

Canada's Privately Owned Forest Lands: Their Management and Economic Importance

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Section I: A report on the management and importance of private forest lands in Canada.

Section II: A summary of discussion and recommendations on a proposed large-scale program to establish plantations on marginal cleared land to sequester atmospheric carbon.

Section III: A summary of data and information on the private forest land resource and management programs in each of the 10 provinces.

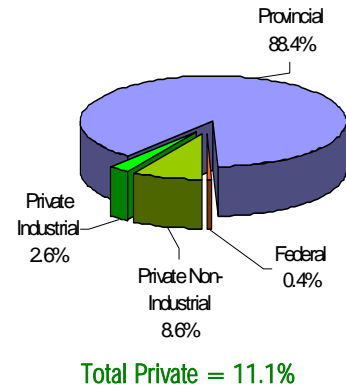
Note to the reader: The data presented in this report are the best that the author can find. This report provides an accurate, but perhaps not precise, picture of the size and importance of the private forest land resource in Canada. Harvest volumes change with market cycles. The area of multiple-use forest land changes as forest is allocated to protected status. These processes are constantly underway in Canada.

Section I

Land Ownership

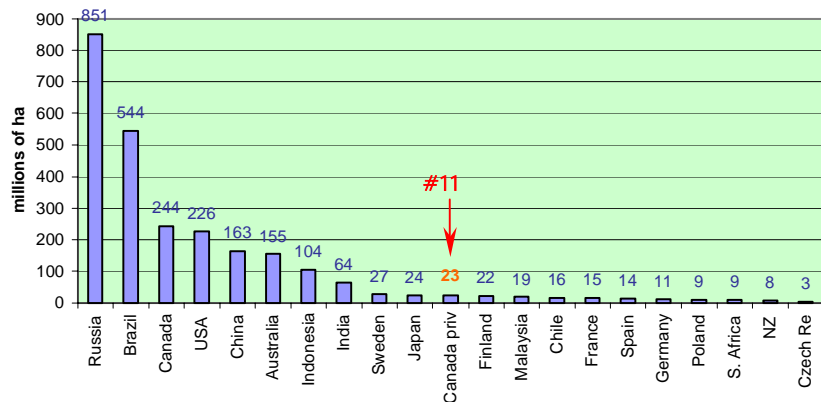
Canada has a forested area of 418 million ha. It is the third largest national forest in the world after Russia and Brazil. 244 million ha is classed as capable of timber production. Approximately 210 million ha of this 244 million ha of timber productive land is non-reserved multiple-use forest. The balance of 34 million ha is in protected areas. Of this 210 million ha some 23 million ha or 11% is in private ownership. This area can be roughly divided into 5 million ha of industrially owned private forest land and 18 million ha of family-owned private woodlots. The annual production from all private forest land is 36 million m³ or about 19% of Canada's wood supply.

Ownership of Timber Productive Forest Land in Canada



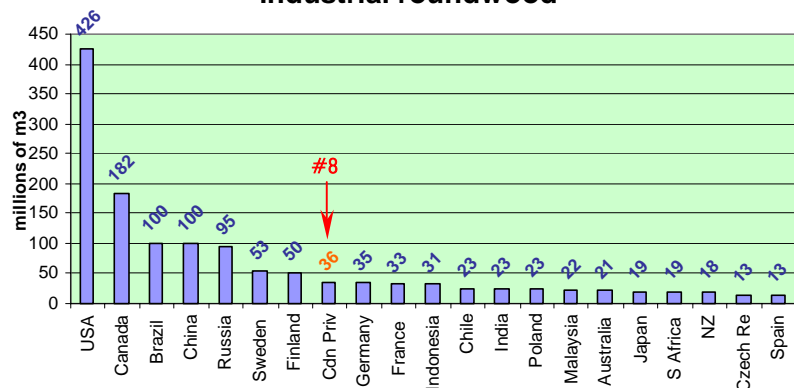
If we compare Canada's privately owned forest land to the area and wood production of national forests as found in the FAO forest data-base we find that Canada's private forest lands would be 11th in area and 8th in wood production. It is the comparatively small area of private forest land in Canada (11%) compared to 89% in public ownership that results in a continued under-estimation of the importance of the private land resource.

Area of forest of the top 20 roundwood producers (FAO)



As publicly owned forest land continues to be allocated to parks and reserves, the privately owned forest area increases in proportion and importance.

Harvest volumes of the top 20 producers of industrial roundwood



Wood Production and Productivity

The 23 million ha or 11% of our forested land that is in private ownership produces 36 million m³ of wood each year or 19% of the

national wood supply.

This is a forest that is important for ecological, social and economic reasons and is generally undervalued by Canadian society, industry and governments.

The Importance and Characteristics of Privately Owned Forest Lands

Private woodlots are *the* woodland habitat of Canada's rural regions. They are a key element in watershed management and contribute to essential aesthetic and landscape values. The 425,000 ownerships average 45 ha in size.

- Not all are active wood producers.
- They are generally close to infrastructure, have productive soils and are easily accessible.
- Privately owned forest lands are found in all regions.
- The ownerships are concentrated in Eastern Canada and contain a high percentage of Canada's tolerant hardwood resource.
- There is a significant area of private land on southern Vancouver Island.
- Productivity per ha is about double the average productivity of publicly owned forest lands.

The Growing Importance of Private Forest Land (millions of ha)

Year	Area	Public	Private	%
Theoretical	244	220.6	23.4	9.6
1996	236	212.6	23.4	9.9
1999	233	209.6	23.4	10.0
2002	210	186.6	23.4	11.1

These trends will continue.

Total and Private Non Reserved Timber Productive Forest Land Production based on Harvest

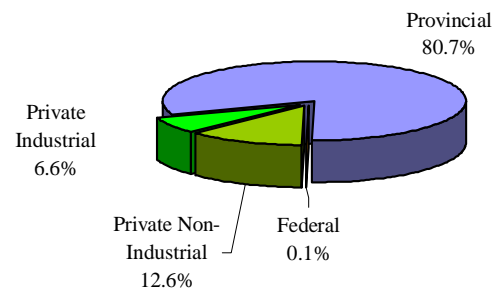
Province	Total Forest Land m ³ /ha	Private Forest Land m ³ /ha
British Columbia	1.6	4.1
Alberta	0.8	1.5
Saskatchewan	0.3	0.9
Manitoba	0.2	0.3
Ontario	0.6	0.9
Quebec	0.8	1.3
New Brunswick	1.7	1.8
Nova Scotia	1.7	2.1
Prince Edward Island	1.5	1.7
Newfoundland	0.2	-
Canada	0.9	1.7

Private Forest Land Management Programs Across Canada

Among private forest landowners there are various levels of interest in management and silvicultural/ harvesting activities and a wide range of landowner's management objectives. There are a variety of private forest land management programs (from a wide range of services to practically nothing) in the provinces across Canada.

Six provinces have active programs and at least two provinces have well defined program objectives.

Canada – Industrial Roundwood Harvest by Land Ownership



Total Private = 19.1%

The types of services available are: a range of technical advice and assistance, on-the-ground silvicultural operations as well as assistance with harvesting operations and wood sales.

Some provinces have programs that offer reductions in municipal taxes for managed lands. A few forward-thinking companies pay a premium for wood from managed land. Quebec offers a reduction in provincial income tax for approved management expenses.

**Private Land Harvest (000s m³)
as Percent of Total Harvest**

Province	Private Land Harvest	% of Total Harvest
British Columbia	8,510	11
Alberta	2,410	12
Saskatchewan	370	11
Manitoba	330	13
Ontario	5,000	20
Quebec	8,373	20
New Brunswick	5,30	51
Nova Scotia	5,660	92
Nova Scotia	405	96
Newfoundland	70	3
CANADA	36,500	19

Observations based on a study trip across Canada

During the summer of 2002 the author traveled across Canada and met with private forest land managers. Travel expenses were defrayed by grants from the Model Forest Network and the Canadian Forest Service. During the trip discussions were held with private landowners and managers of private forest land management programs in 9 provinces. Based on findings and impressions developed during the trip the following suggestions are offered as things to consider when planning a private forest land management program.

What are the objectives?

- Increase the number of woodlots under active management?
- Increase the volume and quality of wood produced?
- Increase the area of wooded land in rural areas to improve wildlife habitat?
- Improve watershed management benefits and soil conservation?
- Contribute to the stability of rural communities?

These are all reasonable objectives.

Some things to consider.

- Woodlots produce a mix of private and public services and benefits.
- Provincial governments representing the public interest, communities and woodlot owners all have a stake in these values. There must be discussion and agreement on the objectives and a plan to achieve them.
- Many woodlots are owned by absentee and urban owners' who have no background in woodlot management and may have little understanding of rural life and values.
- Private woodlots are part of the agricultural/forestry interface and are affected by both agricultural and forest policy.
- Respect for property rights and the owner's management objectives are important.
- Wildlife, water and aesthetics are public values and benefits that are affected by management decisions on private lands.

- Healthy and productive woodlots benefit the owner, neighbours, the community, industry and the general environment.

Some useful ideas for those designing management programs for private forest land.

1. We need clear objectives developed in discussion with property owners. The objective might be an increase in wood supply to XXX m³ per year. (NS)

Or

To promote the development of rural private enterprise that is efficient, safe, and competitive and produces quality products based on productive, healthy woodlots. (Manitoba)

A clear objective is important because it is hard to get people to join you on a journey if you don't know where you are going. Put another way: If you don't know where you are going any road will take you there. A clear objective serves as a "flag" for people to rally around.

2. Some strategic considerations: What are the impacts of land use planning and tax rates on forest land? Do we want to retain woodland in large properties to conserve wildlife habitat and enable continuing wood production? Or; do we want to stimulate the division of forest land into smaller lots through high tax rates?

Things to consider:

- Low tax rates on forest land.
 - Tax reductions for managed forest land.
 - Well thought-out land use zoning and regional development plans.
 - Income tax rebates for approved management expenses.
 - Forest products companies adopt wood purchasing programs that give priority to wood from managed lands.
3. Program delivery should be through an organization that is 'close' to landowners and able to operate in a flexible, cost effective way.
 4. Funding must be available to deliver effective work 'on-the-ground'.
 5. Types of services to offer:
 - a. Technical advice- courses, workshops, walking woodlots with the owners, Demonstration Woodlots.
 - b. Technical assistance- development of management plans - to get things started in the right direction.
 - c. Silvicultural programs- planting, Pre Commercial Thinning, tree marking for selective harvests.
 - d. Harvest operations- model contracts and help with hiring and supervising contractors to avoid negative impacts.
 - e. Wood sales- help ensure that the landowner gets a fair price. If a landowner is cheated it may cause the end of wood production from the property.

Putting Ideas Into Action

This is always the challenge. There are examples of good programs and ideas out there. But how do we assemble and implement them all as a coherent package?

Section II- Summary of a report on a carbon plantation program

A Carbon Plantation Program

A full report on the design and orientation of a program to establish plantations to sequester carbon on privately owned marginal lands in Canada can be obtained from the author. The report is based on consultations with private landowners across Canada.

Summary

Introduction

Canada's Climate Change agreement requires a reduction in net emissions of Greenhouse Gas (GHG) to an annual rate that equals 6% less than the 1990 GHG emission rate. It is estimated that Canadians must reduce their GHG emissions by approximately 30% to meet this objective.

The establishment of forest plantations is seen as a way to sequester carbon, thus contributing to a net reduction in GHG emissions. These same plantations will grow a lot of wood and make a solid contribution to the stability of rural communities. There will also be other significant environmental benefits from a well-planned program.

Jurisdiction over Private Lands

The provinces have jurisdiction over private lands. To be successful, any plantation establishment program must be aligned with provincial government policy.

Forest Management Programs for Private Lands

Most provinces have forest landowners' organizations and forest management programs directed at private lands

Present experience indicates that organizations that are close to private landowners are most successful in the delivery of programs. During the consultations there was little support for the establishment of a federal government delivery mechanism for this program. Comments centered on the relatively short life of a plantation establishment and stand tending program (10-15 years) and on the existence of organizations at the provincial or regional level that have, or can build, the capacity to deliver the program.

Forest Plantations and Marginal Agricultural Lands

In most regions of Canada the margin between the lands that are capable of economic use for agriculture and those that are uneconomic for agriculture lies in the CLI Class 4 & 5 range.

Policy Alignment and Joint Planning with Departments of Agriculture

The lands that are targeted for planting under the program have been in agricultural use for decades. These lands and their present use are part of the economic fabric of many rural communities.

Policy Alignment with the Provinces

As the first step in the development of the program the federal government should enter into discussions with the provinces to accomplish two things.

1. To ensure that the idea of establishing plantations to sequester carbon and create carbon credits in and for use in Canada is well aligned with provincial land use policy and objectives
2. To determine how the existing private land forest management programs and organizations within each province can best deliver the national program.

Species Selection

The new plantations must fit into the local 'landscape'. This includes the local ecology, social and aesthetic fabric, and the forest products industry.

Landowners have preferences concerning the forest cover and the appearance of their land. The species offered should have growth characteristics that are suitable for the purpose/ management objectives of the plantation.

Hybrid Poplar - There was no support in any region for a plantation program that emphasizes or is centered on the planting of hybrid poplars. There was broad agreement that hybrid poplars should be offered as one of several options.

Multiple Benefits of the Program

While the prime impetus of the program is the sequestration of atmospheric carbon and the production of Carbon Credits there will be many other effects of the program. The Senate Report on the Boreal Forest- Competing Realities: The Boreal Forest at Risk-1999; made a persuasive case for supplementing the supply of timber from natural forests by reforesting marginal farmland near the forest fringe.

In many cases these other benefits will have a greater impact on the region and the people who live there than will the creation of Carbon Credits.

- Landowners have objectives and preferences in the management of their lands.

- The Prime Objective is Carbon Credits but production of good quality sawlogs and pulpwood will improve the wood supply.
- Job creation in rural communities.
- Reforestation of large areas of cleared land will gradually replace lost wildlife habitat.
- The addition of large areas of forest cover will improve many watersheds.
- Soil conservation will improve with a reduction in erosion.
- Water quality should benefit.
- Aesthetics are a consideration, especially where tourism is important.

The Private Landowners' Contribution to the Program

There is a national need for carbon credits due to the federal government's decision to sign and (probably) ratify the Kyoto Protocol.

Reforestation and Afforestation to establish plantations to sequester carbon offer a way to meet part of this national need.

Private landowners are prepared to enter into a partnership with the federal government to meet this need. The partnership will be formalized in an agreement.

Landowners will contribute three things to the partnership.

- **Land:** The land is worth from \$750-\$2500 per ha depending on the location
- **Forgone Opportunities:** The owner will forego any opportunities to develop the land for a period of 'one rotation' of the species planted.
- **Agreement:** The owner will sign an agreement to maintain the land as a forest plantation and accept some reasonable limits on the sale of the carbon credits.

During the course of a rotation opportunities may arise that a landowner will not be able to take advantage of.

This is the main reason why the contribution of land and an agreement to maintain it in forest plantation for one rotation must be understood to be a very significant contribution to the national program by private landowners.

A carefully planned program including payment for Carbon Credits will add another reason for owners of non-economic lands to plant trees and for their associations to facilitate landowner involvement in a program.

Program Funding

The Canadian government will provide base funding at an appropriate level:

- To establish plantations; and
- For tending programs to the Free-to-Grow stage to ensure success.

Ownership of the Wood and Carbon Credits

The wood will belong to the landowner. The carbon is embodied in the wood and is a discrete tradable commodity. The carbon credits should belong to the landowner to avoid the complications of divided ownership.

Several landowners expressed extreme reluctance to give up title to a commodity of unknown value.

Silviculture Regimes

The main impetus of the plantation program is to sequester atmospheric Carbon and develop Carbon Credits. The program designers must plan a plantation establishment program and silvicultural prescriptions that will deliver the program objectives of Carbon sequestration and Credits. At the same time, consideration of landowners objectives and preferences, landscape ecology, a new wood supply and all the other benefits and effects that will flow from the program must be built into the program planning. Eventual certification of the new forest areas should not be overlooked.

Seedling Production

The production of seedlings will have to be increased to supply the additional requirements. Most of the nursery capacity is probably in place.

It is likely that a different mix of species and stock type/size will be required. The site conditions encountered when planting old fields differ from those in post-harvest reforestation.

This planting program will take place outside of the regions now used as a seed source and there may be inadequate Plus-Tree seed available that is suited to the regions to be planted. The species mix may also be significantly different.

Do not compromise on seed quality! We will pay for it over the entire rotation.

Program Delivery

The program should be delivered in each province by organizations that are close to the woodlot owners and landowners. In provinces where private land forest management programs and organizations exist they should be the first option considered as the delivery agency.

The federal government should provide funding to supplement or "top up" existing funding. The federal funds should not replace or displace any existing funding but be additive.

The implementation of a federal program must result in identifiable and clearly measurable increases in the area of bare land planted in Canada.

Any type of competition between provincial and national programs must be avoided.

Program Registry

In order to record and schedule the management of: planting, stand tending, growth measurements, carbon sequestration rates and credits for sale, auditing, costs, etc. a computer-based registry will be needed.

Program Promotion

The program can be promoted through the member associations of The Canadian Federation of Woodlot Owners. Provincial private forest land management organizations, and agricultural extension services can also be effective ways to communicate with private landowners.

Due Diligence and Auditing

Large Sums will be invested. Accountability for program performance is essential.

A dense control system can reduce productivity, increase levels of frustration among production-oriented field operations staff and have no compensating gains in cost or efficiency.

The advice of an auditing firm that is experienced in forest management operations auditing should be sought to guide the development of effective but simple controls to ensure responsibility and accountability in the implementation of the program.

Trading in Carbon Credits

Trading in Carbon Credits that will result from the program presents a challenge founded on the relatively small size of the individual properties with carbon credits to sell. This increases the transaction costs but offers an opportunity for forest landowners' organizations to organize and offer a brokerage service to their members.

One option that should not be overlooked is for the landowner to retain some of the carbon credits for personal /family use.

Section III- Summary Reports

Summary: Canada

Area of Non-Reserved Productive Forest Land [000s ha]

Land Ownership	Area (000's ha)	%
Federal	978	0.4
Provincial	185,792	88.4
Private Industrial	5,397	2.6
Private Non-industrial	18,029	8.6
Total Private	23,426	11.1
Total	210,196	100.0

The range of property size classes: 5 ha to 335,000 ha. Properties over 2,500 ha in size are frequently classed as industrial private land.

Number of forest owners: 425,000

2. Annual Harvest of Industrial Roundwood (000m3)

Land Ownership	Softwood	Hardwood	Total	%
Federal	165	70	235	0.1
Provincial	132,356	20,720	153,076	80.7
Private Industrial	10,566	1915	12,481	6.6
Private Non-industrial	15,824	8,172	23996	12.6
Total Private	26,390	10,087	36,477	19.1
Total	158,911	30,877	189,788	100.0

16.5% of softwoods are harvested on private lands.

32.6% of hardwoods are harvested on private lands.

19.1% of all wood is harvested on private lands.

3. Reporting of wood cut on private land:

There are requirements to report volumes of wood harvested and /or delivered from private forest land in several provinces. The volumes of wood harvested from private lands are not precise at the national level, nor are the proportions cut on industrial and non-industrial private lands.

4. The Regulation of Privately Owned Forest Land

Provincial Legislation: generally covers environmental aspects such as: endangered species and water quality conservation. Few provinces regulate forest management operations on private land unless the private land is jointly managed with Crown land through a Woodlot License program as in BC or in New Brunswick where industrial private lands must be managed to the same standards as Crown forest land that is under license to a forest products company that is also a private land owner.

Regional Regulation: Regional governments in some provinces have the authority under the provincial legislation governing municipal powers, to regulate land use and tree cutting.

Municipal Regulation: In some provinces municipalities have the authority to regulate tree cutting.

5. Private Land Forest Management Assistance Programs

These programs are planned and delivered at the provincial level, usually with the involvement of the provincial government. They vary in size, delivery system and the range of services available to landowners. The provincial summary sheets should be consulted for details.

6. The provincial programs are delivered by

- Marketing Boards
- Co-operative forest management organizations
- Private Sector Organizations
- Private Forest Consultants.

7. The programs are funded by a combination of:

- Provincial governments
- The wood using industry
- A levy on wood sold
- Private landowners

8. Municipal and provincial property tax reduction programs for forest lands:

Some provinces have specific programs to recognize management efforts or expenses by private land owners. Other provinces have very low tax rates for forest land. Consult provincial summary sheets for details.

9. Provincial income tax incentives to manage private forest land:

Quebec has a program delivered through the provincial income tax process that provides a rebate for private land management expenses. The program is linked to the municipal land tax.

10. Federal tax benefits and incentives for private forest land management:

The government has recently changed the federal inheritance tax regulations to allow a deferral of Capital Gains tax on the intergenerational transfer of private forest lands managed under a management program that complies with the tax guidelines. Quebec has announced that they will harmonize the provincial regulations with the new federal regulations.

Summary: Newfoundland & Labrador

1. Area of Non-Reserved Productive Forest Land

Land Ownership	Area (000's ha)	%
Federal	4	-
Provincial	8,339	98.8
Private Industrial	65	0.8
Private Non-industrial	36	0.4
Total Private	101	1.2
Total	8,444	100.0

The range of property size classes: Unknown. There is very little small private land ownership in the province. The Forest Act requires landowners with more than 120 ha of forested land to prepare a management plan and pay a forest protection tax. There are seven such owners. There is no further data.

2. Annual Harvest of Industrial Roundwood (000m³)

Land Ownership	Softwood	Hardwood	Total	%
Federal	-	-	-	-
Provincial	2,171e	10e	2,181e	96.9
Private Industrial	51e	-	51e	2.3
Private Non-industrial	18	-	18	0.8
Total Private	69	-	69	3.1
Total	2,240	10	2,250	100.0

3. Requirements to report volumes of wood harvested from private forest land:

Wood harvested from private industrial forest land is reported annually by the landowner as part of the overall harvest in the Forest Management District. There is no separate reporting of wood from public and private land. There is no reporting obligation of wood from small non-industrial private forest landowners.

4. The Regulation of Privately Owned Forest Land

Private industrial forest lands are managed under the same regulations as public forest land under license. For almost all purposes neither the government nor the industry make any distinction between the types of tenure. Hence the difficulty in tracking volumes harvested from private lands.

Private non-industrial forest lands over 120 ha in size are required to have a management plan and pay a forest protection tax. Seven properties fall into this category.

5. Private Land Forest Management Programs

There are no private forest land management programs in place at the present time.

Summary: Prince Edward Island

1. Area of Non-Reserved Productive Forest Land

Land Ownership	Area (000's ha)	%
Federal	2	0.7
Provincial	33	12.1
Private Industrial	-	-
Private Non-industrial	238	87.2
Total Private	238	87.2
Total	273	100.0

The range of property size classes: 5 - 200 ha
The number of forest owners: 14,000 over 5 ha

2. Annual Harvest of Industrial Roundwood (000m3)

Land Ownership	Softwood	Hardwood	Total	%
Federal	-	-	-	-
Provincial	10	5	15	3.6
Private Industrial	-	-	-	-
Private Non-industrial	360	45	405	96.4
Total Private	360	45	405	96.4
Total	370	50	420	100.0

3. Requirements to report volumes of wood harvested from private forest land:

Buyers must report all wood purchased.
Bridge traffic is monitored for exports.

4. The Regulation of Privately Owned Forest Land

Provincial Legislation: Environmental aspects are regulated, particularly those effecting water quality.

5. Private Land Forest Management Assistance Programs

There are two programs: Post-Harvest Regeneration and the Forest Enhancement Program.

- A good financial incentive program brings forest land under management.
- Funding must cover effective on-the-ground silviculture operations.

- The programs cover planting and tending till free-to-grow.
- Funding alone will not accomplish much, cost-effective delivery is essential.

6. Program delivery:

- The Provincial Government delivers technical services and authorizes silvicultural treatments through 9 forest technicians working in 3 districts.
- Private silviculture contractors carry out the operations

7. Program funding

- Provincial government - 70%
- Industry and property owners - 30%

8. Municipal/provincial property tax reduction for managed forest lands?

No. Provincial income tax incentives to manage private forest land have been discussed.

Summary: Nova Scotia

1. Area of Non-Reserved Productive Forest Land

Land Ownership	Area (000's ha)	%
Federal	-	-
Provincial	1,030	28.1
Private Industrial	850	23.2
Private Non-industrial	1,780	48.7
Total Private	2,630	71.9
Total	3,660	100.0

The range of property size classes: 10 ha - 300,000 ha

Number of property owners: 31,000

2. Annual Harvest of Industrial Roundwood (000m³)

Ownership	Softwood	Hardwood	Total	%
Federal	-	-	-	-
Provincial	440	65	505	8.2
Private Industrial	1,800	170	1,970	32.0
Private Non-industrial	3,190	500	3,690	59.8
Total Private	4,990	670	5,660	91.8
Total	5,430	735	6,165	100.0

3. Requirements to report volumes of wood harvested from private forest land:

Each truckload must be accompanied by a load slip.

4. The Regulation of Privately Owned Forest Land

Provincial Legislation: Environmental aspects are covered by provincial legislation

5. Private Land Forest Management Assistance Programs

The objective is to do enough silvicultural work to reach a provincial wood supply target.

- Technical advice is provided by provincial government foresters and technicians.
- The provincial government provides forest inventory, growth and yield studies and GIS mapping services.
- Silvicultural contractors provide a full range of forest management services.

- The system works because there is money available to provide on-the-ground silvicultural and forest management work.
- Silvicultural work may not be done on the woodlot that the wood came from; it is done where it is needed.

6. Program delivery

Is by industry, Group Ventures (co-ops), and silvicultural contractors. All wood buyers who purchase more than 5,000 m³ per year must register (Registered Buyers) with the provincial government and are responsible for the delivery of a silviculture program that is proportional to their purchases.

7. Program funding:

Provincial Government - 33%

A levy on all wood sold - 67%

8. Municipal/provincial property tax reduction for managed forest lands:

There are several categories of land for tax assessment purposes.

- Forest Resource Land enjoys a low tax rate. For properties up to 20,000 ha the rate is \$0.62 per ha. For properties over 20,000 ha the rate is \$1.00 per ha.
- If the land is not managed it will be changed to the assessment category with a higher tax rate - Resource General.
- Resource General Land is taxed at a higher rate.

Summary: New Brunswick

1. Area of Non-Reserved Productive Forest Land

Land Ownership	Area (000's ha)	%
Federal	70	1.2
Provincial	2,890	48.5
Private Industrial	1,210	20.3
Private Non-industrial	1,785	30.0
Total Private	2,995	50.3
Total	5,955	100.0

The range of non-industrial property sizes: average 40 ha
Number of forest owners: 40,000

2. Annual Harvest of Industrial Roundwood (000m3)

Land Ownership	Softwood	Hardwood	Total	%
Federal	15	5	20	0.2
Provincial	3,610	1,460	5,070	48.5
Private Industrial	1,955	830	2,785	26.7
Private Non-industrial	1,950	625	2,575	24.6
Total Private	3,905	1,455	5,360	51.3
Total	7,530	2,920	10,450	100.0

3. Reporting requirements for wood from private lands:

As of April 2002 each truck must carry a load certificate showing the source and destination of the wood. Totals for woodlots are compiled monthly by the Marketing Boards.

4. The Regulation of Privately Owned Forest Land

Provincial Legislation: Provincial environmental regulations apply to private lands. This includes riparian buffer zones etc.

Regional Regulation: There is some regional land use planning and zoning but no forest management regulation.

Municipal By-laws: Virtually all woodlots are outside the municipal boundaries. Municipal by-laws applied to harvesting have been withdrawn as a result of protest and dialogue to resolve problems.

5. Private Land Forest Management Assistance Programs

- There is total funding of \$10 million available each year for forest management and silviculture.
- There are some special programs available for Christmas tree growers and Maple producers.

The programs that work best are:

- Delivered in partnership with woodlot owners associations.
- Provide funds for on-the-ground silviculture treatments and operations.
- Some financial contribution from the landowner helps to improve efficiency.
- Two companies pay a bonus for wood from managed woodlots. This is a significant contribution to encourage development and implementation of woodlot management plans.
- A program to develop woodlot management plans at a cost of \$100 to the landowner helps to get things started in the right direction.
- Program stability is a key component of successful programs.

6. Program delivery: is through the Marketing Boards

7. Program funding

\$10 million total of which the:

- Provincial government pays - 80%
- A levy on wood sold contributes -10%
- Landowner contribution cover the final - 10%
- Marketing Boards have an additional \$800,000 program to fund Pre-Commercial Thinning.
- Plus the bonus for wood from managed woodlots
- Total funding available - \$11.3 million

8. Municipal/provincial property tax reductions for managed forest lands:

Agricultural land including Christmas tree plantations and Maple sugar bush enjoy a tax deferral. Forest land is taxed at \$0.60 per acre (\$1.48 per ha).

Summary: Quebec

1. Area of Non-Reserved Productive Forest Land [000s ha]

Land Ownership	Area (000's ha)	%
Federal	300	0.6
Provincial	44,900	86.7
Private Industrial	1,100	2.1
Private Non-industrial	5,500	10.6
Total Private	6,600	12.7
Total	51,800	100.0

The range of property size classes: Average size 45 ha. Range in sizes 10 ha to 2,000 ha
Number of forest owners: 130,000

2. Annual Harvest of Industrial Roundwood (000m³)

Land Ownership	Softwood	Hardwood	Total	%
Federal	95	35	130	0.3
Provincial	29,000	4,700	33,700	79.9
Private Industrial	970	590	1,560	3.7
Private Non-industrial	3,481	3,332	6,813	16.1
Total Private	4,451	3,922	8,373	19.8
Total	33,546	8,657	42,203	100.0

3. Reporting requirements for wood from private lands:

All pulpwood and wood for wood-based panels is sold exclusively through marketing boards and the volumes are reported. 20% of sawlog sales are negotiated exclusively by the marketing boards. Marketing boards are involved in a further 35% of sawlog sales. The volumes of other sawlog sales are generally known but not as accurately as is the case of wood sold through the boards.

4. The Regulation of Privately Owned Forest Land

Provincial Legislation: The provincial government has transferred this power to the regional and municipal governments. Some specific environmental aspects are regulated by the federal and provincial governments (endangered species, waterways, etc).

Regional and municipal regulation: The regional governments (MRC-Municipalities Regionale de Comte) and local municipalities have the power to regulate tree cutting and land use zoning on private lands.

Municipal By-laws: Many municipalities require a permit for any commercial cutting and have by-laws to prevent clearcutting. The by-laws and their enforcement are not consistent.

5. Private Land Forest Management Assistance Programs

The provincial government provides a number of assistance programs to forest landowners. These include a silviculture funding program, free seedlings, tax rebate program, loan guarantees for purchasing woodlots and equipment and some other assistance. The services available through the silviculture funding program cover the full range of technical advice, management plan development, tree planting, silvicultural treatments and harvesting operations.

6. Program delivery:

- Forest Management Agencies, each operating in one of 17 defined regions, are jointly administered by representatives of the government, forest owners associations, industry and the municipalities.
- Regionally accredited forest counselors provide technical services. These may be Groupements forestiers (group ventures) for-profit companies, woodlot owners' unions or private forest consultants.
- Private Forest Consultants.

7. Program funding:

The silviculture program is jointly funded by the provincial government and the wood using industry. Private forest owners also contribute when the work is completed, as the program only covers part of the costs.

8. Municipal/provincial property tax reduction for managed forest lands and provincial income tax incentives to manage private forest land:

The property tax rebate program is based on income tax credits tied to expenses. Approved expenses on operations to improve the productivity of private forest lands can be claimed against income on the provincial income tax form. The amount claimed each year is based on a percentage of the municipal tax on the forest land. Road construction, drainage ditches, tree planting etc are eligible expenses. A professional forester must approve the expenses.

This is a bureaucratic system but it does provide direct financial incentives to landowners to spend money to improve forest productivity. It encourages and rewards investment, not 'passive management'.

For more information contact:

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Service de mise en valeur des forets privees
Ministere des Ressources Naturelles du Quebec
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< <http://www.mrn.gouv.qc.ca/forets/privees/privees-programmes.jsp> >

Summary: Ontario

1. Area of Non-Reserved Productive Forest Land

Land Ownership	Area (000's ha)	%
Federal	300	0.7
Provincial	34,900	85.7
Private Industrial	1,260	3.1
Private Non-industrial	4,240	10.4
Total Private	5,500	13.5
Total	40,700	100.0

The range of property sizes: 20 ha average

Number of forest owners: 170,000

2. Annual Harvest of Industrial Roundwood (000m3)

Land Ownership	Softwood	Hardwood	Total	%
Federal	-	-	-	-
Provincial	14,900	4,900	19,800	79.8
Private Industrial	1,250e	250e	1,500e	6.1e
Private Non-industrial	2,500e	1,000e	3,500e	14.1e
Total Private	3,750	1,250	5,000	20.2
Total	18,650	6,150	24,800	100.0

3. Reporting requirement for wood from private forest land:

Licensed Forest Resource Processing Facilities are required to report on wood purchased from private lands each year. There is no mechanism for reporting on the significant volume of wood exports from private land. As a result there is incomplete data on wood harvested from private land.

4. The Regulation of Privately Owned Forest Land

Provincial Legislation:

- The Forestry Act enables the Minister to enter into agreements with forest owners to establish forestry programs. Currently it is relied on to provide definitions of "woodlands" and "Good Forestry Practices"
- The Municipal Act contains provisions for municipalities to enact tree cutting by-laws that can restrict the cutting or injuring of trees.
- The Planning Act requires municipalities to consider significant woodlands in their planning documents.

- The Assessment Act provides property tax reductions for lands that are managed according to an approved management plan.

Municipal By-laws:

- Municipalities have the power to regulate the cutting of trees on private forest land. Active regulation is concentrated in south/central Ontario. The by-laws and their enforcement are not consistent.

5. Private Land Forest Management Assistance Programs

- The Managed Forest Tax Incentive Program; to be eligible a property must have a management plan in an approved form, and management operations must conform to the plan. Regional organizations and consultants provide assistance in the development of plans and their approval. Municipal land taxes are reduced to 25% of the regular rate.
- The Ontario Stewardship Program is operating in 40 municipalities across southern/ central Ontario. A group of local volunteers serve as a council (board of directors). The Ministry provides one coordinator to each council to help get projects completed. Each stewardship council runs the program in ways that fit local environmental priorities and conditions. The program offers a range of activities including courses and workshops, tree planting, etc.
- Conservation Authorities - generally covering a major watershed and designed to help landowners manage their property in ways that will contribute to the conservation and improvement of water quality and watershed management.

6. The programs are delivered by:

- The Provincial Government - funding and oversight.
- Para-public Forest Management Organizations - Conservation Authorities
- Private Sector Organizations and Consultants

7. Program funding:

- Provincial government - provides little funding.
- Industry does not provide funding but some companies have outreach programs that make a contribution to local programs.

8. Municipal/provincial property tax reduction for managed forest lands:

Properties with approved management plans are eligible for a reduced tax rate of 25% of the regular rate.

For more information contact:

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Summary: Manitoba

1. Area of Non-Reserved Productive Forest Land

Land Ownership	Area (000's ha)	%
Federal	100	0.6
Provincial	13,800	90.8
Private Industrial	-	-
Private Non-industrial	1,300	8.6
Total Private	1,300	8.6
Total	15,200	100.0

The range of property size classes: 4 - 400 ha. Average: 45 ha.

Number of forest owners:

2. Annual Harvest of Industrial Roundwood (000m³)

Land Ownership	Softwood	Hardwood	Total	%
Federal	-	-	-	-
Provincial	1,560	610	2,170	86.8
Private Industrial	-	-	-	-
Private Non-industrial	30	300	330	13.2
Total Private	30	300	330	13.2
Total	1,590	910	2,500	100.0

3. Reporting requirements for wood from private lands:

A load slip is required for wood from Crown land but not for wood from private land.

4. The Regulation of Privately Owned Forest Land

Provincial Legislation: Covers environmental aspects.

Regional Regulation: One regional municipality has a by-law that covers forest land.

5. Private Land Forest Management Assistance Programs

There are two regional organizations that deliver forest management assistance programs to private land owners. The Manitoba Habitat Heritage Corp. (Para public) and the Manitoba Forestry Association (private). The objective is to help build small-scale rural private enterprise that is: productive and safe, produces a quality product and is profitable.

A full service assistance program is provided and includes: courses, technical advice, inventory, management plan development, tree seedlings, model contracts for harvesting, skills training including; log making, sawmilling and lumber drying.

Services that are popular with landowners are:

- The provision of tree seedlings.
- Technical advice and assistance
- Woodlot management plan development
- Skills training

6. The programs are funded by:

The provincial government provides core funding for both programs with some money from the federal government for skills training.

7. Municipal/provincial property tax rates for forested land:

There are several tax assessment categories for land depending on the productivity. Forest land has a low assessment rate.

Summary: Saskatchewan

Area of Non-Reserved Productive Forest Land

Land Ownership	Area (000's ha)	%
Federal	100	0.8
Provincial	11,500	95.9
Private Industrial	-	-
Private Non-industrial	400	3.3
Total Private	400	3.3
Total	12,000	100.0

The range of property size classes: 40 - 2,000 ha

The number of forest owners: xx

2. Annual Harvest of Industrial Roundwood (000m³)

Ownership	Softwood	Hardwood	Total	%
Federal	25	10	35	1.0
Provincial	1,575	1,370	2,945	87.9
Private Industrial	-	-	-	-
Private Non-industrial	70	300	370	11.1
Total Private	70	300	370	11.1
Total	1,670	1,680	3,350	100.0

3. Reporting requirements for wood from private lands: Confidential voluntary reporting to government by all mills

4. The Regulation of Privately Owned Forest Land

Provincial Legislation: There are regulations that cover environmental aspects.

Regional Regulation: Very little.

Municipalities: Do not have the power to regulate forestry.

5. Private Land Forest Management Assistance Programs

There are no provincial forest management assistance programs at present. There was a program that provided technical assistance and seedlings. The program was delivered by the Saskatchewan Woodlot Assoc. in partnership with the province and the federal government. The provincial government provided tree seedlings.

6. Municipal/provincial property tax on forest lands.

There are 4 categories of land for taxation purposes.

- Improved agricultural land
- Unimproved agricultural land- which generally includes forested land
- Residential land
- Industrial land

Summary: Alberta

1. Area of Non-Reserved Productive Forest Land

Land Ownership	Area (000's ha)	%
Federal	2	-
Provincial	21,700	93.3
Private Industrial	12	-
Private Non-industrial	1,550	6.7
Total Private	1,562	6.7
Total	23,264	100.0

The range of property size classes: 100 ha to 24,000 ha

Number of forest owners: 15 - 20,000

In some cases forested land that is in the agricultural zone is not reported as "forest land".

2. Annual Harvest of Industrial Roundwood (000m3)

Ownership	Softwood	Hardwood	Total	%
Federal	-	-	-	-
Provincial	11,490	5,500	16,990	87.6
Private Industrial	10	20	30	0.1
Private Non-industrial	510	1,870	2,380	12.3
Total Private	520	1,890	2,410	12.4
Total	12,010	7,390	19,400	100.0

3. Reporting requirements for wood from private lands:

- Voluntary reporting by mills in Alberta, BC, Montana and Idaho.
- There is a requirement for each truckload of softwood to have a load certificate.

4. The Regulation of Privately Owned Forest Land

Provincial Legislation: Covers environmental aspects like water quality conservation.

Municipal By-laws: Municipalities have the power to regulate land use but only 2 or 3 have exercised this power to regulate forest land.

5. Private Land Forest Management Assistance Programs

Types of programs:

- Prairie Farm Rehabilitation Program-shelter belt planting
- Educational and technical outreach programs
- Management plan development

Programs that work:

- Demonstration woodlots
- Financial assistance for planting programs
- Professional tree planting services from silviculture contractors
- Company forest extension technical advice and tree planting as part of wood purchase programs

6. The programs are delivered by:

- The Provincial Government
- Private Sector Organizations
- Private Forest Consultants
- Forest products companies

7. The programs are funded by:

- Provincial government
- Industry

8. Municipal/provincial property tax reduction for managed forest lands.

Agricultural and forest land is taxed at the same rate.

Summary: British Columbia

Area of Non-Reserved Productive Forest Land

Land Ownership	Area (000's ha)	%
Federal	100	-
Provincial	46,700	95.5
Private Industrial	900	1.8
Private Non-industrial	1,200	2.5
Total Private	2,100	4.3
Total	48,900	100.0

The range of property size classes: 100 ha - 8,000 ha with a few properties up to 335,000 ha.
Number of forest owners: estimated at 20 - 25,000.

2. Annual Harvest of Industrial Roundwood (000s m3)

Land Ownership	Softwood	Hardwood	Total	%
Federal	30	20	50	-
Provincial	67,600	2,100	69,700	89.1
Private Industrial	4,530	55	4,585	5.9
Private Non-Industrial	3,715	200	3,915	5.0
Total Private	8,245	255	8,510	10.9
Total	75,875	2,375	78,250	100.0

3. Reporting requirements for wood from private lands:

All wood that is transported must have a 'timber mark'. All wood must be scaled on the landing by a certified scaler, or at the receiving mill by weight-scale and reported to the Ministry of Forests.

4. The Regulation of Privately Owned Forest Land

Provincial Legislation: There are several provincial Acts that apply to private forest land.

Private Forest Land Forest Practices Act

- Water Act
- Wildlife Act
- Fish Protection Act
- Forest Land Reserve Act
- Forest Practices Code for land within a Woodlot License

Municipal By-laws: Some municipal and regional municipalities on the Coast have tree cutting and land use regulations.

5. Private Land Forest Management Assistance Programs:

There are no provincial government private land forest management assistance programs at present. The Federation of BC Woodlot Associations provides education and extension services to members and non-member private landowners. FORREX is providing some technical assistance programs and receives funding from the province and industry.

The PFLA provides technical assistance services for its members.

Programs that would help promote good management are:

- Low cost technical advice and courses.
- A land tax reduction for managed forest lands where public environmental values are managed and protected.
- Ability to export logs from private lands
- Regulatory stability
- A right to practice forestry and consider other land use options.

6. Municipal/provincial property tax reduction for managed forest lands:

Participation in 'The Managed Forest Program' provides a lower rate for municipal and school taxes. Most forest lands are not within municipal boundaries.

There are 3 forest land tax classes:

- Forest land within the Agricultural Land Reserve – the lowest rate
- 'Managed Forest' lands – medium rate
- Un-managed forest land – highest rate