



Coast Revitalization Initiative

BC Community Forest Association Submission

August 28, 2018

Introduction

The BC Community Forest Association (BCCFA) is pleased to participate in discussions concerning forest policy and the revitalization of the coastal forest sector. Community forest agreements (CFA), and other community-based tenures - First Nations woodlands licenses and woodlot licences, are important tools in the toolbox.

The BC Community Forest Association is a network of rural community-based organizations engaged in community forest management, and those seeking to establish new community forests. We represent over 90 rural and Indigenous communities across our province. We share a vision of a network of diverse community forest initiatives, where local people practice ecologically responsible forest management in perpetuity, fostering and supporting healthy and vibrant rural communities and economies.

Consistent with the BCCFA's contributions to BC's Rural Development Engagement and the Flood and Wildfire Review, we recommend an expansion in the number and size of community-based tenures around rural and Indigenous communities to help achieve the BC Government's objectives. In addition, we would like to share the community forest perspective on log exports, improved forest inventory, and the importance of tabular rates.

We support the province's objectives, as stated during the meeting convened on June 26th, to:

- Increase domestic manufacturing and remanufacturing;
- Ensure that market forces and competition prevail;
- Restore the social contract and public confidence;
- Ensure a broad diversity of tenure and manufacturing; and
- Increase participation and equity ownership in facilities by First Nations.

There are currently 15 community forests on the Coast. They are all unique, ranging in size from 361 ha to 160,212 ha with AACs from 860 m³ to 115,146 m³. The average AAC is 26,000 m³. Sixty-seven percent of these community forest agreements are held by First Nations or a partnership with a First Nation. While the BCCFA's purpose is to promote community forestry, we see the benefit of an integrated mosaic of forest tenures on the landbase, including all community-based, area-based tenures.

The BCCFA offers the following recommendations to the Coast revitalization initiative:

1. Increase the size and number of community-based tenures.
2. Use caution in changing log export rules.
3. Improve forest inventory.
4. Maintain tabular rates for community forests.

These recommendations are described in Part I of this briefing. Part II provides the rationale supporting the recommendations including data derived from the Community Forest Indicators Survey. The Indicators Survey collects data every year on the benefits community forests are creating for their communities and the province. We also include in Appendix 1 additional information on what makes community forests unique.



Community forests are working to maximize the value of the forest resources under their control by developing local manufacturing capacity and seeking partnerships. As described on page 10 of this report, the Sunshine Coast Community Forest has a long-standing relationship with West Coast Log Homes.

Part I Recommendations for the Coastal Forest Sector

1 Increase the size and number of community-based tenures.

It has been fifteen years since the Forest Revitalization Plan, and it is time to reimagine the public forest land surrounding communities and utilize the tenure instruments available to achieve multiple goals. Often referred to as the “front country”, this zone encompasses areas around communities where critical social values and ecosystem services intersect, including forests at high risk of wildfire, community and domestic watersheds, sites of cultural significance, and recreational areas. Further, this zone is of prime importance to Indigenous and rural communities as they invest in economic development to become more self-reliant and sustainable. Climate change adaptation and community wildfire protection must be top priority in these areas. Community forest agreements, First Nations woodlands licences and woodlot licenses are the most appropriate tenures for these areas.

The rationale for reapportioning harvesting rights to communities is diverse and compelling. As demonstrated by the achievements of community forests to date and documented through the BCCFA’s Community Forest Indicators Survey¹, community-based tenures are one of the most appropriate mechanisms to meet urgent priorities of community protection and rural development.

Key considerations:

- **Social Licence:** Community forests are managed by communities, for communities. Public engagement is an intrinsic component. Further, community forests are going above and beyond tenure requirements to build local relationships and cultivate social licence for their operations. The BCCFA actively supports this critical work and has developed educational resources, with the support of MFLNRORD, that we are vigorously promoting.
- **First Nations Partnerships:** Community forests are a promising way to increase First Nations participation in the forest sector. Half of the operating community forests across BC are held by First Nations or a partnership between an Indigenous and non-Indigenous community. The potential for positive outcomes through more partnerships is great. Since the founding of the BCCFA 16 years ago, an important guiding principle has been to promote community forest initiatives in a manner which respects Indigenous rights and cultural values, and which fosters understanding and cooperation between Indigenous and non-Indigenous communities. Our goal and a focus of our educational efforts is for all community forest organizations to invest time, resources, and personal effort to build effective relationships and partnerships between First Nations and non-Indigenous communities.
- **Independent log sales:** Community forests are independent log sellers and provide wood & fibre on the open market to major industry, and to small and medium sized mills and value-added manufacturers. By increasing the size of the community forest program, the BC Government can facilitate the growth of a diverse forest products manufacturing sector.
- **Rural development:** Community forests are a concrete way to promote rural development. Even when the harvest volume is small, community forests are leveraging their tenures for a range of

¹ <http://bccfa.ca/category/indicators/>

community economic activities from small mills, to partnerships for job creation. By conferring forest and land management rights to rural and Indigenous communities, the BC Government can help to foster self-reliance and resiliency.

- **Investment in long-term sustainability & wildfire mitigation:** Community forests are uniquely incented to make investments in the forest resource for long-term sustainability and are leaders in the proactive management of wildfire hazards.

Outcomes of an increase in the size and number of community forests would include:

- Restoration of the social contract. This occurs with local control of resources, and community members seeing that the benefits of harvesting stay in the community.
- More partnerships between Indigenous and non-Indigenous communities.
- Diversification of tenure on the Coast.
- Rural communities with enough stable volume to attract new manufacturing facilities and/or support existing ones. Community forests are motivated to support the development of manufacturing capacity in their communities and regions.
- An increase domestic log supply. Coastal community forests are open market log sellers.

With respect to the reapportionment or harvest volume to community-based tenures, government could focus its efforts in areas where there are:

- large volumes of log exports and the potential for a viable local manufacturing facility
- large volumes of logs staying in the domestic market – but not being processed locally.

Further, we suggest that each new or expanded community forest be developed according to the established principles of the program, with priority given to communities where:

- First Nations partnerships and/or support exist
- Local capacity is strong
- Implementation can be expedited
- Sufficient area and AAC can be allocated to enable economic viability.

2 Use caution if considering changes to log export rules.

The BC Government must be very cautious if changing export rules. A certain level of log export is integral to the economics of the coastal forest sector. For community forests and other small tenures, exports enable the harvest of lower value timber. In some cases, particularly those in high cost areas, the revenue from exports is vital in order to provide the remaining volume for sale in the domestic market. In these situations, if exports were curtailed, then there will be less volume available for domestic processing as there would be no logging.

For most community forests on the Coast, exports make a big difference to the bottom line. Small tenures would struggle without the export market. In fact, it helps them to leverage selling wood to local small mills. In the most recent Community Forest Indicators Survey, the responding coastal CFs reporting sending 3% of their logs to the export market.

Consulting with our members, we have found that the current export policies are working. By allowing local mills to block exports in low logging cost areas, local mills get the supply they need.

“We get blocked, and then sell the boom locally on a regular basis. When domestic demand is not there, we are able to sell our logs (mainly our lower value Hw logs) on the export market and receive a substantially higher price for these marginal logs.”

For Community Forests in high cost areas, for example Bella Coola, the assurance that a portion of the harvest will be available for export is necessary in order to make the expensive investment in forest development. Where export pricing is necessary to make a harvest project viable, if there was a risk of being blocked at the sales end of the project, then the original development investment would not be made. In these areas, the Order In Council allowing 35% export without risk of blocking is vital.

The export policy needs to reflect the regional differences in operating cost, timber quality and the size and variety of the local processing facilities. The current policy recognizes these regional differences.

3 Improve forest inventory.

Accurate forest inventory is needed. Community forest managers understand how critical accurate inventory information is to earn and keep social licence. Most CFAs invest in inventory and analysis, including LiDAR. Proper analysis of up to date information is a prerequisite of sustainable forest management.

More accurate forest inventory means greater certainty in long term forestry planning. This in turn will enhance public confidence in the sustainability of forestry and foster support for the social contract. Improved forest inventories are also showing how productive the coastal forest actually is, thus offering potential for enhanced harvest rates which can help revitalize the coastal forest sector.

4 Maintain tabular rates for CFAs.

The benefits that community forests are creating are the return on the province’s investment via tabular rates. The importance of these rates to the success of the community forest program and the social licence it cultivates cannot be overemphasized. Tabular rates and the administrative streamlining they provide enable CFA holders to make long term investments in the forest resource and in their local communities. These activities, as documented in the Community Forest Indicators Survey², are fundamentally important to building and maintaining public trust.

In addition, all parties must understand the importance of community forests selling their logs at full market prices into the domestic market. Raising stumpage rates will not revitalize the forest sector, in fact it will have the opposite effect.

² <http://bccfa.ca/category/indicators/>

Part II Rationale for Expanding the Size and Number of Community Forests

1 Social Licence

The concept of social licence in community forestry originates with the tenure itself. As described above, CFA licences are managed by the community, for the community, a core principle that sets them apart in the forest sector. Further to this, CFA holders have demonstrated that they are going above and beyond tenure requirements to build local relationships and cultivate social license for their operations. They are thinking differently about engagement with their Indigenous and non-Indigenous neighbours and recognize that the stewardship role they have for their long-term, area-based tenures is not just a relationship with the land, but also with the people who call it home.

As a result, we see that many community forests have a greater ability to operate in socially constrained areas adjacent to communities. This includes harvesting and conducting fuel treatments in areas that major licensees and BCTS have been challenged to access due to local opposition. When the local community prioritizes the values that will guide forest management, when there is an objective to hire locals for harvesting, road building and trucking, when investment in community engagement is a regular activity, when local recreation is enhanced, when wildfire mitigation activities become a part of regular business, when profits are invested in the community, when business partnerships between Indigenous and non-indigenous communities leverage relationship building and trust for additional projects, social licence to operate follows.

*“When I got the job of general manager of the Burns Lake Community Forest, I thought I would be doing a lot of forest management. But since I have been here, I can show you on my 10 fingers how much I have done...about one quarter of my little finger. My time is mostly spent in community engagement.”— **Frank Varga, RPF, Burns Lake Community Forest.***

*“It is unlikely that 100 per cent of the community will support your project and ideas. It is a challenge to please everyone. But it is important to continue to tend the relationship with 100 per cent.” — **Ken Day, RPF, Williams Lake Community Forest.***

Forest managers are primarily trained in science and technical, pragmatic skills. They are typically people who went into forestry because they like to be outdoors, not necessarily because they are gifted communicators. The BCCFA has recognized that for our members to be successful in building relationships with their Indigenous and non-indigenous neighbours and cultivating social licence for their operations, there is need for development of new skills, and often new ways of thinking.

As part of our mandate to provide education on community forestry issues and to assist community forest practitioners in accessing resources required to succeed, the BCCFA developed a guide (<http://bccfa.ca/a-guide-to-building-relationships-and-cultivating-social-licence/>) for managers of small tenures in BC: community forest agreements, First Nations woodlands licences and woodlot licences, who are working closely with local communities, both Indigenous and non-Indigenous, and with provincial, federal, and municipal agencies.

The guide offers insight to best practices in engaging and working with First Nations and community participants and the challenges most commonly faced. It emphasizes the opportunity and role for community forests in the process of reconciliation beyond the legal requirements of the tenure and why the effort is important. We have learned that regulations are not enough to create or maintain social licence. They provide an operating framework but are focused on transactions — on conducting business. Relationship building, and the cultivation of social licence are understood as ongoing processes that extend beyond the regulatory framework we operate in and the rights community forests are given in their licences. Developing social licence for forest management activities in communities means investing time, resources, and personal effort. Yet the benefits of durable and strengthened relationships with local Indigenous and non-Indigenous people are worth the investment.

The BCCFA promotes the principle that communities need to know that their voices are heard and considered in forest management decisions. Efforts to establish social licence by building community acceptance, understanding, and support, serve to minimize conflict and enhance the tenure holder's ability to operate with community support. As trust develops, community social cohesion is enhanced. This in turn increases community confidence in and engagement with the tenure operator. Taken together, robust social licence helps ensure the long-term viability of the operation.

Relationship building is complex; there is no “one size fits all” rule book. Yet the new guide is a powerful tool we will use in our BCCFA Extension Program and future conferences to encourage and support development of these important skills and approaches. We believe that there is also a benefit to extend the guide as a resource for FNWL and Woodlot licensees.

Cortes Community Forest – *“2017 focused extensively on planning and community consultation in support of future operations. We have prepared a five-year development plan that outlines where and when work is projected to take place in the next five years. This investment in time and planning was a necessary next step in continuing to build the trust and social licence needed to ensure the success of the CFA going forward.”*

Alberni Valley Community Forest – *“We hold open houses when harvest plans are being developed that allows the public to have input in the early planning stages. Having a special meeting for recreation user groups lets the people who use the resource the most have input into harvesting plans. If we are harvesting near residential areas, we hand deliver notifications to the residents to ask for input into planning.”*

Powell River Community Forest – *“88% of our area is in a community watershed. The majority of the area outside of the watershed is also considered sensitive ... therefore all activities are in sensitive areas.”*

Cheakamus Community Forest (CCF) – *“On what was initially interpreted as a contentious project, but resolved through community outreach, 15 ha of old forest was harvested under a moderate retention objective within 3km of a new subdivision without any negative response or complaint. The project required 96 loads of logs to be transported along a high use recreation forest service road without incident.”*

The Community Forest Indicators Survey measures accountability of the CFA holders, as well as the efforts of the community forest to engage with the diversity of community members and stakeholder groups. Outreach to the full array of forest users and community organizations leads to an improved awareness of forest management among the public and increases potential to resolve conflicts over timber harvesting in watersheds and other sensitive areas. Here, the level of public engagement is shown in the number of different sectors involved in the community forest, and the number of formal agreements with community organizations. In the most recent survey, respondents reported engaging in targeted outreach with the following groups:

1. First Nations
2. Water users
3. Property owners
4. Tourism associations
5. Chamber of commerce
6. Environmental groups
7. Hunters
8. Firewood cutters
9. Ranchers
10. Miners
11. Trappers
12. Mountain bike groups
13. Hiking groups
14. Motorized recreation groups
15. Horseback riding groups
16. Cross country and back country ski groups
17. Watershed restoration group
18. Mushroom harvesters
19. Commercial recreation tenure holders
20. Disc golf group
21. Youth groups

Out of 39 respondents, 17 reported having formal agreements with community organizations.

The data shows that community forest organisations are engaging with a range of stakeholders. When involved, this broad range of stakeholders provides the community forest with a wealth of information on diverse perspectives. Community forests organizations are also participating in local and regional multi-party planning tables. Regarding formal agreements, survey responses show that while these agreements are being made, formal agreements are not necessarily the best for every situation. Some stakeholders are reluctant to commit to a formal agreement and prefer an informal approach.

2 First Nations Reconciliation

The expansion of the community forest program has great potential to lead to more partnerships between Indigenous and non-Indigenous communities. The community forest tenure has already resulted in many such partnerships. Of the 57 operating community forests, 15 or 26% are partnerships between Indigenous and non-Indigenous communities. Thirteen (23%) are held solely by a First Nation. On the Coast, 67% percent of community forest agreements are held by First Nations or a partnership with a First Nation. The potential for additional positive outcomes that extend beyond the community forest is great.

In addition to community forests where First Nations are owners or partners, many community forest organizations include First Nations representation on their boards. In many cases, First Nations are engaged in cooperative planning, share profits, have MOUs and employment contracts, and work with community forest organizations in capacity building activities like training an education.

As the organization representing community forests, the BCCFA has made it a goal to see all CFA holders invest time, resources, and personal effort to build effective relationships and partnerships between

First Nations and non-Indigenous communities. The outcomes we will achieve through our Strategic Plan are that:

1. Members are informed about the Indigenous history and culture of the land they are managing.
2. Community forest management decisions consider both scientific technical knowledge and Indigenous traditional knowledge.
3. Members share information and communicate openly, transparently and in a timely manner.
4. Members have knowledge of the intention of UN Declaration on the Rights of Indigenous People and apply the principles in their work with local First Nations.

***Cheakamus Community Forest (CCF)** – “The CCF, a partnership between the Resort Municipality of Whistler, the Squamish Nation and the Lil’wat Nation, provides a small but important component of a much larger First Nation forest management opportunity for both Squamish and Lil’wat Nations. All forest management operations are shared equitably between the two First Nations, under a fee for service arrangement.”*

3 Independent Log Sales

The creation of new and expanded community forests in BC need not be viewed as in conflict with the interests of major licensees. Community forests supply wood on the open market to major industry, and to small and medium sized mills and value-added manufacturers. By increasing the size of the community forest program, the BC Government can facilitate the growth of a diverse forest products manufacturing sector.

Community forests are independent log sellers. They sell the full spectrum of species and logs available on their land base on the open market to a range of customers. Community forest managers focus on marketing the full spectrum of species and logs available on their land base to a range of customers. The BCCFA’s 2017-2018 Indicators Survey found that 74% of community forests sort logs to get the highest value. By delinking the woodlands from the major manufacturers each log finds its best market and end use. This leads CFA holders to consider all forest values and to find ways to diversify their operations, working to capture more value for the wood harvested.

Consistent with the previous 3 years of survey results and the BCCFA research conducted for BC’s Working Roundtable in Forestry in 2009, this year’s results show that 80% of the volume sold by community forests province-wide went to large sawmills, while about 20% went to small and medium-sized facilities, value added manufacturers, mills that use low quality fibre and other uses. It is notable that while a total of 50,208 m³ was sold to value added mills, with a milling coefficient of 1.257, this relatively small volume created 63.2 FTEs.

Success Stories

Many CFs are working to maximize the value of the forest resources under their control by developing local manufacturing capacity and seeking partnerships. The following stories and quotes describe just a few examples.

Sunshine Coast

The Sunshine Coast Community Forest works with West Coast Log Homes, a log home builder based in Gibsons. West Coast Log Homes builds high end log homes and have an agreement with the Sunshine Coast Community Forest to purchase house logs. Together they go out into prospective blocks and pre-mark suitable house logs and house log products. WCLH uses a small volume of high quality defect-free logs. They are also getting into the timber frame market and are selecting Douglas fir. WCLH puts about 24 FTEs to work and pay the community forest significant premium over sawlog prices.

Valemount

When the local mill was permanently closed in 2007, the community of Valemount was hit with significant local job loss. Motivated to support a change in the trend of declining employment and outmigration of skilled workers, the Valemount Community Forest (VCF) saw potential to turn the 240-acre abandoned mill site into a thriving centre of economic and employment activity. Since the purchase in 2014 they have been working to leverage the existing infrastructure to attract businesses to their industrial park. With a steady stream of fibre supply from the community forest, a local cedar manufacturer expanded his 4-person operation to now employ 10 to 15 employees with a goal of moving to a double shift. In a town of just over 1000, these jobs are significant. Though the VCF supplies just 50% of the cedar needs for the mill, the remaining supply is brought into the valley on trucks that would otherwise have come back empty after dropping off a load of VCF white wood, all coordinated by the community forest manager. This innovative partnership, along with several other long-term leases (rock quarry, pipe storage and a reload yard for 2 other licensees) makes the industrial park a beehive of activity. The VCF is still hoping to attract investment in a sawmill that can process the rest of their profile, so that logs that now go out of the valley can stay and create even more jobs.

Harrop-Procter

With a mandate to practice socially and environmentally progressive forestry that protects local watersheds while creating sustainable jobs in their community, the people in the tiny towns of Harrop and Procter are proud to control the management decisions in the land surrounding the community. The 11,300-ha community forest tenure, located on the west arm of Kootenay Lake, comprises 100-year-old mixed forests, domestic watersheds and steep, sensitive terrain. With a history of blockades and protests by locals over harvesting plans in their watershed, the Harrop-Procter Community Forest (HPCF) takes an ecosystem-based approach to management. Certification of their operations under the strict Forest Stewardship Council (FSC) principles and criteria leverage the local social licence necessary to operate. The high level of trust by the community and MFLNRORD for the HPCF management was evident during a 2017 wildfire that was threatening the community.

The 1999 business plan for the community forest included an emphasis on growing local milling capacity. The small mill owned by Harrop-Procter Forest Products (HPFP) utilizes about 25% of the harvest from the community forest and creates 6-7 jobs per 1,000 m³. The mill focuses on higher-value and unique logs from the community forest, cutting timbers, trim, siding, flooring, decking, and paneling. Local sales are 80% of their customer base – of which 50% are do-it-yourself builders and 50% are contractors. Local loggers are a critical part of the forest to mill to lumber process. They identify log characteristics and top size specifications that are well suited for the mill. Management works to ensure

a good relationship with the local mills and they have chosen to not attempt to compete with them on the commodity products such as 2x4s.

Lower North Thompson

Organized as a not-for-profit society, the Lower North Thompson Community Forest (LNTCF) has ability to access outside funding for their 5 communities (1 Indigenous and 4 non-indigenous communities) and to take on additional projects beyond the management of the community forest. The projects continue to evolve and would not be possible without the existence and financial support of the community forest tenure. Examples include their Job Creation Programs, participation in the Canada Summer Jobs Program, and involvement in the LBI/FFT/FESBC and Rural Dividend programs. They are using the community forest profits and tenure to leverage and create new economic development in the Barriere area through their recent land purchase and establishment of a small milling and value-added operation.

***Powell River Community Forest (PRCF)** – “PRCF gives preference to local manufacturers, then most other logs are sold through our broker into the broader domestic log market. Most of our local demand is for Red Cedar to help supply our largest sawmill Lois Lumber. We are pleased to have some of our timber milled locally, providing employment and creating natural, long lasting building products. The rest of our logs are distributed to many different buyers. Richmond Plywood is our largest single customer. They’ve bought 50% of our volume every year for the last 10 years, peeler grade Fir and currently our Western Hemlock. The log market for all species is strong so we plan to use this opportunity to shift our harvesting into stands with a higher component of Hemlock which normally drag down profitability. We don’t rule out export if it helps ensure utilization of our low value timber. Historically that has involved very minor volumes – usually a small portion of our Hemlock logs. With a larger community forest and more AAC, we would work to attract new manufacturing to our local economy.”*

***Cortes Community Forest-** “Although the harvest in 2017 was relatively small, it was a success for the wider island community as it demonstrated the economic viability of a small, single tree selection project, where all the logs went to mills on the island.”*

***Bella Coola Community Forest** – “In Bella Coola there are five small, wood mizer type mills that primarily supply the local market in the valley, although a few loads of lumber do get sold outside the valley. We sell logs to all of these mills at Vancouver Log Market prices (less the transport costs to get the logs to Vancouver). Two of the mills were running prior to the establishment of the Community Forest but the other three came later and were set up because of the log supply that is available through the Community Forest. Currently, the local demand for logs is less than 1000 m³ per year so we can easily fill the local market and the rest is barged to lower mainland for exporting and sale to domestic mills. However, without the ability to get the export pricing jump, we would not be able to log and thus not be able to supply our growing local market. This year, we did have a 5,000 m³ block that we did not need to export*

because the development and logging costs were very low (unusual in our tenure). Also, the domestic peeler prices were high enough to cover the costs and were comparable to export pricing for that type of log. So, where domestic pricing is competitive with export prices, there is no need to export.”

4 Utilization

As long-term, area-based tenures, community forests, woodlot licences and First Nations woodlands licences are highly motivated to make the most of their opportunities and maximize the value of their forest products. The BCCFA’s survey respondents were asked to report on whether they had markets for waste and residue, and if those markets were being actively sought. Forty one percent reported having markets for waste and residue, and an additional 68% are actively seeking markets. On the Coast, 71% have markets for waste and 57% are actively seeking markets.

Expanding the utilization of waste and residue is a high priority for community forests as they seek to generate more benefits from their tenures while working to mitigate the risk of wildfire and impacts of climate change, as described below.

***Powell River Community Forest** – “Loggers are paid hourly to place firewood quality waste wood along road edges. Hogging (machine shredding or chipping) of waste and residue is practiced wherever possible to reduce fire hazard in our logged blocks and to minimize pile burning.”*

5 Rural Development

Community forests are a tangible way to promote rural development. By conferring forest and land management rights to rural and Indigenous communities, the BC Government can help to foster self-reliance, and meet its commitment to rural and Indigenous communities to build their capacity to be more resilient.

The Southern Beetle Action Coalition published an Economic Impact Study of community forests province-wide in 2017.³ The authors document the struggles many forest-dependent rural communities face, including declining forest sector employment resulting from technological change in both harvesting and manufacturing and a significant number of sawmill closures. Many smaller rural communities have seen significant declines in the size of their labour forces, number of sawmills and industrial property tax revenues.

Against this backdrop of diminishing local benefits from the traditional forest sector – community forests are playing a critical role in providing significant local benefits from the forests surrounding rural communities.⁴

³ Southern Interior Beetle Action Coalition. 2017. COMMUNITY FORESTS – COMMUNITY BENEFITS: The Economic Contributions of Community Forests to Rural BC Communities
<https://www.bcruralcentre.org/wp-content/uploads/2017/06/SIBAC-Community-Forests-Community-Benefits-Final-Report-1.pdf>

⁴ Ibid. p 6

The study shows how community forests are providing local payroll & contracting opportunities; creating employment, and reinvesting profits back into their rural communities.

Community forests across the province have a track record of using local staff and contractors in their operations. In smaller rural forest dependent communities, this payroll and contracting expenditures can be a very important and significant contribution to the local economy.⁵

The vast majority of operating expenditures made by community forests are expended in the local region with a very significant local economic impact. Over and above this, community forests have also provided very significant dividends and donations from operating profits to their community owners and members.in 2013 alone, the total dividends and donations paid by the 23 participating community forests reached almost \$5 million. Since 2003, just the 23 community forests participating in this study had collectively invested a total of \$17.3 million of community forests' profits back into their communities to the end of 2013. This trend of reinvesting profits has continued.⁶

The BCCFA's 2017/2018 survey results show that the total funds donated to community projects by the participating community forests in the reporting year alone exceeded \$12 million. The SIBAC report goes on to describe how important these funds are to rural communities:

For small forest dependent rural communities these dividends and donations from a Community Forest are extremely important. These small communities often have very limited financial resources from a small residential and business tax base. The dividends and donations from their Community forests are often also vitally important in providing the community-based funding component that is typically required in order to access external funding programs. In other situations, simply having a CF organization can add significant rural community capacity to be able to take advantage of other externally funded opportunities such as training programs.⁷

Direct Employment

The 2017/2018 Community Forest Indicators Survey tracked the number of jobs community forests create.

	Forestry, logging and support	Trail building, firefighting, research etc.	Milling	All activities
Total FTE/1000 m ³	0.39	0.026	0.64	1.056
Average FTE	15.27	.86	23.90	40.03
Total FTE	565.14	32.00	884.14	1,481.28

⁵ Ibid. p 6

⁶ Ibid. p 8

⁷ Ibid. p 9

On average, community forests created 0.39 full time jobs/1000 m³ in forestry, logging and support services, compared to the industry average of 0.24 jobs/1000 m³. In the reporting year, community forests created 63% more jobs than the industry average.

Indirect and Induced Employment

Randy Sunderman of Peak Solutions Consulting Inc explains the added benefits of indirect and induced jobs:

In addition to the direct employment created by Community Forest activity, the spending generated by the Community Forests also creates indirect and induced spending and employment each year in the local areas and throughout the province.

“Indirect” refers to the additional spending and jobs created by the direct activities of the Community Forest. Meanwhile, “induced” refers to spending of households in the economy as a result of direct and indirect effects from an economic activity. The induced effects arise when employees; who are working for the Community Forest and at suppliers that may provide goods and services in operation of the Community Forest, spend their new income.

At the provincial level, the direct Community Forest employment of 1,481 FTEs would create an additional estimated 2,000 indirect and induced FTEs across the province. Much of this indirect and induced activity would take place in the rural areas where the Community Forests are based. It would also create spending in the larger regional centres in the province and in the Lower Mainland.⁸

6 Proactive Management of Wildfire Hazard

Many community forests have been leaders in the proactive management of wildfire hazards. They are uniquely incented to make investments in the forest resource for long-term sustainability. A community with a long-term, area-based tenure must live with the consequences of their decisions, and conversely, is motivated to invest for future benefit. For the same reason, community forest holders are managing for a range of objectives including:

- wildfire mitigation & community protection
- climate change mitigation and adaption
- enhanced forest stewardship and incremental silviculture
- conservation of culturally significant areas and values.

The proactive management of wildfire hazard is a key survey metric. To date 70% of respondents have collaborated with their local government on Strategic Wildfire Prevention Initiative projects. Twenty-two community forests applied for Forest Enhancement Society BC funds in the last intake alone.

This year’s survey results show that community forests treated an average of 71 hectares and spent \$16,700 of their own funds to reduce wildfire risk in the reporting year. To date, the reporting community forests have collectively treated 3,522 hectares and invested over \$1.8 million for wildfire mitigation. They managed an additional \$6.5 million from outside sources. With enabling policy decisions, much more can be done.

⁸ Randy Sunderman. Peak Solutions Consulting Inc. May 2018

7 Incremental Investment in the Landbase

Community forests are long-term, area-based forest tenures. Along with First Nations woodlands licences, they are the only tenures in BC that are, in effect, not transferable (i.e. cannot be sold to an entity outside the community). For community forests, the only transfer that can occur is to another legal entity representing the community in question (for example from a community-based Society to a Coop), and only with the approval of the Minister. These conditions create strong incentives for investment in the future productivity of the forest.

By measuring the investments in intensive silviculture that are above and beyond legal requirements, we see the efforts being made to increase the growing capacity in a community forest, with the intent of increasing the AAC over time. Survey respondents were asked to report the total value, in dollars, of the community forest's investment of their own money as well as money from outside sources in intensive silviculture, incremental to legal requirements. Activities include: spacing, brushing, and enhanced genetic stock. Respondents reported the total treatment cost, including planning, development, and administration of these projects.

Summary of total value of CF's own investment in intensive silviculture.

Total of CF's own \$ invested	
Number of responses	38
Total	\$1,112,099
Average	\$29,266
Number of CFs that invested in intensive silviculture	14
Average of those that invested	\$79,436
Minimum	\$4,000
Maximum	\$678,041

Thirty-nine percent of respondents made investments in incremental silviculture.

1. Community forests' funds: \$1,112,099
2. Forests for Tomorrow, Land Based Investment Program funds: \$513,117
3. Other sources: \$481,138

Total: \$2,106,354

Summary of number of hectares treated in the reporting year.

Hectares treated	
Number of responses	38
Total	2,567
Average # ha of those that invested in intensive silviculture	214
Minimum	8
Maximum	743

The data reveals how community forests are investing in the future economic return of the forest through intensive silviculture. This year's survey shows that the combined investment in the reporting year was \$2.1 million, 53% of which came from their own funds. Collectively they treated a total of 2,600 hectares.

Sunshine Coast Community Forest - We have had a very active intensive silviculture program over the last 11 years. We have now caught up on our spacing programs whereby we will now only be spacing stands we have harvested, planted and declared free to grow. We are also focusing on hand fertilization projects with Forests for Tomorrow funding for late rotation, fir leading, higher site index stands.

Community forests are supporting the development of healthy and vibrant rural communities and economies through long-range thinking and sound investments in the land base.

Thank you for the opportunity to contribute to this important initiative. The BCCFA looks forward to working with government, industry partners, and Indigenous and non-Indigenous communities to revitalize the coastal forest sector.

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Appendix 1

Additional background information on what makes the community forest tenure unique

The community forest tenure is unique in the province for several reasons:

- The ownership of the tenure is exclusively local, and the organization that holds the licence must represent the local community. Profits do not leave the community to benefit distant shareholders.
- There is a comprehensive application process that includes the requirement to demonstrate local community engagement and support.
- The Licence Document and Management Plan must:
 - contain the broad social, economic and resource management goals proposed for the community forest
 - identify the linkage between the community forest goals and the provincial community forest program goals (below), and
 - include a plan for annual reporting out to the community.

The Provincial Government's Goals for the community forest program further set the tenure apart. The Goals are to:

1. Provide long-term opportunities for achieving a range of community objectives, values and priorities.
2. Diversify the use of and benefits derived from the community forest agreement area.
3. Provide social and economic benefits to British Columbia.
4. Undertake community forestry consistent with sound principles of environmental stewardship that reflect a broad spectrum of values.
5. Promote community involvement and participation.
6. Promote communication and strengthen relationships between aboriginal and non-aboriginal communities and persons.
7. Foster innovation.
8. Advocate forest worker safety.