

Critique of the Jaakko Pöyry Report on New Brunswick Wood Supply

The best thing about the Jaakko Pöyry Report is that it has initiated a debate about forest policy and forest management in this province, something that I believe was the main objective of the sponsors of the report. Furthermore, there are some interesting and useful ideas presented by the consultants. Calling for a more efficient and effective approach (of some kind) to the management of New Brunswick forests is sensible, appropriate, and long overdue. The suggestion that there should be a much greater focus on measuring and controlling for the achievement of results rather than on simply following rules and plans is also a very good recommendation.

However, I have serious reservations about some aspects of the report. My major criticisms come under the headings of objectives, focus, methodology and gaps and errors. Although I discuss some specific problems in greater detail in the appendix (attached), my criticisms can be summarized in the following way:

Objectives:

- I have no problem with a study commissioned primarily by industry, and primarily to answer questions industry wanted answered. I don't even have a problem with taxpayers paying for part of it. I DO have a problem that there is no comparable study from the perspective of New Brunswick society – of course this would mean that the province's objectives might be defined as distinct from those of the existing industry – but shouldn't the government at least figure out if this is the case?
- So what are the goals and objectives of New Brunswick government and presumably, the people of New Brunswick? The objectives of the study do not state what they are, and they aren't even implied within the "Minister's Questions". The report implicitly and explicitly says that better management is required to carry out objectives, but does not state what these objectives are or how these will be defined and revised. The 2002 Vision document is OK, as far as it goes, but it is much too vague to serve as a clear set of objectives upon which decisions can be made and by which results can be evaluated.

Focus:

- The focus of the report was on timber supply (quantity, not quality or even really composition – i.e. value), and on Spruce/Fir, not all species. While I agree that there should be measurable targets for wood supply, a focus only on measuring wood supply volume achievement is short-sighted.
- Furthermore, there is almost nothing in the report on the management of New Brunswick private lands – even though they make up almost 50% of our forests.

Methodology:

- The authors talk about value added for Finland – so why is value-based analysis not undertaken for New Brunswick?
- The focus on Spruce Fir and on volume means that the study did not even try to achieve the purported study objectives.

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Gaps and Errors:

- I do not agree that the focus of management should be, first and foremost, at the license level. I am disappointed that there is no recommendation for planning at the provincial level: how can we set policies and strategies for New Brunswick if we don't look at the entire province. We need to set objectives and plan for the entire province first, and then translate the results into license by license objectives. In fact, I believe planning should be undertaken for all of New Brunswick including private lands (to identify policies that could help foster a healthier private forest sector), then all crown land, then on a license by license basis.
- Although it is implied in some of the things said, the report was remiss in not clearly stating that all objectives must be explicitly described, and then monitored and controlled. Even if the industry's main objective is maintaining or increasing wood supply, it is in industry's own best interest that all objectives for our public forests are efficiently and effectively achieved.
- In the report, certification is perhaps seen as a panacea, particularly as a way to reduce government costs. While I think that is a good idea to reduce unnecessary overhead, I am worried that there is no clear distinction between the goals of certification (a market-driven process) and the goals of New Brunswick forest management (whatever they are). There is a difference between the goals now, and that difference could grow over time. Certainly I would be very cautious about mixing these things up, or about DNRE relinquishing its responsibilities to certifiers. Remember, sustainability can be defined many ways even within a particular certification system, most certification processes do not assure true sustainability (at least not yet), and certification certainly does not assure achievement of the goals of the owner or ultimate manager (New Brunswick, in this case).
- There are several statements and conclusions that are not justified in the document, and sometimes contradict the information presented (see the appendix, attached, for examples). For instance, I worry about assumptions that Ontario's more "efficient" forest management methods are right for this province. Besides the fact that Ontario has much larger tracts of land with (often) simpler forest conditions, it is not clear to me that Ontario is necessarily doing things "right". We should study the approaches taken by many other jurisdictions, but I am not aware of any that we should simply emulate without careful inspection.

Summary:

In summary, I would say that my biggest criticisms of this report would be that there was no focus on provincial objectives, there were large gaps and inconsistencies in the focus and the analysis, some of the conclusions appear unjustified and the report itself was very expensive for the value received. The best ideas were related to the call for a more efficient and effective management approach and a greater focus on better processes for planning, monitoring and controlling to achieve objectives. However, even these good suggestions did not start from an appropriate premise (that the province needs to identify its own goals and objectives) and were not taken to their logical conclusions: recommendations for objective-setting and management processes that achieve all of New Brunswick's forestry goals.

Conclusions and Recommendations:

The Jaakko Pohry study focused primarily on the issue of wood supply, not on the vision, goals and objectives of forestry for the province of New Brunswick. In fact, it does not even address the

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issue of wood supply very well, since it ignores a good part of our forest landbase, ignores major species and focuses on volume instead of value. For this kind of money New Brunswick should have been able to get a study and report that would recommend (with strong justification) ways to achieve more goal-oriented, effective and efficient forest management that would lead to more economically, environmentally and socially sustainable forestry. Such forest management would almost certainly justify and encourage greater public and private investment in forestry and the forestry sector (assuming that the objectives of the government were first defined). The implicit goals of the study are at least on the right track, but the basic objectives of the study were not clearly defined and the resulting study was not well executed.

The existence of the Jaakko Pöyry report underlines a deficiency in New Brunswick forestry today: the **lack of coherent strategies, structures and processes of management focused on goals and results**. In the 1980s our government had a vision and instituted innovative strategies to achieve it. In the last decade, most of the vision has come from the forest industry and other special interest groups. Not all of these initiatives have been purely self-serving. For example, the forest industry has pushed the government to focus on results instead of prescriptions. It is telling that this proposal was rebuffed by the government.

So how can New Brunswick regain its vision and its place at the forefront of forestry – and then maintain it well into the future? I believe that a **Sustainable Forest Management advisory board** should be constituted and given the responsibility to advise government on goals, policies, programs and processes that would help the province to define and achieve its goals as they relate to the forest sector – and once again be leaders in forest management. Such an advisory board could lead an informed discussion/debate of the merits of various forest policies and strategies as they relate to all of the forests and stakeholders in the province.

It must be recognized that the formation of such a group would only be the first step in a comprehensive process – not as a substitute for action, but as a way of promoting informed, ongoing debate and giving direction to government policies and strategies. This must necessarily be followed by an ongoing, **comprehensive and integrated planning, implementation, monitoring and re-planning cycle**. **Policy and strategy development must take a hierarchical approach, starting at the provincial level** (thereby including private forests), then moving on to all of crown forests, and only then to license level planning. It is only in this way can the forestry sector achieve its potential, and the people of New Brunswick get maximum benefit from their forest heritage now and into the future.

The best way to predict the future... is to create it!

Post Script: As a final note, I would like to point out that forest policy debates in New Brunswick are generally more balanced than what is seen in many other jurisdictions, to a great extent because ours is a rural province. Nonetheless, we shouldn't be complacent about this. More must be done to inform the public and encourage real debate based on science, not on unsubstantiated opinions as it so often is in other jurisdictions. As can be seen from some of the hyperbole engendered by the Jaakko Pöyry report ("mono-culture plantations", "no more fall colours") we aren't immune to scare-mongering and misinformation.

APPENDIX

Problems in Specific Sections of the Jaakko Pöyry Report

Objectives:

- 1) The “Minister’s Questions”, while apropos for the CURRENT industry, are too limited from the perspective of New Brunswick. The questions should have focused more on the future forest sector. The industry has changed tremendously in the last 25 years, and it is certain to change as much in the next 25.
- 2) With respect to Minister’s Question #1: Why not increase the value (by including quality and forest composition issues) instead of only volume coming from our forests? And even this Question was not really answered, since not all species were evaluated.
- 3) The study is NOT consistent with the stated objectives – the actual study has a much narrower scope than the stated objectives... and while the stated objectives are broader than the “Minister’s Questions”, the study is much more aimed at only answering the Minister’s Questions.

Focus:

- 4) The focus of the report was on timber supply (quantity, not quality or even really composition – ie value), and on Spruce/Fir, not all species. While I agree that there should be measurable targets for wood supply, focusing on measuring wood supply volume achievement is short-sighted.
- 5) There is almost NOTHING on the management of New Brunswick private lands – even though this is almost 50% of forests, and small private lands are 30% of our forests.
- 6) They mention that Finland was wrong to focus on one species group (Pine), so why does the study focus on Spruce/Fir?
- 7) Focusing on fiber (volumes) only for investment opportunities (page 41) is very narrow-minded

Methodology:

- 8) The comparison with Finland is somewhat misleading – sometimes it is a comparison is with respect to ALL Finnish forests, sometimes with respect to the country’s state forests.
- 9) The authours talk about value added for Finland – so why ignore it for New Brunswick?
- 10) The focus on Spruce Fir and on volume means that the study did not even try to achieve the purported study objectives.

Gaps and Errors:

- 11) Some conclusions related to the comparison to Ontario’s forestry bureaucracy (such as those about staffing levels) don’t appear borne out by the figures presented. Furthermore, given the wide differences in situations and approaches

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- to management, these sorts of comparisons are extremely simplistic and pretty well irrelevant. What is important is to provide the most effective and efficient governance you can get for the objectives you have, the situation you face and outcomes you wish to control for... the comparisons in the report are simplistic and of very little value.
- 12) Page 34 – Graph contradicts the 32% indicated in heading.
 - 13) Page 35 – Most vision comes from the government? I don't believe that this is the case and the premise of this report would appear to bear out my skepticism.
 - 14) Minister's Question #2: Neither of these questions is actually answered.
 - 15) Minister's Question #3: This question was partially answered (assuming that detailed analyses not in the report were properly undertaken), but ignoring forest values seems very short-sighted.
 - 16) Question #4: This is answered, but in a narrow way – the focus on volume is wrong, and the question ignores the lack of provincial goals and objectives. The report does not indicate why Ontario's approach should be emulated. Also, if the public is going to give intelligent input, it needs information and education – and this provides very little of either.
 - 17) Finland is 62% private – but is the comparison between all Finnish and New Brunswick forests, or just the state forests of Finland and New Brunswick?
 - 18) New Brunswick needs EXPLICIT long-term (time-dependent) objectives of all forest values over time – and when we are talking about timber products, those objectives should be quantity AND quality AND composition. This is NOT clear in the report, and should have been.
 - 19) If we can try to control non-timber forest products on private land, why not timber (through tax incentives, crown land policies, etc.)?
 - 20) Page 40 – We need a clearly stated timber supply objective, yes, but for ALL of New Brunswick and for ALL factors influencing the value of forest production – not just volumes.
 - 21) Page 45 – So if supply can't be increased for 35 years, isn't it obvious that that nearer term (and probably longer-term) objectives should focus on increasing value?
 - 22) Page 55 – I agree on the re-weighting of the vision objectives, but to focus on timber value, not volumes and products.
 - 23) DNRE should model the entire province as the first step in setting license objectives.
- Cost:**
- 24) This was a LOT of money for a pretty simplistic job. Unfortunately, the analysis and report give ammunition to those who say that it was a matter of paying a lot of money to get the report that was wanted by the industry.
 - 25) Page 53 – for this kind of money, why only model SOME forest products, and only crown land?