

January 31, 2020

Messieurs Garry Merkel and Al Gorley  
Old Growth Strategic Review Panel  
Via e-mail: [oldgrowthbc@gov.bc.ca](mailto:oldgrowthbc@gov.bc.ca)

**Re: BC Council of Forest Industries Submission on Old Growth Strategic Review**

Dear Panel Members,

As you continue to advance Old Growth Strategic Review consultations, the BC Council of Forest Industries (COFI) is pleased to share the following comments and recommendations for your consideration.

COFI is the voice of BC's forest industry – representing most lumber, pulp and paper, and manufactured wood producers from across the province. As a proudly recognized leader in sustainable forest management and a significant contributor to BC's economy<sup>1</sup> – contributing \$12.9 billion to BC's GDP, generating over \$2.5 billion to provincial tax revenues, and supporting over 100,000 direct and indirect jobs – review outcomes that support healthy, resilient forests and a strong, sustainable forestry sector are of great importance to the province and our industry.

The need for such outcomes is heightened as the sector in BC continues to navigate challenging times. An array of external headwinds such as increased US protectionism and 20% tariffs are at play. But most importantly, a shift in industry's ability to have secure access to fibre at a reasonable cost has forced many difficult decisions. This includes the curtailment and closure of dozens of mills – impacting thousands of jobs across over more than 50 communities in BC in 2019 alone.

Broadly, we support the principles underlying the review including the need for balance amongst the various employment, economic, social, cultural, environmental and climate change values BC's forests represent. We believe these can co-exist and that a balanced forest portfolio is in place supporting these values in BC today. An outcome to this review that seeks to promote and maintain this balance is critical.

In maintaining this balance, however, we agree that attributes often associated with “old growth” – but which also manifest in other forest succession stages – must be considered in seeking to achieve this intent. However, we believe Indigenous communities, governments, forestry, tourism and recreation industries, civil society and all British Columbians are best served from Provincial policies and strategies that seek to manage for forest attributes and their associated values across *all* of BC's forests.

Further, given the impacts of climate change on the BC landscape, sustainable forest management is a critical part of the global climate change solution. As such, it is essential that carbon is managed for as a value within the working forest. There is significant opportunity for the province to be a global leader on this front.

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<sup>1</sup> PwC. (2019). *British Columbia's Forest Industry and the Regional Economies*. Retrieved from [https://www.cofi.org/wp-content/uploads/FINAL-COFI-Regional-Economic-Impact-Study\\_Final\\_March2019-2.pdf](https://www.cofi.org/wp-content/uploads/FINAL-COFI-Regional-Economic-Impact-Study_Final_March2019-2.pdf)

To that end, it is our view that – at its core – the focus of the Review, and ultimately its outcome, must reflect the following underlying realities:

- BC already has a balanced forest portfolio, within which the working forest and the values derived from it must be promoted and maintained;
- Desired forest values are derived from a broad set of forest attributes many of which are not dependent on “old growth”, but have become associated with it, due to assumed links between age and tree size;
- The BC landscape is rapidly changing due to climate change, government policy and other factors; and
- Sustainable forest management is a key part of the global solution in the fight against climate change.

With acknowledgement of those realities as a basis, our submission provides comments and recommendations **that support the development of a BC Sustainable Forest Management Strategy**. This strategy addresses “old growth” forest management but within a broader strategy for all of BC’s managed forests, and of which the objectives are healthy, resilient forests – providing stability and predictability for communities and the forestry sector.

These recommendations include that the Government of BC:

- 1. Promote and maintain BC’s currently balanced forest value portfolio;** to support this:
  - Ensure that stable and predictable access to the working forest land base is embedded as a core priority
  - Commit to structured transitions as outlined in, and informed by, management plans and timber supply analyses
  - Focus on strengthening the monitoring and measuring of existing conservation designations to assess their effectiveness
  - Adopt an approach that manages for attributes (stand type, stand structure, species, height, density) to facilitate desired forest values and objectives across managed forests; within this approach:
    - Account for biodiversity management in the working forests
    - Pursue a co-location forest management approach for the area being managed to maximize its long-term potential
    - Incorporate flexibility and adaptability within provincial policy and legislation to reflect that ecosystems are not static
- 2. Embrace sustainable forest management as a critical part of the global solution in the fight against climate change;** to support this:
  - Ensure climate change adaptation and mitigation are embedded as a priority
  - Include carbon as a forest value that we manage
  - Continue and expand investments in tree breeding programs with a focus on climate resiliency
- 3. Support public education initiatives on sustainable forest management, including raising awareness of its role as part of the climate change solution**
- 4. Invest in and work with industry to build cross-BC forest inventories and analytic capacity to ensure a robust evidence-base to inform decision-making**

Below is additional context and detail regarding these recommendations.

Note these recommendations are aligned with COFI's 'Smart Future – A path forward for BC's forest products industry' released in September 2019 which outlines a vision for a globally competitive forest sector that is a model for the world in product innovation, technological advances, and environmental care<sup>2</sup>.

## Detailed comments and recommendations

### Promoting and maintaining BC's existing balanced forest portfolio

BC already has a balanced forest portfolio. Promoting and maintaining this existing portfolio, while strengthening how different forest attributes are managed to achieve desired values and objectives is critical.

#### ***BC is already a leader in conservation***

Firstly, the landscape in which conservation and working forests currently exist must be understood. For instance, BC is already a leader in conservation. According to BC's Ministry of Environment and Climate Change, over half of the Crown land base in BC is covered by some form of conservation designation – ranging from parks and protected areas to old growth management and wildlife conservation areas. This massive commitment to conservation helps make BC a wonderful place to live, a place that attracts tourists from around the world, and a model for sustainable development.

To that end, COFI believes the greatest opportunity lies in strengthening existing conservation monitoring frameworks by identifying where conservation is meeting public policy objectives and where it is not. Greater oversight will lead to enhanced decision-making regarding conservation designations and better environmental outcomes.

#### ***Sustainable harvesting in BC's working forests is supporting jobs and communities***

Secondly, in addition to the values associated with conservation, BC forests are also an important source of jobs and economic opportunities for families and communities across the province. The over 100,000 direct and indirect jobs generated by the working forest are spread across 140 forestry-dependent communities in the province, including in the northern interior where one in five jobs are forestry-related. However, forestry jobs are not only focused in rural areas – 40% of forestry jobs are in BC's Lower Mainland and in the Southwest region of the province.

The sector's long-term vision for jobs and regional economic growth has been supported by the industry's acknowledgement that sustainable practices within healthy working forests are key to the sector's enduring success. Over decades, the industry has evolved, adapted and innovated to what is now a world-class industry with more forested areas certified to internationally recognized sustainability standards than any other jurisdiction in the world.

Today, three trees are planted for every tree harvested. Major investments in operations totaling \$17 billion since 2006 have shaped a modern and technologically advanced industry. The sector has found ways to use fibre from every part of a log, creating new products and new processing techniques. Most pulp mills in BC

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<sup>2</sup> COFI. (2019). *Smart Future: A path forward for B.C.'s forest products industry*. Retrieved from: [https://www.cofi.org/wp-content/uploads/COFI\\_APathForward\\_2.pdf](https://www.cofi.org/wp-content/uploads/COFI_APathForward_2.pdf)

today generate the power they need by using material that was once considered waste. The industry continues to explore and increase the use of the latest technologies to minimize impacts on the landscape and wildlife, while increasing the yield and economic value of the working forest. Keeping the working forest healthy means more value processed from our forests.

Given BC's forestry operations fall within the traditional territories of many Indigenous communities, the sector has also long acknowledged and appreciated the deep connection communities have to the land. In support of reconciliation, the industry is listening to the aspirations of Indigenous Peoples in our communities. Forest companies consult with First Nations, recognize their values and incorporate their input into planning. The sector also recognizes some nations are keen to increase their participation in the industry. Today the sector employs over 5300 Indigenous Peoples – more than any other resource sector, with many more engaged as contractors and in economic partnerships including equity ownership, joint ventures, forest management agreements and wood purchases.

***Secure access to the working forest land base at a reasonable cost is critical***

However, despite the economic, environmental, community and other benefits of sustainable harvesting – in recent years, lack of secure and cost-effective access to fibre has emerged as the largest threat to the sector. Although available wood supply has been dropping for years due to the mountain pine beetle and devastating wildfires, there are more critical factors at play. On BC's coast, for instance, the Annual Allowable Cut has decreased by 8.5 million cubic meters since the late 90's as significant amounts of land have been set aside for non-timber values.

To put this in perspective relative to the significant conservation of BC forests already underway, today, less than 1% of what is considered BC's working forest land base is harvested annually. Within this, and as an "old growth" example – on Vancouver Island, less than 2% of what is considered harvestable "old growth" is logged annually. This annual harvest supports an estimated 10,500 jobs, and if maintained, would support harvestable supply for more than six decades. This long-term outlook presents significant opportunity for continued planning and investment to ensure for a smooth transition to a second growth economy [**See Appendix II**]. These transitions to second growth are defined in management plans and timber supply analyses. Any changes to these plans part-way through will have significant consequences. Rather, it is critical that management plans and timber supply analyses are followed to ensure there is sufficient size and scale to grow trees to their maximum ecological and economic potential – providing stability and predictability for workers, their families and communities and allowing for reasonable returns so that businesses may invest in manufacturing, equipment, innovation activities and more.

As such, it is critical that any Review outcome preserves access to the working forest land base. Any outcome that seeks to end "old growth" harvesting, would have significant implications on regional economies and jobs with limited relative trade-off in support of other values – particularly given "old growth" attributes are present in other forest succession stages, and given its limited footprint relative to conservation, for instance.

***Public opinion supports healthy, resilient forests and a stable forestry sector***

Meanwhile, public opinion shows British Columbians acknowledge the importance of the sector to the health of the Province, the sector's leadership in sustainability practices and support government taking steps to support the industry. A 2019 Abacus Data poll found most citizens (87%) believe it is vital to BC's economy to

have a healthy forest sector<sup>3</sup>. The same survey showed most British Columbians recognize the BC sector as a global leader from a sustainability standpoint (76%). At the same time, there is widespread understanding of the many challenges facing the sector, and enthusiasm for a broad range of solutions, including close to 80% of respondents saying government should take steps to help promote more investment in the sector for the future.

***Adopt an approach that manages for attributes to facilitate desired forest values and objectives across managed forests***

Firstly, within the balanced portfolio discussed above, it is possible to advance an approach that manages for attributes (stand type, stand structure, species, height, density) to facilitate desired forest values and objectives across managed forests.

For instance, many of the values identified as needing old growth are actually dependent on forest attributes which can be achieved in younger stands through forest management. Therefore, rather than a narrow focus on age, or size we recommend managing forests for attributes.

Secondly, the diversity of BC's forest ecosystems and the ever-changing landscape in which these attributes interplay is also important. BC's forests are very diverse and have been shaped by a variety of factors, including natural disturbances. Many of the province's interior forest ecosystems, for example, have been shaped by wildfire events. Meanwhile, many wetter coastal ecosystems have disturbances that retain portions of the original stand. This is why a coastal licensee has implemented the practice of Variable Retention – to retain structural attributes across the working forest.

Therefore, the way forward needs to guide to a solution that is science based and feasible to implement. In certain ecosystems, a conservation area that exhibits a variety of attributes could indeed support important public policy objectives such as enhanced biodiversity. However, in other cases where forest have become over-mature due to a lack of disturbance, there may be a loss of the attributes that allow such outcomes to materialize. For instance, in many ecosystems, long-term preservation and the prevention of disturbance events such as fires, controlled burns or harvesting have dramatically altered forest conditions. In many cases, this has resulted in very old, stagnant forests that are vulnerable to pest and wildfire events.

In short, given all of the factors that influence forest ecosystems, COFI suggests more emphasis is needed on understanding the forest attributes that contribute to values, then – via well-designed sustainable forest management policies – promoting the activities that will allow these values to manifest. Through flexible and adaptable policymaking which recognizes the fact that forest ecosystems are not static, the current balance of forest values that exists in BC can be promoted and maintained.

**Recommendations:**

- 1. Promote and maintain BC's currently balanced forest value portfolio; to support this:**
  - Ensure that stable and predictable access to the working forest land base is embedded as a core priority

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<sup>3</sup> Abacus Data. (August 2019). *British Columbians & The Forestry Sector in 2019: A Study for the Council of Forest Industries*. Retrieved from: <https://www.cofi.org/wp-content/uploads/British-Columbians-and-The-Forestry-Sector-Abacus-Data.pdf>

- Commit to structured transitions as outlined in, and informed by, management plans and timber supply analyses
- Focus on strengthening the monitoring and measuring of existing conservation designations to assess their effectiveness
- Adopt an approach that manages for attributes (stand type, stand structure, species, height, density) to facilitate desired forest values and objectives across managed forests; within this approach:
  - Account for biodiversity management in the working forests
  - Pursue a co-location forest management approach for the area being managed to maximize its long-term potential
  - Incorporate flexibility and adaptability within provincial policy and legislation to reflect that ecosystems are not static

### **Recognize sustainable forest management is a critical solution to the global fight against climate change**

#### ***Climate change is significantly altering the landscape and sustainably managed forests and low-carbon wood products are global climate solutions***

Climate change is also causing the landscape in BC to change rapidly. Many models are predicting very significant change over the next 40 years to the point where certain species may no longer inhabit the areas they do now. Understanding how forest management can support healthy, resilient forests and a strong forestry sector, and contribute to the fight against climate change, is critical. Natural Resources Canada's most recent *State of the Forests Report* found that sustainably harvested forest lands and the use of wood in lieu of carbon-intensive products like cement and steel removed 20 million tonnes of carbon from the atmosphere in 2016<sup>4</sup> by acting as carbon sinks.

Similarly, case studies for BC's Quesnel Timber Supply Area and a forest in southeastern BC suggest that sustainable commercial harvesting have led to greater carbon sequestration than conservation when proper account is taken of wood product sinks and, especially, if emissions of CO<sub>2</sub> are prevented when wood substitutes for non-wood are counted [See Appendix I]<sup>5,6</sup>.

Meanwhile, Sibel-McKenna et al. (2020) noted that arguments strictly for conservation often neglect to consider that protected forests are prone to release carbon into the atmosphere as a result of natural disturbances<sup>7</sup>.

Regeneration programs in managed forests, have also been found to support resiliency and address climate change<sup>8</sup>. Through these programs, climate-based seed transfers align the climate under which parents thrived

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<sup>4</sup> Natural Resources Canada. (2018). *The State of Canada's Forests Annual Report 2018*. Retrieved from: <https://cfs.nrcan.gc.ca/pubwarehouse/pdfs/39336.pdf>

<sup>5</sup> van Kooten, G.C., T. Bogle and F. de Vries. (2015). Forest Carbon Offsets Revisited: Shedding Light on Darkwoods, *Forest Science* 61(2): 370-380.

<sup>6</sup> van Kooten, G.C. (2018). The Challenge of Mitigating Climate Change through Forestry Activities: What are the Rules of the Game? *Ecological Economics* 146: 35-43.

<sup>7</sup> Sibel-McKenna, A., C.M.T. Johnston and G.C. van Kooten. (2020). *Knock on Wood: The Effects of Suboptimal Decision-making on Forest Carbon Sequestration in the Presence of Uncertainty in Wildfire Risk, Spatial Economic Analysis*. In press.

<sup>8</sup> Forest Genetics Council of British Columbia (2018). Annual report 2017/2018. Retrieved from: <http://www.fgcouncil.bc.ca/FGC-Annual-Report-2017-18-Web.pdf>

with the new climate in which regeneration is established. The acclimated stock deployed to regeneration today has above-average growth, accelerating carbon sequestration. Continuous investment in key species' breeding programs continues the growth improvements for future regeneration. Furthermore, where needed, the acclimated stock deployed today delivers pest resistance, again increasing the carbon sequestration and resiliency of stands. As pest pressures change under a changing climate, the breeding programs are re-focusing to continue to deliver resilient stock to regeneration programs.

To put this in perspective, without these activities, natural regeneration in unmanaged stands prolongs the lag time for development of well-adapted regeneration and leaves stands at risk of poor performance and death. Poorly acclimated stands are not sequestering carbon at the rate an acclimated stand could sequester carbon, both in the timber and the root systems.

### **Recommendations:**

- 2. Embrace sustainable forest management as a critical part of the global solution in the fight against climate change; to support this:**
  - Ensure climate change adaptation and mitigation are embedded as a priority
  - Include carbon as a forest value that we manage
  - Continue and expand investments in tree breeding programs with a focus on climate resiliency
- 3. Support public education initiatives on sustainable forest management, including raising awareness of its role as part of the climate change solution**
- 4. Invest in and work with industry to build cross-BC forest inventories and analytic capacity to ensure a robust evidence-base to inform decision-making**

### **Conclusion**

Thank you for your consideration. We are hopeful for review outcomes that support healthy, resilient forests and a strong forestry sector to the benefit of all British Columbians. If you have any questions, please do not hesitate to contact me at [yurkovich@cofi.org](mailto:yurkovich@cofi.org).

Sincerely,



Susan Yurkovich  
President and CEO

## Appendix I

### Annualized Carbon Sequestered in Southeastern British Columbia Forest under Different Management Regimes, '000s tCO<sub>2</sub><sup>a</sup>

Forest Management Method	Emission offsets <sup>b</sup> (tCO <sub>2</sub> /m <sup>3</sup> )	Discount rate on carbon					
		0%		2%		4%	
		Price of carbon \$/tCO <sub>2</sub>					
		\$0	\$10	\$0	\$10	\$0	\$10
Unmanaged		91.7	91.7	100.2	100.2	99.1	99.1
Conservation	0.25	-25.5	-23.0	-14.0	-12.5	-8.8	-8.3
	0.75	-7.2	-4.7	4.2	5.7	9.7	10.3
Commercial Management	0.25	8.1	22.4	57.1	60.3	77.3	80.2
	0.75	186.3	193.3	238.1	243.9	265.8	271.4

<sup>a</sup> Source: Calculated using data from van Kooten et al. (2015)

<sup>b</sup> Credit for emissions avoided producing concrete/steel when wood substitutes for non-wood in construction.

## Appendix II

### BC coast Crown forest land base by age class

Age Class	THLB Hectares	%	NHLB Hectares	%	TOTAL Hectares	%
0 - 20	300,519	12.0	171,823	2.9	472,342	5.7
21 - 40	577,708	23.1	182,029	3.1	759,737	9.1
41 - 60	391,770	15.7	230,441	4.0	622,211	7.5
61 - 80	199,424	8.0	232,185	4.0	431,609	5.2
81 -100	97,211	3.9	218,749	3.8	315,960	3.8
101 - 120	49,614	2.0	197,964	3.4	247,578	3.0
121 - 140	33,855	1.4	212,398	3.6	246,253	3.0
141 - 250	163,355	6.5	1,506,781	25.9	1,670,136	20.1
250+	673,090	27.0	2,852,057	48.9	3,525,147	42.3
Na	<u>10,700</u>	<u>0.4</u>	<u>23,132</u>	<u>0.4</u>	<u>33,832</u>	<u>0.4</u>
Total	2,497,246	100.0	5,827,559	100.0	8,324,805	100.0
	30.0 %		70.0 %		100.0 %	

\*Coast Forest Products in 2016 engaged Foresite Forest Management to develop a spatial dataset for coastal BC to identify the productive coast Crown forest land base by age class and BEC variant. The dataset is current to 2016 and encompasses Crown lands in coastal TSAs, TFLs, Community Forests, FN Woodland Licenses, and Woodlots. Parks, Conservancies, and Biodiversity/Mining/Tourism areas are also included along with a range of other protected areas. The compiled datasets were used to approximate the Crown Productive Forest Land Base (CFLB) and further separated into the Timber Harvesting Land Base (THLB) and the Non-Harvestable Land Base (NHLB) across the coast.