One size does not fit all: Creating space for small-scale forestry in British Columbia, Canada

This policy brief summarizes research findings from the peer-reviewed article published in July 2023 in the journal Small-scale Forestry

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KEY MESSAGES
• The intention to Modernize Forest Policy in BC creates an opportunity to break long-standing constraints facing small-scale forestry, reconsidering how forest stewardship priorities are regulated for diverse and local values.
• A long-term vision for small local forestry in British Columbia that creates enabling conditions for diverse and locally appropriate forest management is currently missing from BC forest policy.
• Small tenure holders seek greater autonomy, expanded revenue options, and improved opportunities for innovation and more diverse fibre utilization.
• Creating a more inclusive forest sector will require transformative policy change and local initiatives that promote diversity in tenure, management, and stewardship.

INTRODUCTION
Small scale forestry in British Columbia is growing as a platform to integrate community, climate, and forest values. This policy brief highlights critical constraints facing small forest tenures and the need for engagement on long-term solutions that allow for locally driven management decisions.

Forestry in British Columbia is under pressure to meet changing demands and to improve benefit flows from forests to local communities. As a sector historically characterized by large scale commercial exploitation, BC forestry has struggled to reconcile production needs with the diverse and changing societal values of forests. Initial policies set early in the 20th century have shaped forest practices, tenure arrangements, and industry structure, making it difficult to transform and adapt. The provincial government recently announced intentions to address these issues with a plan to Modernize BC’s Forest Sector. The plan aims to create tenure opportunities for small operators, increase community participation, and encourage diverse wood products and manufacturing. It is a welcome attempt to re-balance the forest industry to include Indigenous leadership and consider alternative management models across the province. Yet to ensure future policy changes meet their desired objectives, there is a need to learn from the current practices and challenges of small-scale forestry. This policy brief summarizes recent research on the values, perceptions, and constraints faced by small tenure holders in BC and the need for better integration of local interests into provincial forest policy.

Why is small-scale forestry important?
Small forest tenures promote environmental stewardship that reflects local priorities, generates local benefits, supports local industries, and enables management for multiple values. Small-scale forestry emerged in the 1950s with individual and community-owned tenures, spreading in the early 2000s with the establishment of community forests. Today, Woodlot Licences, Community Forest Agreements, and First Nation Woodland Licences make up most of the small-scale forest sector in BC, in addition to various licences that are small-sized and locally owned. There is no agreed definition of small-scale forestry, but smaller tenures are designed for local engagement in forestry, allowing benefit flows to local people and stewardship that reflects local values.
The importance of small-scale forestry in BC extends beyond forest management. Local employment, municipal revenues, wildfire risk reduction, training and education, culture, and environmental knowledge are commonly recognised values. Small-scale forestry provides space for healing and reconciliation, for building trust and enhancing cooperation. The Federation of BC Woodlot Associations (FBCWA) and the British Columbia Community Forest Association (BCCFA) publish annual reports highlighting the contribution of small-scale forestry for communities and the province.

**RESEARCH METHODS**

In 2021, researchers conducted an online survey of small forest tenure holders to learn their management priorities, perceptions of success, constraints, and opportunities (Riggs et al, 2023). Respondents represented diverse tenure types across BC, including Indigenous and non-Indigenous tenure holders. Overall, 87 responses were received, with 78 respondents completing most questions. Survey respondents represented a diversity of tenures, primarily woodlots (53%) and community forests (25%). To complement research findings, researchers held discussions with actors involved in small-scale forestry, including woodlot licence-holders, managers of community forests and private forests, small business owners, and scholars. Additional information was gathered by reviewing grey and peer-reviewed literature and government resources on forest policy and legislation. Details of the survey and method can be found in Riggs et al., (2023).

**KEY FINDINGS**

Despite intended policy outcomes, small forest tenures feel constrained by forest policy and legislation. Current forest policies allow tenure holders to innovate and adapt, but the rules for trialing new approaches are strict. Approval processes are cumbersome, time-consuming, costly, and act as a disincentive for innovation. Climate-change, wildfire, declining wildlife populations and emerging markets require diverse and novel management techniques, adapted to local conditions. Forest managers go above and beyond regulatory requirements to manage risk and ecosystem resilience (Devisscher et al., 2021). Yet there is very little available data and practical training for small tenure holders to draw from (Beese et al., 2019). Small tenures are well positioned for trialing new techniques, monitoring impact, and introducing new ideas. Growing prominence of First Nations in forest and land use decisions means more companies are seeking ways to integrate Indigenous knowledge and values into stewardship. There is also strong interest in understanding the impact of commercial thinning and selective harvesting on local ecosystems. Removing barriers and creating a conducive system that brings government and researchers out to the land to work with licence-holders can help to build understanding, learn from existing trials, and engage with the broader public on how forests are managed for multiple values.

Small-scale forestry is much more than timber production, but tenures are restricted in ways they can generate revenue. Small-scale foresters in BC manage forests for multiple objectives, which may reflect personal or community values, as well as the social, economic, and environmental needs of the licence and landscape (Furness et al., 2015). However, under a forest tenure, licensees can only generate revenue from timber production. According to survey results, priority management objectives for small scale foresters are (1) natural resource protection and (2) income generation from wood production, with many other objectives including biodiversity, climate change, asset management for future generations and contributions to the community through education, employment, and recreation. Forest managers reported difficulties in sustaining holistic management practices whilst ensuring profit from timber production. Policies and legislation that recognise and incentivize management of non-timber values, such as regulated carbon markets and botanical products could address this gap, providing managers more authority to balance timber harvesting with other objectives.

Long-term concerns over competition and concentration of the forest industry continue to inhibit operations. Because of their small size, small-scale foresters face unique challenges in meeting regulatory requirements, acquiring skilled labour,
and finding the optimal market for their product. Survey respondents ranked economies of scale as the primary constraint to successful small-scale forestry, followed by limited devolution of power to make strategic planning. This is a direct result of provincial forest policy formed early in the 20th century aimed at supporting large, profit-driven, commodity production (Cashore, 2011). Despite attempts at reforms, major companies still retain significant market power in BC, reducing competition for logs from small tenures. Holders of small tenures feel strongly that the current Market Price System (MPS) does not meet the interests of small-scale forestry. One third of survey respondents are dissatisfied with the volume of their wood that ends up in the secondary wood manufacturing sector – facing barriers of distance to market, difficulty entering supply chains, and market instabilities. Acknowledging the critical importance of large companies in a diverse and resilient forest sector, there is an urgent need to consider ways to re-balance power for a more inclusive and diversified sector. Initiatives and policies that strengthen regional networks across different forestry actors – including contractors, licensees, manufacturers, and supporting organizations – can help to form relationships, build advocacy, and empower small enterprises.

**POLICY RECOMMENDATIONS**

- Integrate non-timber forest products into forest management through regulatory frameworks that respect traditional use and values, enable competition, research, and allow for local authority in decision-making.
- Continued engagement on tenure reform, creating space for non-timber values, appropriate size and number of small tenures. Tenure reform must be accompanied by support in the form of capacity building, partnership negotiations, and careful consideration of First Nations priorities for reconciliation.
- Establish regional development funds to support engagement with secondary wood manufacturing, small mills, and waste utilization. Funds should be available for research, network-building, and attracting long-term capital investment.
- Remove barriers to innovation by reducing bureaucracy.

**LESSONS FOR POLICY AND PRACTICE**

A declining fibre supply and public distrust in industrial forestry presents an opportunity to reflect and learn from those closest to the forests. At present, a long-term vision of small-scale forestry is missing in forest policy – a vision that embraces diverse management objectives and stewardship steered by local objectives. Actions at multiple scales can help to set priorities, develop networks, and build an evidence-base to support local forestry initiatives.

- **Co-develop regulatory frameworks for non timber forest products.** The importance and potential of non-timber forest products in BC is significantly under-acknowledged. There is a need to strengthen the knowledge-base and create revenue opportunities in ways that support and respect the values of First Nations and communities. Policies must be carefully designed in line with principles of reconciliation and without undue burden on tenure-holders.
- **Tenure decisions must be made collectively, with long-term engagement.** Creating an inclusive forest sector cannot be fast-tracked. The needs of small tenure holders must be considered as one part of a system that includes large companies, mills, secondary manufacturers, First Nations, and other stakeholders. Strategic partnerships that build from experiences of developing trust and reciprocity can help to ensure new arrangements reduce uncertainty and fibre instability. Solutions to economies of scale can also be developed locally to match specific needs, such as cooperative models, contractor networks, and training programs.
- **Expand funding for fibre utilization to develop new business models, research, and networks.** Forestry value chains are expanding, from high value products to waste utilization. The flexibility of small tenures should provide space for trialing new management schemes, supporting local value-added enterprises, and
developing products with unique cultural and geographical attributes. Developing successful business models requires enabling competition, investment in research, partnerships, and capital. Sustained government funding can support businesses develop feasibility studies, scale-up ideas and help leverage advanced market commitments. The Forest Enhancement Society of British Columbia has been essential to small-scale forestry success and offers a strong platform to build from.

- **Remove barriers to innovation by reducing bureaucracy.** The provincial government will not achieve its objective of a diverse, competitive forest sector without removing inhibiting regulations and creating space for local decisions on stewardship, management objectives, and innovation. Managing for climate, wildfire, old growth, and innovation requires decisions based on context that might differ from standardized objectives and provincial-scale datasets. A one-size fits all policy on old growth, species selection for reforestation (stocking standards), and silvicultural strategies will not lead to a vibrant and sustainable forest sector in BC. Regulations must create space for trialing new approaches according to local conditions.

**REFERENCES:**


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