



On The Road to Elkhorn -

**Framing Sustainable Forest
Communities on BC's Coast**

William L. Wagner, Ph.D. R.P.F.

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"It's good to know about trees. Just remember nobody ever made any big money knowing about trees."


*It is in the history of civilizations
that conservationists are always
defeated, boomers* always win and
the civilizations always die.*

Roderick L. Haig-Brown - 1950

* An enthusiastic advocate of land development



Ownership

 Crown Land

 Private Land

 Nisga'a Lands



Symptoms of a serious economic situation

- Primary production facilities closed without replacement
- Comparably poor economic performance
- A major land use decision with negative impact on timber supply
- Unresolved First Nations issues

ONE MORE DOWN

Economic activity in the Coastal forest has been in relative economic decline during the last three decades and is reaching crisis proportions.



Coastal Sawmill Closures 1997 - 2009

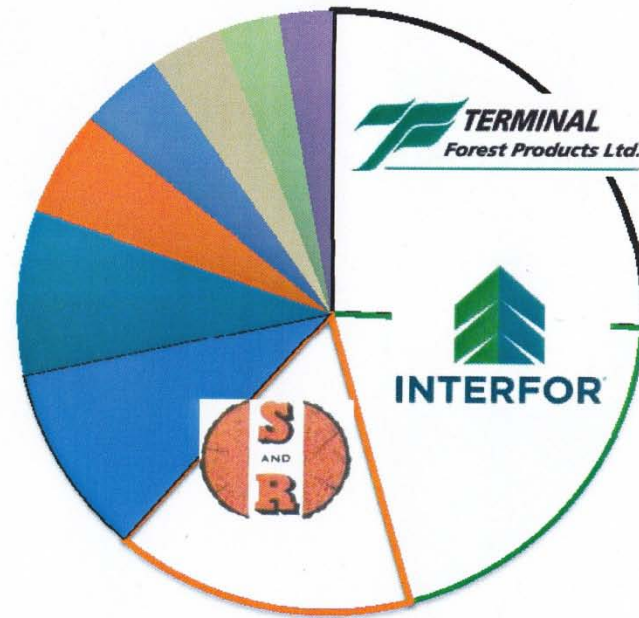
Ownership	Location	#Jobs	Year	Log (000 m ³)
Bayside Sawmills	Port Mellon	140	2001	205
Campbell River Mills Ltd.	Campbell River	85	1997	350
Canadian Forest Products Ltd	Vancouver	241	1998	465
Cascadia Forest Products	Nanaimo	205	2006	300
CIPA Lumber Co. Ltd.	Nanaimo	115	2001	285
Howe Sound Pulp & Paper	Vancouver	130	2002	375
International Forest Products Ltd.	Courtenay	115	2005	465
International Forest Products Ltd.	Coquitlam	265	2000	700
International Forest Products Ltd.	Fort Langley	130	1997	175
International Forest Products Ltd.	Squamish	150	2004	235
J.S. Jones	Boston Bar	190	2002	535
MacMillan Bloedel Ltd.	Powell River	260	1999	145
TimberWest Forest Ltd.	Youbou	174	2001	265
TimberWest Forest Ltd.	Campbell River	257	2008	425
Tolko Industries Ltd.	North Vancouver	200	1997	500
Weyerhaeuser Company Ltd.	Vancouver,	400	2000	545
Western Forest Products	Chemainus	65	2003	120
Western Forest Products	Vancouver	150	2007	285
Western Forest Products	Vancouver	150	2005	315
Western Forest Products	Tahsis	200	2002	275
Western Forest Products	New West	345	2007	500
	Total	3967		7465

BCTS Logs Can Only Be Sold to a Small Number of BC Sawmills – Coast

Island



Mainland



- Terminal Forest Products Ltd.
- International Forest Products Ltd.
- S & R Sawmills Ltd.
- J.S. Jones
- Mill & Timber Products Ltd.
- Stag Timber Ltd.
- Mackenzie Sawmill Ltd.
- Goldwood Industries Ltd.

Interprovincial Forestry Comparision, 2012 Data.

Source: Statistics Canada

Province	Harvest (m ³)	Total Jobs	m ³ /Job
Ontario	12,600,000	43,100	292
British Columbia	68,832,000	52,450	1,312



The Great Bear Rainforest

- Impacting Regional Timber Supply through harvesting costs;
- Impacting Regional Economy through permanently reducing economic activity

Economic Values at Risk: Harvest

EBM harvest history since 2009 (m³)

Year	<i>South EBM Subtotal</i>	<i>Mid/North Coast Subtotal</i>	<i>EBM LUO Region</i>
2009	830,973	283,894	1,114,867
2010	1,974,535	394,462	2,368,997
2011	1,864,253	197,244	2,061,497
2012	No data	523,268	No data
Total	4,669,761	1,398,868	6,068,629
<i>Average</i>	1,556,587	349,717	1,906,304
Share	77.00%	23.00%	

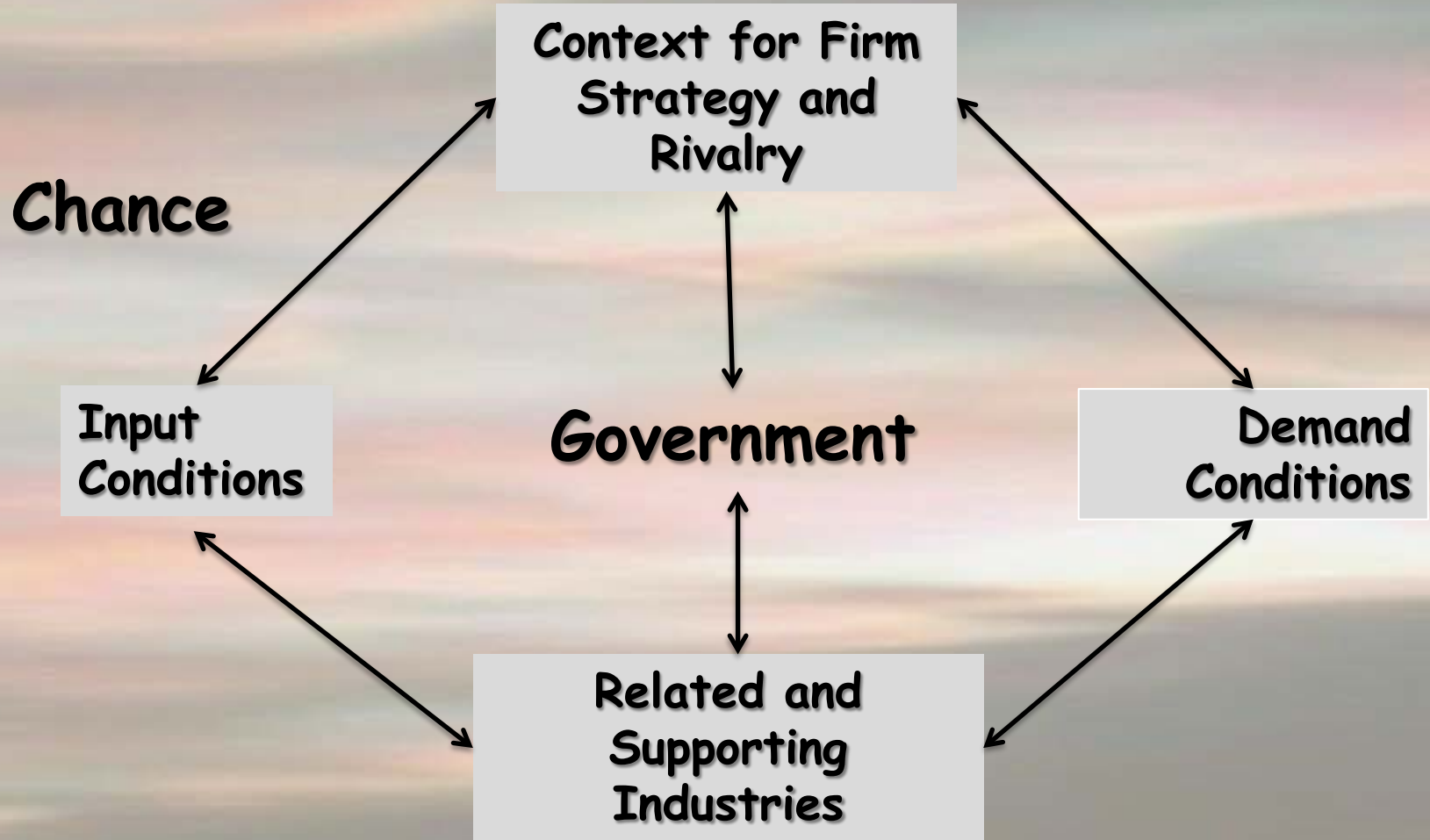
South EBM Economic Activity = @75\$/m³ /yr ~
\$116,744,025/yr



**Project Title: Catalyzing Economic
Activity in British Columbia's
Coastal Forests**

**Project Goal: Determine possible
research directions that offer
pathways to catalyzing economic
growth in the Coastal forest
sector.**

Porter's (1990) Sources of Competitive Advantage



Interview Results

Context for Firm Strategy and Rivalry - 305 votes

- Theme 1. Business Practices and Security of Timber Supply
- Theme 4. Long Term Viability of the Coastal Forest Sector
- Theme 7. Investment in the Coastal Forest Industry

Input Conditions - 207 votes

- Theme 2. Forest Resource Inventory
- Theme 5. Threshold Costs of Sustaining the Coastal Forest Industry
- Theme 6. Forest Management and Planning Activities

Demand Conditions - 36 votes

- Theme 3. Comparisons with Other, including international producers

Government - 58 votes ("G" was intermixed throughout discussions).

- Theme 8. First Nation's Resource Stewardship and BC Timber Sales

Related and Supporting Industries - 0



General Observations from the Study

1. NO collective vision for the future of the Coastal forest industry.
2. There were NO perceived technical solutions to economic woes of the sector
 - but improved forest inventory through the use of LiDAR, and
 - better understanding of red cedar and its management were viewed as critical.
3. Expectations on the future of Coastal forestry and Forest sector investment were extremely negative by the majority of those interviewed.

Take-Home Messages

- Improve the understanding of the economic values of forest management and develop an economic framework for evaluating forest policies (Gateway).
- Ecosystem based management requires solid grounding in both social and natural science.
 - At a time when flexibility and innovation are required to adapt to climate change, the emulation of historic natural disturbance patterns may likely result in a huge ecological disaster.
- BC Timber Sales and First Nations forestry are emerging players.
 - The issues with BC Timber Sales, some political, suggest a different approach to its institutionalization.
 - First Nations may be a constraint or an opportunity.

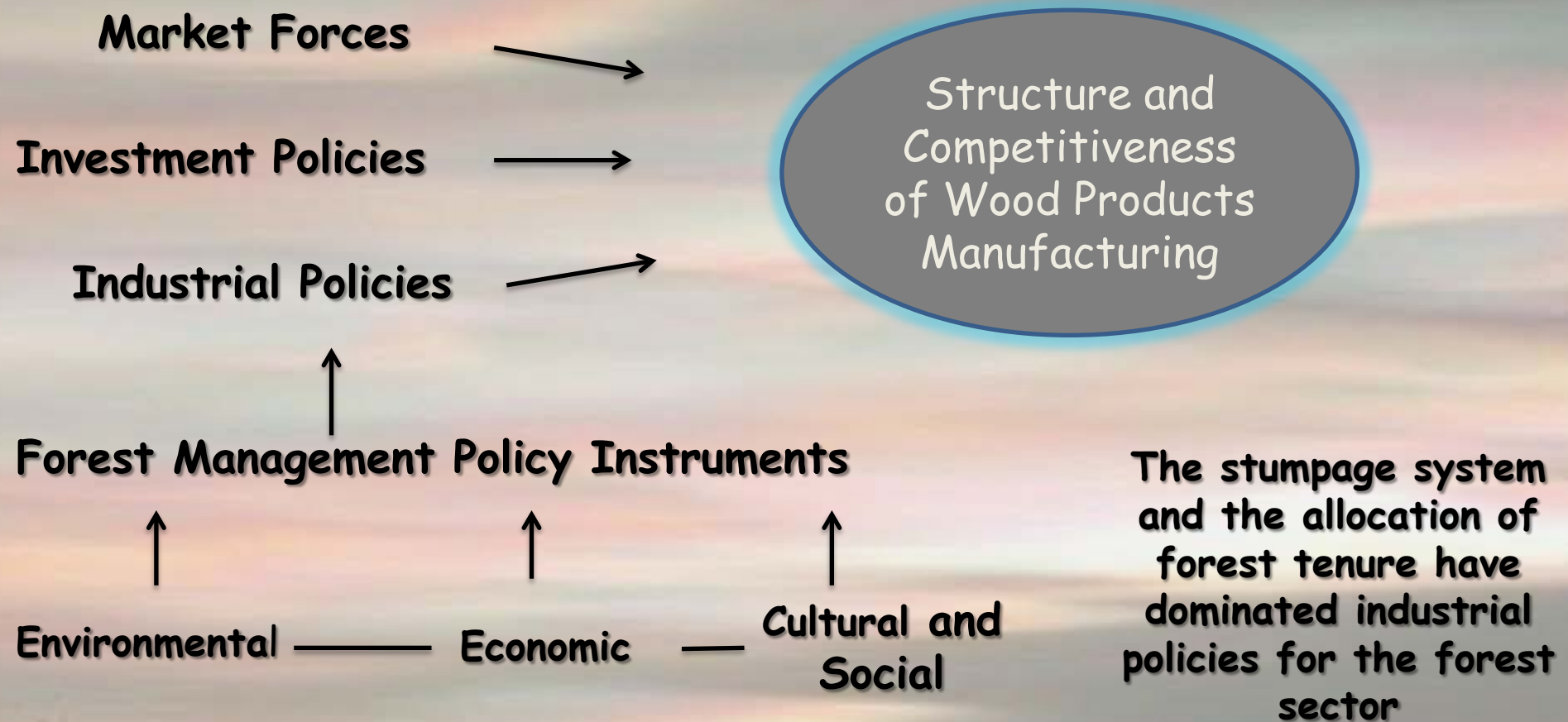


Tsilhqot'in Decision

Supreme Court of Canada

June 26, 2014

Drivers of Structure and Competitiveness





The On-ramp to Elkhorn

Building these take-home messages into sustainable institutional arrangements for the stewardship of renewable natural resources.

The Coastal Village Project's next work should focus on:

- A team that includes representatives from First Nations to create a vision and a charter for the Coastal forest village.
- Apply the knowledge developed in that process and create a foundation for the Village.
- Support entry of First Nations and innovators into the Village's forest business community.

The timing is excellent:

- The global forest economy is expected to continue improving. With innovation, newer markets can be made to emerge.
- Local leaders are committed to rebuilding the Coastal forest industry. Can this commitment be contagious at the Regional level?
- NIC sees a future for workers in sustainable forest management on the Central Coast along with the Central and North Island.

BUSINESS

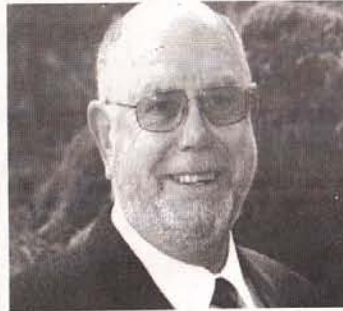
Adams returning city focus on forestry

NEIL CAMERON COURIER-ISLANDER

Campbell River's new mayor wants to get back to the future.

In his inaugural address Tuesday night at the Campbell River Community Centre Mayor Andy Adams said he wants city council to help rebuild the coast forest industry.

He named Councillor and former mayor Charlie Cornfield to head up a Forestry Task Force, something that was dropped off the city agenda during the



Charlie Cornfield

past three years.

Cornfield used to work with the Ministry of Forests and

that, combined with his need to find his golf balls in forests near local golf courses, makes him a prime candidate.

"I am recommending that Councillor Cornfield head up a Forestry Task Force that will pick up where the Former Future of Forestry Task Force left off, and work with the Truck Logger's Association, TimberWest, Western Forest Products, Interfor and all the forest related companies that are based here in Campbell River and on Vancouver Island,

"We have neglected this sector for the past three years and it is my intention to work to revive this industry in Campbell River."

— Adams

to help rebuild the Coastal Forestry industry," he said.

And Adams and Cornfield, aren't done there.

Adams said he wants Corn-

field to establish a Community Forest in Campbell River that could create a new revenue line for the city and also be a working lab for expanded forestry related programs at North Island college.

"We are the centre for the Coastal Forest Industry," said Adams.

"We have neglected this sector for the past three years and it is my intention to work to revive this industry in Campbell River."

ncameron@courierislander.com

New mayor takes on Rivercorp refitting

NEIL CAMERON COURIER-ISLANDER

Campbell River's new mayor wasted little time dealing with Rivercorp, the city's economic development arm.

The Rivercorp board announced Monday that it had parted ways with CEO Vic Goodman and was conducting an internal review

I will take on the task of working with the Rivercorp board in looking at options for organizational structure and how to align their initiatives." — Adams

the Creative Industries, and tourism, but said there is more "we can do with tourism to promote Campbell River."

All of those organizations come under the Rivercorp umbrella.

The city paid \$647,000 to Rivercorp last year, but really only a fraction of that amount went to actual economic development. Most

Aquaculture will be a key to the future says Adams

NEIL CAMERON COURIER-ISLANDER

Campbell River Mayor Andy Adams wants to cultivate fish farming.

Adams said he wants the city to get more involved in the aquaculture industry and work with it to ensure long term growth and employment opportunities.

"We are the centre for the Aquaculture Industry

and federal governments to ensure that this industry can grow in a sustainable and environmentally responsible manner providing jobs and economic stability for families in our community."

Adams said with a strong aquaculture industry, other local institutions can benefit.

He said North

and skill sets in our students and make a significant difference to our community."

ncameron@courierislander.com

WOOD STOVES & INSERTS



PHONE 250-830-WOOD(9663)

Paul Shepard (1982) observed:

To those for whom wealth has literally sprung from the earth like milk from a teat, there is, at best, a poor sense of the cost of things, the value of work, or of soil.

(Nature and Madness, Sierra Club Books, SF)



"*Quo Vadis*, BC Coastal Forestry?"