hit hard by the recent recession and downturn in the forest sector, and many are very worried about more job losses in the future.				
<i>Have you or anyone in your household or in your family who lives in this community or nearby lost their job or had their hours reduced during the past two years?</i>				
	Yes, job loss	No		
Castlegar	50%	50%		
Campbell River	52%	48%		
Courtenay/ Comox	39%	61%		
Kamloops	45%	53%		
Prince George	44%	54%		
<i>How concerned are you that you or some member of either your household or your family who lives in this or a nearby community will lose their job in the next year or so- very concerned, somewhat concerned, or not concerned at all?</i>				
	Very concerned	Somewhat concerned	"Concerned" Total	Not at all concerned
Castlegar	21%	34%	55%	44%
Campbell River	20%	27%	47%	52%
Courtenay/ Comox	16%	27%	43%	57%
Kamloops	16%	33%	49%	50%
Prince George	16%	36%	52%	47%
Residents of the communities we surveyed recognize the central importance of the forest industry to the economic well-being of their community, whether they work directly in the industry or not.				
<i>How important to the economic well-being of this community would you say is the forestry industry- critically important, somewhat important, or not that important?</i>				
	Critically important	Somewhat important	"Important" Total	Not that important
Castlegar	79%	20%	99%	1%
Campbell River	64%	32%	86%	4%
Courtenay/ Comox	38%	42%	80%	17%
Kamloops	48%	47%	95%	5%
Prince George	78%	21%	89%	1%
<i>Even though I don't work directly in the industry, my livelihood is significantly impacted by the health and well-being of the industry.</i>				
	Agree	Disagree		
Castlegar	80%	18%		
Campbell River	76%	23%		
Courtenay/ Comox	54%	41%		
Kamloops	79%	20%		
Prince George	91%	9%		

Most respondents were aware of layoffs in the Ministry of Forests (MoF), and of those that knew about the cuts, the vast majority thought they were bad idea.

From what you understand, has the BC Liberal Government laid off technical, scientific and professional workers of the Forest Service?

	Yes	No	Not Sure
Castlegar	66%	3%	31%
Campbell River	52%	2%	45%
Courtenay/ Comox	54%	8%	38%
Kamloops	56%	7%	36%
Prince George	51%	9%	39%

Do you think that is a very good idea, a somewhat good idea, a somewhat bad idea or a very bad idea?

	Very good idea	Somewhat good idea	Somewhat bad idea	Very bad idea	"Bad Idea" Total
Castlegar	2%	5%	36%	55%	91%
Campbell River	0%	8%	31%	61%	92%
Courtenay/ Comox	1%	11%	29%	55%	84%
Kamloops	2%	13%	30%	53%	83%
Prince George	1%	10%	39%	46%	85%

Both community residents and MoF workers think that staff and funding cuts over the past decade have so damaged the Forests Ministry that it is no longer able to meet its mandate to protect and enhance our forests.

Have there already been any cutbacks in personnel or staff in providing the services in the specific field where you currently work?

	Yes	No	Not Sure
MoF workers	65%	32%	3%

Have any of those cutbacks negatively affected any functions or the quality of services provided by the Forest Service?

	Yes	No	Not Sure
MoF workers	88%	8%	5%

The BC Liberals have gutted the Forest Service by slashing funding, deregulating, and eliminating over 1,000 forestry workers' jobs. The result is a hollowed-out ministry that is no longer able to properly fulfill its mandate to protect and enhance BC's forests.

	Agree	Disagree
MoF workers	87%	9%
Castlegar	79%	13%
Campbell River	81%	15%
Courtenay/ Comox	66%	19%
Kamloops	73%	17%
Prince George	67%	20%

An overwhelming majority of community residents acknowledge the need for good regulation and public oversight of the forest industry by the people who work for BC's Forest Service.

We don't need that much regulation and oversight of the forest industry by the people who work for the BC Forest Service. We can basically trust the timber companies to harvest timber in a sound and sustainable way on their own.

	Agree a lot	Agree a little	Disagree a little	Disagree a lot	Agree-Disagree
Castlegar	5%	12%	20%	60%	17-80
Campbell River	5%	14%	14%	66%	19-80
Courtenay/ Comox	3%	9%	18%	69%	12- 85
Kamloops	7%	9%	17%	66%	16-83
Prince George	4%	9%	28%	57%	13-85

A huge majority of both community members and MoF workers polled support more public investment in the forest sector.

Rather than cutting jobs and services, government should be investing in our forests sector through enhanced reforestation and other initiatives to create a sustainable green economy.

	Agree	Disagree
MoF workers	95%	4%
Castlegar residents	94%	4%
Campbell River	89%	8%
Courtenay/ Comox	84%	5%
Kamloops	93%	6%
Prince George	93%	6%

Poll Information

The Prince George survey was conducted by Stratcom Strategic Communications. The results were gathered between Feb 23 – 27, 2011. 214 people were polled. The margin of error is +/- 6.7%, 19 times out of 20.

The North Vancouver Island survey was conducted by Stratcom Strategic Communications. The results were gathered between Feb 2 – 7, 2011. 202 people were polled. The margin of error is +/- 4.8%, 19 times out of 20.

The Castlegar poll took place late in 2010 and into the first week of January 2011. The sample size was 200. The margin of error is +/- 6.9%, 19 times out of 20.

The Kamloops survey was conducted by Stratcom Strategic Communications. The results were gathered between Feb 21 and 23, 2011. 201 people were polled. The margin of error is +/- 6.9%, 19 times out of 20.

