



CCPA
CANADIAN CENTRE
for POLICY ALTERNATIVES
BC Office

CCPA Submission to Consultation on BC Area-Based Forest Tenures

BY SETH KLEIN

May 26, 2014

Attention: Jim Snetsinger, BC consultation on forest tenures

Dear Mr. Snetsinger,

I am pleased to offer this submission to your consultation, on behalf of the BC office of the Canadian Centre for Policy Alternatives.

As you are no doubt aware, our resource policy analyst, Ben Parfitt, has made a number of thoughtful public interventions on the issue under consideration by your review. He has raised a number of concerns about the risks of shifting volume-based forest licences to expanded area-based Tree Farm Licences (TFLs). Indeed, I believe his interventions helped to prompt your consultation.

I wish to make sure Ben's pieces (some of which have been co-authored with Aboriginal leaders) are all received and considered by your consultation. You can find all six of them at the following links:

<https://www.policyalternatives.ca/publications/commentary/bc-government-should-heed-call-consult-forestry-changes>

<https://www.policyalternatives.ca/publications/commentary/open-letter-calling-public-consultation-changes-tree-farm-licences>

<https://www.policyalternatives.ca/publications/commentary/proposed-forest-policy-leaves-first-nations-bereft>

<https://www.policyalternatives.ca/publications/commentary/windfall-bcs-five-biggest-forest-companies>

<https://www.policyalternatives.ca/publications/commentary/bc-forest-bill-urgently-need-rewrite>

<https://www.policyalternatives.ca/publications/commentary/planning-bc-forest-giveaway>

An outstanding concern we have with the current consultation process is that it appears unlikely to adequately address the disparities in the size and number of TFLs held by corporate interests versus First Nations. Currently, the vast majority of licences held by First Nations are non-renewable, and many of them are tied to what amount to one-time only opportunities to harvest lodgepole pine trees killed by the mountain pine beetle.

A socially and environmentally responsible framework for allocating new tree farm licences should be a top priority. Such a framework should clearly spell out the totality of forest tenures held by First Nations and address the question of what, exactly, are the true prospects for First Nations to increase their role in forest management after the non-renewable portion of their holdings are taken out of the equation.

As you know, most non-renewable forest licences or tenures held by First Nations (and others) were awarded as one-time only opportunities to harvest dead pine trees killed by mountain pine beetles, and/or they were issued as an initial means of providing more economic opportunities to First Nations to benefit from forest resources. These agreements were known as Forest and Range Agreements (or FRAs), which later became FROs. The government has known for some time that these temporary tenures had drawbacks in that they did not provide viable economic opportunities for First Nations in the short term or long term and were not designed to promote ecologically sustainable forest stewardship over defined areas of forest.

Given evidence that there is a significant timber supply shortfall on the horizon, particularly in the Interior, a prudent and necessary first step before any new TFLs are awarded would be for the government to commit to a thorough and rapid re-examination of all forest resources. At present, many forest inventories in many timber supply areas are well out of date. During that process all existing non-renewable licences should be wrapped up. Only after these two things are done, should the government then present the public with a clear framework for how it intends to provide more area-based forest tenures to First Nations and others. There must also be a commitment to ensure that any new TFLs awarded are of a sufficient enough size that they can provide for sound, community-based job opportunities and ensure ecologically sustainable forest management.

While we are pleased that the government has seen fit to hold this consultation, and has asked you to lead it, we are concerned by the narrow terms of reference. Specifically, you have been asked to consider the “social, economic and environmental benefits that should be sought from proponents through conversions” (my emphasis), but it is not clear whether you are to give equal consideration to the costs, risks and opportunity costs of such conversions.

As you have seen from the open letter signed by our office and others, and Ben’s other interventions, we hope that overly narrow terms of reference will not leave unanswered vital questions such as:

- What is the government's vision for our forests—particularly in light of climate change—and are those future plans/needs compatible with an expansion of area-based TFLs?
- What public benefits and forest management objectives is the government attempting to achieve by enabling more TFLs?
- How might conversions to more TFLs increase the costs of treaty settlements with First Nations (and perhaps serve to place such agreements out of reach)?
- Similarly, once a TFL is granted, would the compensation cost of taking back such licenses in the future become prohibitively expensive, thereby ruling out future policy reforms that the province and public may wish to enact to meet various climate, economic or social needs?
- As TFLs become tradable or sellable assets, will economic, social or environmental obligations associated with these licenses be maintained (such as a commitment to local processing or other value-added activities)?

As these questions make clear, the issue before you must be entertained with great care.

Lastly, in various statements on why it is interested in seeing more area-based forest tenures established in the province, the government has indicated that it believes more TFLs would result in improved forest management and would blunt the worst effects of the looming timber supply crisis in the Interior brought on by the mountain pine beetle infestation.

It is far from clear on what basis the government has reached this conclusion. But if indeed government believes that higher management standards do apply or ought to apply on TFLs, then the public deserves to know what those higher standards are and they ought to be embedded as requirements in the licences themselves.

Such requirements should be developed in consultation with all interested stakeholders, as the licences pertain to public forests. The requirements should also include clear, unambiguous language indicating that failure to meet the requirements will result in licence holders losing their licences.

Additionally, in any newly issued TFLs, the government should consider embedding requirements that logs harvested from such tenures must be processed at a manufacturing facility somewhere in the province—not necessarily a mill in a specific community, but at a mill somewhere in the province (or within the region). This will go some way toward ensuring that greater social and economic benefits flow to British Columbians from a resource that remains publicly-owned.

Thank you for taking these issues into consideration. Good luck with your deliberations.

Sincerely,

Seth Klein
BC Director, Canadian Centre for Policy Alternatives