

BIG CHANGES COMING FOR NEW BRUNSWICK PRIVATE WOODLOTS AND MARKETING BOARDS

by David Palmer

New Brunswick has announced a major new private woodlot initiative. Speaking in mid-October at the New Brunswick Federation of Woodlot Owners Annual General Meeting in Doaktown, Chris Ward, Assistant Deputy Minister with the Department of Natural Resources and Energy Development, sketched out the key elements of a proposed Private Woodlot Sustainability Fund. Designed to build confidence in private woodlot management, it will introduce the most sweeping changes to the private woodlot sector since the Crown Lands and Forests Act was proclaimed in 1982, or since negotiating powers for the marketing boards were stripped away by Frank McKenna's government ten years later.

The work, which began more than two years ago, focused on three elements – reforming the marketing board system, improving private woodlot owner engagement and management of private woodlots, and the state of wood sales contract negotiations. In addition to ongoing discussions with Federation and Marketing Board representatives, over 70 stakeholders from the sector were interviewed, past reports were reviewed and a Minister's Round Table with 20 key stakeholders was convened. After all the facts and figures were in, a working group of ten practitioners from the Innovation Design Team at Treasury Board was tasked with making the final recommendations. They honed in on the first two issues, setting aside the negotiation file to be worked on separately.

Here is a nutshell summary of what was heard and what is being proposed by the government.

ONE CENTRAL AGENCY.

Although the Marketing Boards are best positioned to service contractors and woodlot owners, their policies, processes, and levies differ from region to region contributing to a complex governance structure, and human resources are lacking. As it stands now there are seven regional marketing boards but no central agency to bind them together (the NBFWO served as a central agency (with no regulatory powers) until its links to the marketing boards were severed by the Forest Products Commission in late 2021). The government would like to see a high-level central agency with responsibility for strategy and direction for policy and planning, inventory, timber supply, negotiations, and market intelligence. It would also be tasked to focus on consistency and standardization for contract administration, financial accounting, IT, and levy structure.

The regional offices would focus on woodlot owner engagement, operational planning, and service delivery. A committee with marketing board reps has been struck to move this process forward.

BUILDING CONFIDENCE AND IMPROVING PRIVATE FOREST MANAGEMENT.

Woodlot owners have a broad set of interests and motivations and are thirsty for information, but demographics, absentee ownership, and turnover are resulting in less engagement. An additional challenge is that today's woodlot owners are just as likely to be interested in biodiversity, conservation, climate resilience and carbon management than conventional harvesting. The future creators of management plans on private woodlots will have to be much more diverse in their working knowledge

and expertise to ensure these needs are met. It was noted that extension services in New Brunswick are two thirds that of Nova Scotia, one quarter of Sweden's, and one fifth of Quebec.

On the forest management end, forest inventory is not being used to inform harvesting, there is little consideration of regeneration after harvest, and current trends are steering the forest towards balsam fir, intolerant hardwoods, and non-commercial species. It was concluded that there is a lack of long-term planning and no overall system, so activities are ad hoc and uncoordinated. It was noted that there is a gap of about \$5/hectare between what is spent on Crown Land versus Private Woodlots. Several measures will be introduced to close the gap and bring more rational planning to the private woodlot sector, including enhanced forest extension, increased silviculture funding, management plans and registered woodlots.

THE PRIVATE WOODLOT SUSTAINABILITY FUND.

“The cornerstone of the initiative”, said Ward, “is a fund garnered from an additional levy on Crown Wood contributed by industry.” The funds, to be drawn from the recent increase in Crown timber royalty rates, will be used to top up and provide an additional \$4.0 million annually for long-term silviculture on private woodlots. An additional investment of about \$3.0 million a year will be targeted towards forest extension efforts and management plans, which will form the basis of a “Registered Woodlot” program. (The previous speaker, Vincent Miville, who heads up the Quebec Federation of Woodlot Owners, related that Quebec makes some forest management assistance, including tax credits, contingent upon having your woodlot in the Province's Registered Woodlot Program). In time, New Brunswick may consider similar incentives. The long-term vision is that in the future, much of the harvesting would be driven by recommendations flowing from management plans, resulting in better planning and more predictable outcomes. On top of the money for silviculture, extension and management plans, another \$3.0 million will be earmarked for forest protection measures.

A second committee has been formed to steer the private woodlot initiatives towards fruition, but the government wheels are already moving forward. The legislation to establish the Private Woodlot Sustainability Fund will be introduced in the House this fall and implementation will begin for the 2023 operating season.

The scope and scale of the proposed changes is significant and the challenge to prepare is huge. There are many parts of the initiative that will be welcomed but others will generate misgivings and soul-searching. As always, the devil will be in the details. Naturally, there will be some resistance to these changes – there always is push back to any change – when you've done something a certain way for long enough, you get comfortable and secure doing it that way. In any event, there appears to be no turning back, so private woodlot owners and their leaders must get ready and prepare positively for the future.