

How Can we Design Policies and Tenure Arrangements to Promote Local Benefits in the Forest Sector?

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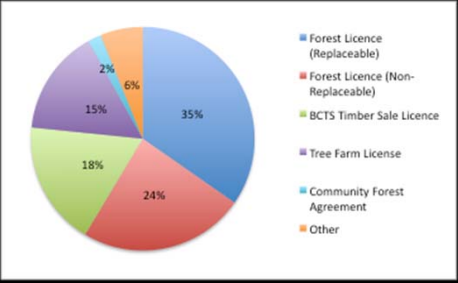
BCCFA 2011




Notes from the 2010 BCCFA

- Regarding local benefits:
 - Are we different than industry?
- Regarding branding:
 - Show us, don't tell us why community forests are different.

Apportionment of Harvesting Rights



Category	Percentage
Forest Licence (Replaceable)	35%
Forest Licence (Non-Replaceable)	24%
BCTS Timber Sale Licence	18%
Tree Farm Licence	15%
Community Forest Agreement	6%
Other	2%

Source: Provincial Summary Report 2010


'Social Contract' Tenure Policies


- Spatial and temporal timber supply constraints: appurtenancy, cut control




B.C. Heartlands Economic Strategy - Forests

THE FORESTRY REVITALIZATION PLAN





Broken Social Contract?

“The government is once again attacking rural BC by its complete abandonment of the social contract...” (Dave Coles, CEP)

“The liberal government is tearing apart the social contract upon which this province was built” (Joy MacPhail, NDP leader)

“Severance of the longstanding social contract between workers, communities, government, and industry in British Columbia.” (IWA)

Source: Nelson et al. 2006

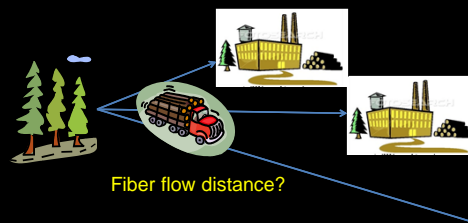
Compensation

- Re-allocation of rights to Community Forests
 - Allocated to local authorities
 - Upward and downward accountability
- Huge expectations!
 - Restore social contract
 - Provide local benefits
 - Local employment
 - Economic diversification
 - Maximize resource value



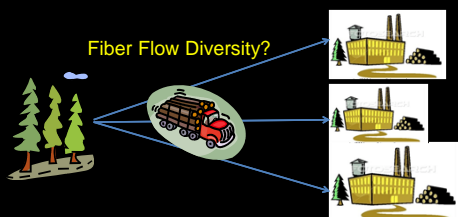
Local Employment

Research Question: Do community forest agreements provide a more localized timber supply than industrial tenures?



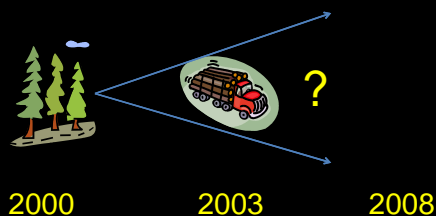
Diversification and Value

Research Question: Do community forest agreements supply more mills with timber than industrial tenures?



Policy Change

Research Question: How have fiber flow patterns changed since the Forest Revitalization Act in 2003?

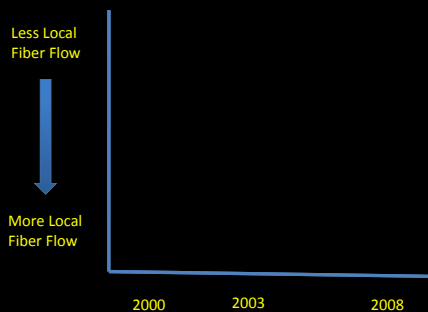


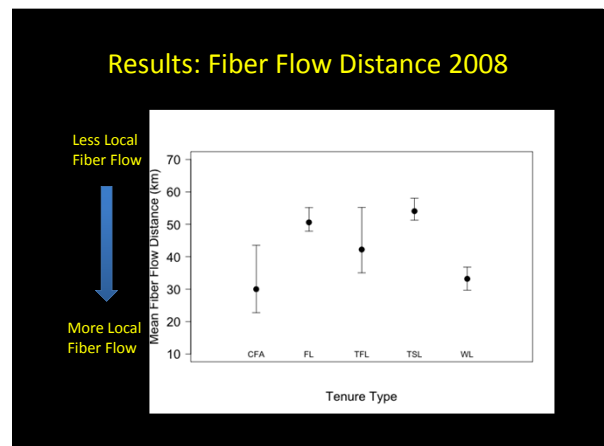
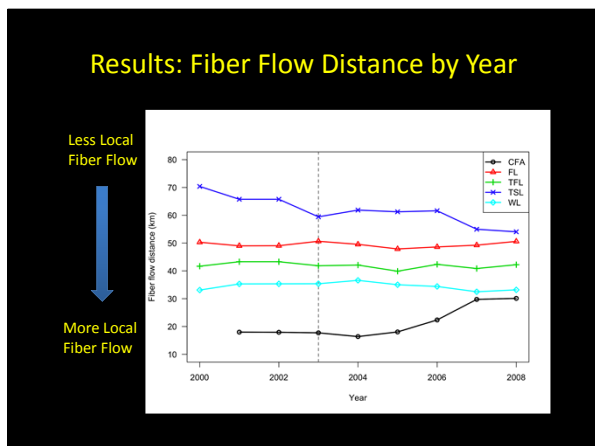
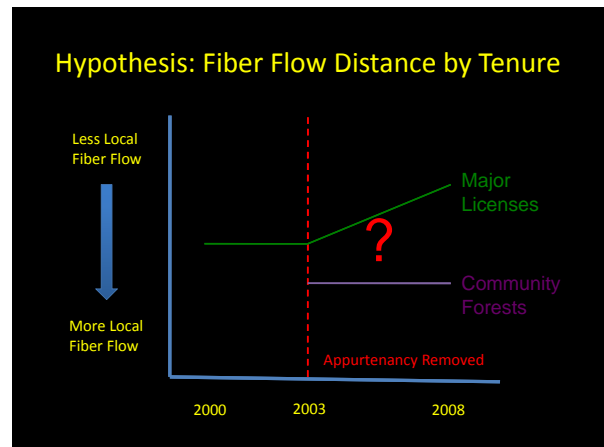
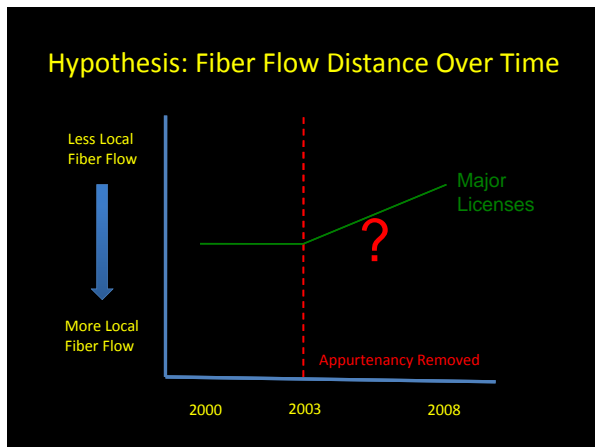
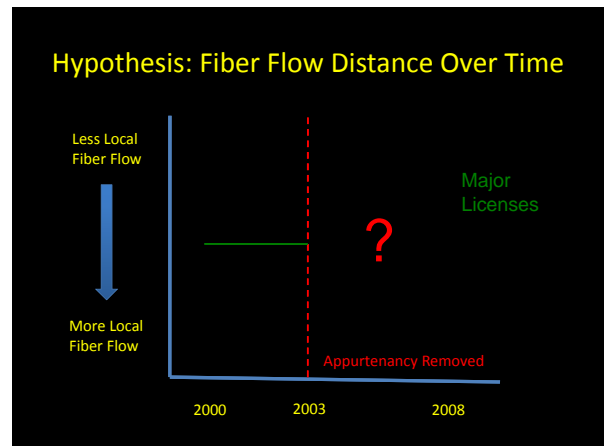
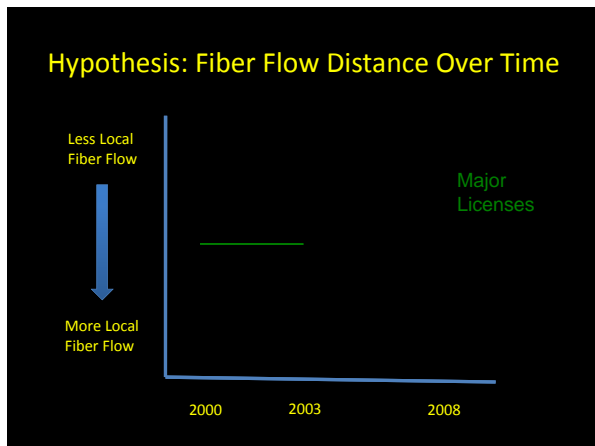
Research Methods

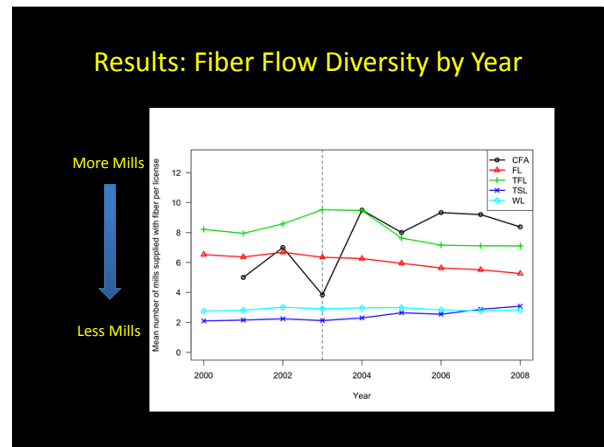
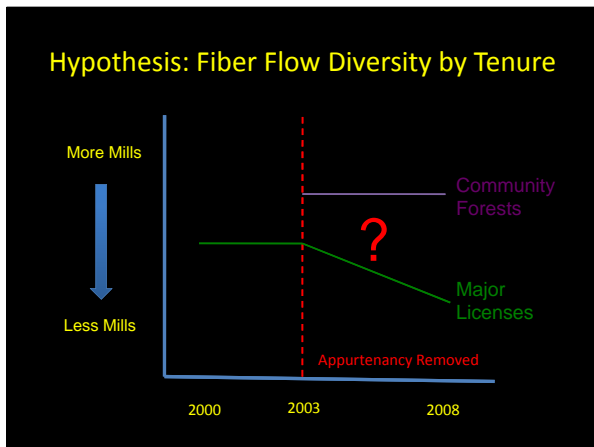
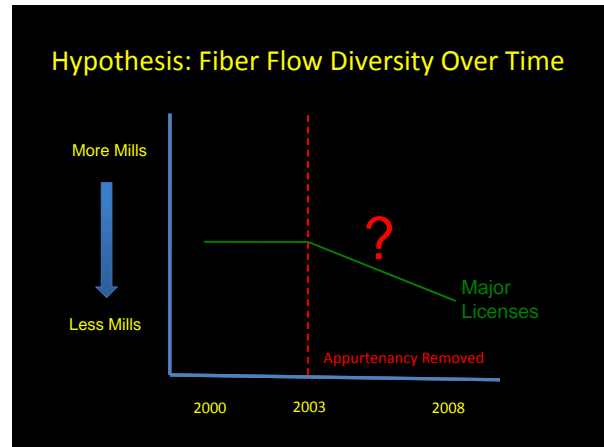
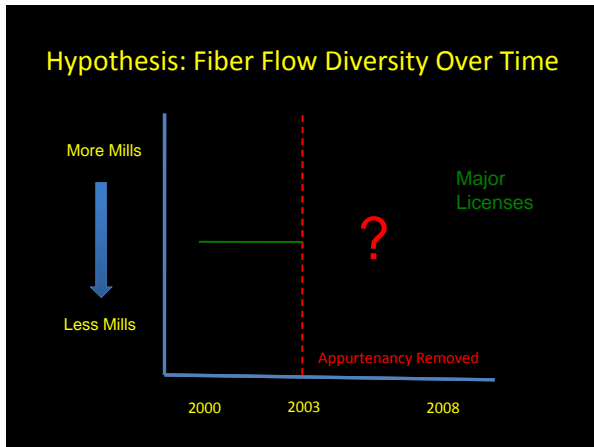
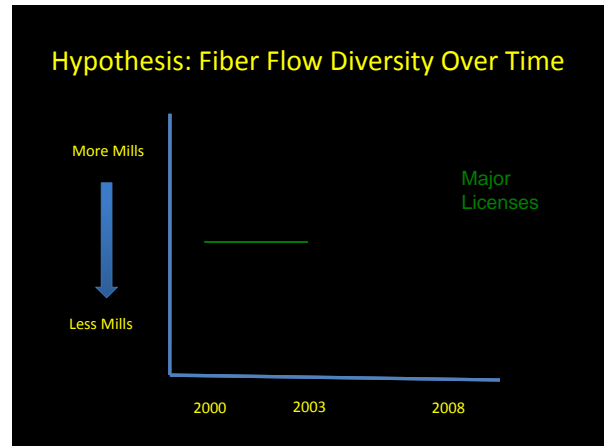
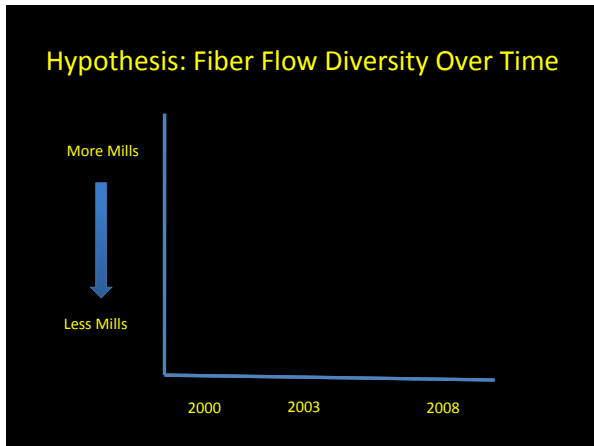
- Fiber flow analysis
 - Used data from Harvest Billing System
 - Track timber from forest to mills (fiber flow)
- Qualitative research
 - Group and individual interviews
 - 5 Interior BC community forests



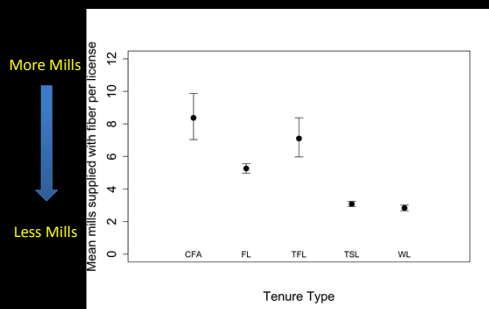
Hypothesis: Fiber Flow Distance Over Time







Results: Fiber Flow Diversity 2008



Conclusions: Policy Change

- Since 2003, timber isn't being shipped further or to that many fewer mills
- But many local mills did close down
- Provincial trends mask local changes
- Mountain pine beetle factor

Conclusions: Tenure Comparisons

- CFAs provide the most localized fiber flow (not significantly different from all tenures)
- CFAs provide the most diverse fiber flow (not significantly different from all tenures)
- High variability among individual CFAs



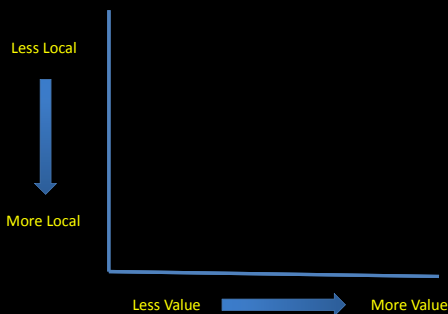
Variability among CFAs

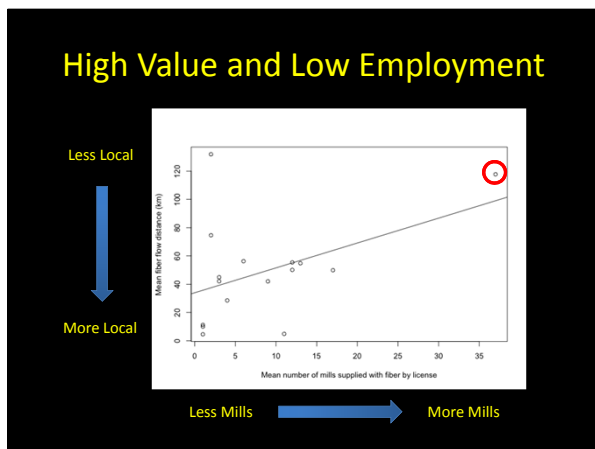
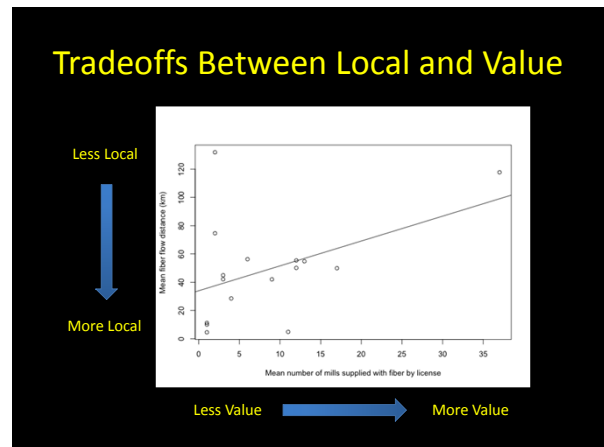
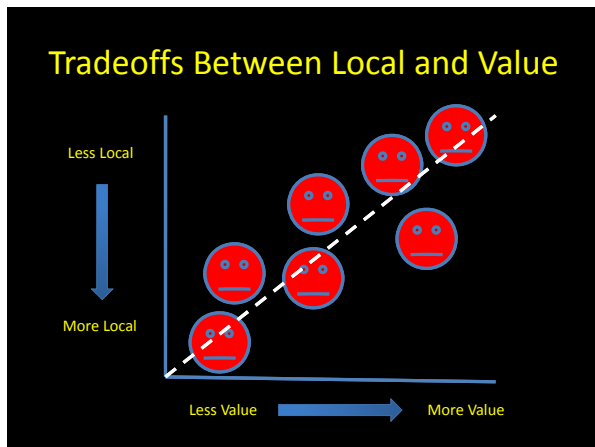
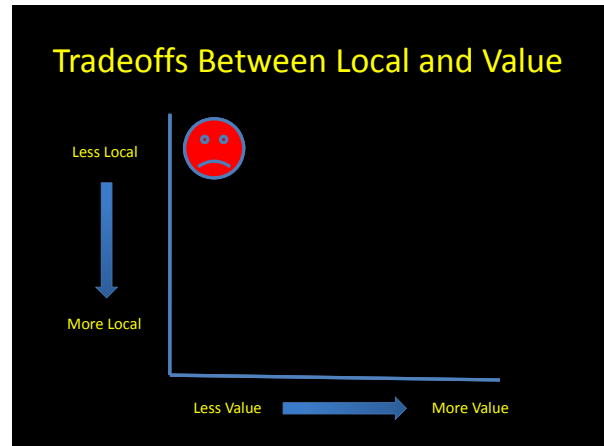
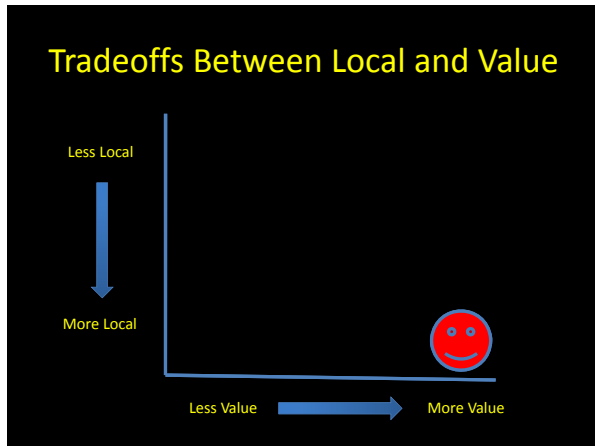
- Structure of local forest product sector
- Profile of forested landbase
- Management strategies
- Community objectives

Variability among CFAs

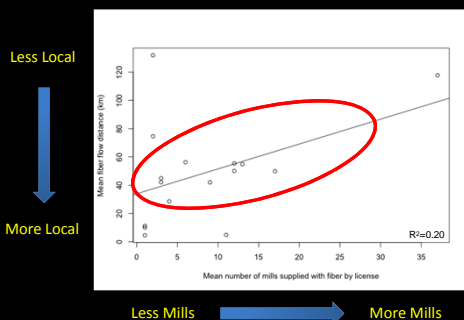
- Structure of local forest product sector
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Tradeoffs Between Local and Value





High Employment and Low Value



How Can We Promote Local Benefits?

- No panacea policy or tenure arrangement
- Context dependent
- Tradeoffs among different objectives
- Finding appropriate balance key
- No one 'correct' strategy
- Communities in best position to determine balance

Special Thanks!

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- Ken Lertzman - Dave Mealiea - Ashley Smith - Christian Fretch
- Evelyn Pinkerton - Lauren Rethoret - Brendan Connors

Ministry of Forests and Range

- Andy MacKinnon
- Jie Shu

British Columbia Community Forests

- Everyone that helped us during the summer of 2009!

Support

- Social Sciences and Humanities Research Council
- Simon Fraser University Graduate Fellowship
- Chad Day Graduate Fellowship

I'd love to hear feedback!

- Are the trends similar to what you expected?
 - Tenure comparisons
 - Impact of Forest Revitalization Plan
 - Tradeoffs among different objectives
- Why or Why not?
- Am I missing something?
- Contact info:
 - Jordan Benner: jp7@sfu.ca
- Questions?

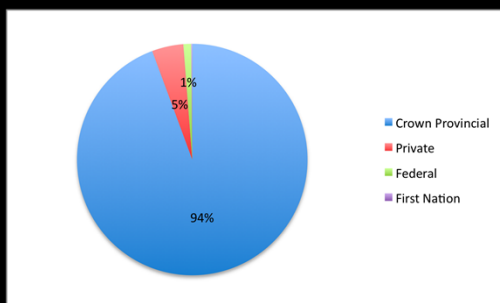
Thoughts on Maximizing Value

- Community forests create local employment and diversification in more ways than just through forest product sector
- Local value-added manufacturers may open in community in time if fiber is made available.
- Maybe can have maximum value completely within community

Outline of Talk

- Background about BC tenure system
- Historical policies to achieve local benefits
- Devolution to CFAs
- Results
 - Comparing tenure arrangements
 - Examining impact of policy change
- Variability among individual CFAs
- Tradeoffs among strategies for local benefits

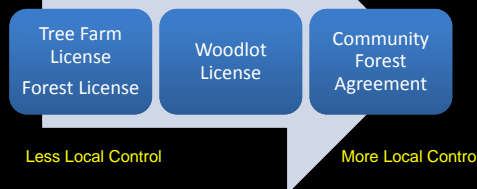
Ownership of BC's Landbase



Source: State of BC's Forests

Forest Tenure Holder

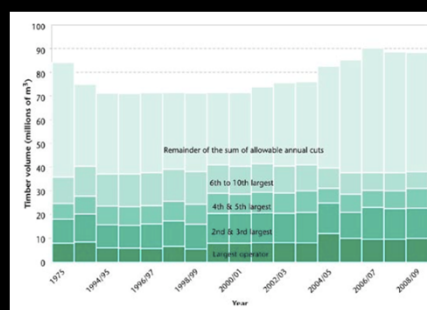
Spectrum of Local Control



Designing Socioeconomic Systems



Corporate Concentration



Source: State of BC Forests

Tradeoffs Among Objectives

- On average...
 - Maximizing value will allow CFAs to have greater profits to reinvest back into community
 - Maximizing value is often achieved by sending fiber to more mills
 - Sending fiber to more mills will often result in sending wood further distances
 - Sending fiber further distances will often reduce employment in local mills

Conclusions: Policy Change

- Since 2003, timber isn't being shipped further or to that many fewer mills
- But many local mills did close down

