



THE ROLE OF  
THE FEDERAL GOVERNMENT  
IN FORESTRY

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*Forestry Program  
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*FOREST INDUSTRY LECTURE SERIES NO. 5*

## THE FOREST INDUSTRY LECTURES

Forest industry in northwestern Canada is cooperating with Alberta Energy and Natural Resources to provide funds to enrich the Forestry Program of the Faculty of Agriculture and Forestry at the University of Alberta through sponsorship of noteworthy speakers.

The Forest Industry Lecture Series was started during the 1976-77 term as a seminar course. Desmond I. Crossley and Maxwell T. MacLaggan presented the first series of lectures. The contribution of these two noted Canadian foresters is greatly appreciated.

Subsequent speakers in the series have visited for periods of up to a week, with all visits highlighted by a major public address. It has indeed been a pleasure to host such individuals as C. Ross Silversides, W. Gerald Burch, Gustaf Siren, and Kenneth F.S. King. The subjects of their talks are listed on the last page.

Mr. F.L.C. (Les) Reed visited during the week of 3-7 March, 1980. He spoke to students and held discussions in several forestry-related classes. This paper represents his major public talk given on 5 March, 1980.

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We would like to take this opportunity to express our thanks again to the sponsors of this program — we appreciate very much their willing and sustained support:

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F. Leslie C. Reed is currently president of F.L.C. Reed and Associates Ltd., a group of consulting economists in Vancouver, British Columbia.

Mr. Reed was raised in a farming community near Three Hills, Alberta and obtained early exposure to forest industry as a woods worker in the foothills near Sundre, Alberta. He obtained a B.A. in Economics at Lewis and Clark College in Portland, Oregon in 1954 and a M.A. in Economics at the University of Oregon, Eugene in 1959.

His professional experience has been interesting and varied. Mr. Reed served as a research economist with Stanford Research Institute in Portland, Oregon. Subsequent positions lead him to Forest Industrial Relations Ltd., Council of the Forest Industries of B.C., and Hedlin Menzies and Associates Ltd., all of Vancouver. In 1969-1971 he was Director of Studies with the Prices and Incomes Commission.

In 1971 he established F.L.C. Reed and Associates Ltd. in Vancouver to work in the field of economic consulting, specializing in resource development and regional analysis. He has developed an international reputation, with his comprehensive studies in Sri Lanka, Bangladesh, Indonesia, Turkey, France and in Latin America.

Of particular interest to Canadian foresters is his two-volume report "Forest Management in Canada" released in 1978 by the Forest Management Institute of the Canadian Forestry Service. This report documented the state of forest management and formed the basis for many subsequent discussions and representations which appear to be leading to substantial improvements in forest management in Canada. His perceptive insights and forthright views have contributed greatly to the current debate about forestry in Canada.

## ***PREFACE***

It is a genuine pleasure to visit Alberta on almost any occasion. I say almost any occasion because my early years were spent in this province, and I recall those bitter winters when there would be ice in the water pail in our kitchen on many mornings.

My childhood home was located in a farming community near Three Hills, about 160 miles southeast of here. Believe it or not, I was born in a log house built before the turn of the century. Those were the "good old days" of rural schoolhouses, bare feet in summer, chilblains and overshoes in winter. But even my own personal Heritage Fund would not persuade me to relive those harsh winters.

The first acquaintance I had with the forest industry was in the foothills of this province west of Didsbury, at a place called Sundre. When not needed on the farm for spring planting or harvesting, I frequently worked in the woods. Felling pine and spruce with a Swede saw and skidding logs with a horse: these experiences are etched on my memory indelibly, and I recall them with genuine fondness.

## INTRODUCTION

The decade of the 1970's was a troubled one for Canada. In spite of our abundance and opportunity, we have been unable to fashion a sense of national identity or destiny. I have lived nearly half of the years since Confederation, but it seems that we are further from a consensus now than at any time in the last 50 years. Canadians in every province are increasingly critical of the roles being played by federal institutions.

Speaking of roles, my specific assignment today is to examine the role of the federal government in relation to forestry and the forest sector. This is an area in which retrograde steps have been taken, and it is most timely to set out some principles and guidelines for the future.

The conduct of forestry involves the provinces and the private sector as well. Their combined responsibilities for forest renewal clearly exceed those of the federal government. On some later occasion it may be possible to explore their respective roles and the extent to which they have or have not satisfied performance criteria. Meanwhile this paper will be confined to the federal side of forestry.

I will begin with a brief look at the Canadian Forestry Service and its treatment in recent years by the federal government. The issues of national forest policy, CFS organization, and leadership will then be examined in turn. The fourth section will identify three principal responsibilities of the federal government and show how these contribute to an integrated federal program. At the close I will list a number of activities which should be undertaken immediately to restore the CFS to the respected status it had earned in earlier decades.

## THE CANADIAN FORESTRY SERVICE IN RECENT YEARS

The recent history of the federal involvement in forestry will be sketched here in order to set the stage for subsequent discussion. This is a difficult task because there is no systematic historical record available, a situation which must be corrected as soon as possible.<sup>1</sup>

The Canadian Forestry Service enjoyed a position of respect and leadership in the forestry community for a lengthy period of time. It had its beginning in 1899, following a Forestry Commission. At the outset its chief activity was the protection and administration of 34,000 square miles of forests in the prairie provinces and in the railway belt and Peace River block of British Columbia.

The Service had a broader vision and recognized a greater need, namely the scientific management of Canada's forests. The record of federal activities, following the transfer of the forests to the western provinces in 1930, shows that acceptance of this role was half-hearted at best. In spite of staff curtailments and subsistence funding, modest research was initiated in silviculture, inventory, forestry classification, growth studies and fire hazard rating. The resulting accomplishments, acknowledged internationally, were achieved by a staff that was dedicated to Canadian forestry and the development of forest science.

Following World War II, these efforts were complemented by the introduction of the Canada Forestry Act in 1949. The federal government entered into shared cost agreements with the provinces for inventory, reforestation, stand tending and protection. These agreements were highly successful and resulted in the first Canadian forestry inventory based on aerial photography together with ground sampling. This record contributed to the elevation of forestry to full departmental status in 1960. Alvin Hamilton, then Minister of Northern Affairs and National Resources in a Diefenbaker government, was an important figure in the transition.

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<sup>1</sup> A lengthy manuscript has been prepared internally by CFS staff but it remains unpublished.



The first minister of the Department of Forestry was Hugh John Fleming. He was followed for a few weeks in early 1963 by Martial Asselin. Then John R. Nicholson became the Minister of Forests in 1963 in a new Liberal administration. He was followed by Maurice Sauve who served from early 1964 until the spring of 1968.

The 1950's and early 1960's were productive years in federal-provincial forestry relations. Joint agreements were administered well and with a minimum of jurisdictional rivalry in evidence, a fact which has since been forgotten. Forestry achieved a new recognition in Ottawa and across the country. This peaked in February 1966 with the Montebello Conference on forestry.

It is unfortunate that the follow-up to Montebello was so disappointing. No new federal initiatives were forthcoming. On the contrary, a departmental reorganization in June of 1966 saw forestry merged in the larger Department of Forestry and Rural Development. This was the turning point which signalled a dramatic decline in the status of forestry within the federal hierarchy. It was during 1968 that the federal-provincial forestry agreements were discontinued. Jean Marchand was named Minister in mid 1968 and held the post for less than a year.

The really serious erosion of the Canadian Forestry Service (CFS) occurred under Jack Davis who was responsible for forestry from 1968 to 1973. He was appointed to the joint portfolio of Fisheries and Forestry in 1969 and appeared to be more interested in fisheries and environmental concerns than in forestry. Among other things, Davis was responsible for closing out the Forest Economics Research Institute and for sharp reductions in other forestry-related programs. By the time he left, forestry was down to Director General level, was submerged in the new Department of the Environment, and had lost hundreds of people.

Three more Liberal ministers followed in a period of five years: Madame Jeanne Sauve, Romeo Leblanc, and Len Marchand. Romeo Leblanc became the first Minister of Fisheries and Environment in 1976. It was during Len Marchand's tenure that the CFS was once again sharply curtailed in August 1978. Steps were taken to privatize the two federal forest products laboratories. At the same time, the Petawawa Forest Experiment Station was scheduled for closure, then revived and merged\_ with the Forest Management Institute and the Forest Fire Research Institute into the Petawawa National Forestry Institute. Further budget and staff cuts were implemented across the country. Total staff is now approximately 1,000 compared to more than 2,200 in 1968/69.

The impact of the 1978 curtailment was to further demoralize the CFS. One and a half years later, the privatization of the forest products laboratories can only be regarded as unsuccessful with respect to continuity of funding, retention of professional staff and leadership. There is still no director at the Vancouver laboratory and the productivity of both establishments has suffered. The other regional research stations and institutes are functioning in an atmosphere of gloomy apprehension and uncertainty. Many senior professionals have left the agency and attrition is continuing.

This is a sad chronicle, especially when the forestry community and the public at large were just starting to grasp the opportunities promised by intensive forest management. The

publication of Forest Management in Canada<sup>2</sup> in early 1978, the October 1978 Regeneration Conference in Quebec City, and a number of other initiatives were beginning to achieve results. The provinces in particular have taken up the cause of forestry with renewed enthusiasm.

The outcry which followed the virtual abandonment of federal forestry in mid-1978 had its positive side. A wholesale re-assessment began. Len Marchand promised to elevate forestry to the Assistant Deputy Minister level once again, and seriously considered appointment from outside the federal public service. He also directed a forest policy paper to be prepared by departmental staff.

In May 1979, the new -Conservative government adopted similar commitments and determined to give forestry a higher profile under the leadership of John Fraser. But it took six months to prepare a short policy paper for Cabinet. Before it could be implemented, the government was defeated. As of this week, we have no word concerning the forestry stance of the new Liberal cabinet or of John Roberts who has just been appointed Minister of the Environment and Minister of State for Science and Technology.<sup>3</sup>

The Canadian Forestry Service has been located in eight departments in its 81-year history. The reporting level climbed from Superintendent in 1899, to Director in 1907, and to Deputy Minister within a Department of Forestry in 1960. It fell to Assistant Deputy Minister in 1966 and to Director General in 1972.

Will the next chapter in the saga of the CFS be titled Requiem or Revival? I would not be here today if I believed the agency was finished. I invite your attention rather to certain preconditions for revival.

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<sup>2</sup> Prepared for the Canadian Forestry Service by F.L.C. Reed & Associates Limited.

<sup>3</sup> The Minister subsequently spoke to the Canadian Pulp and Paper Association Woodlands Section meeting in Montreal on March 25<sup>th</sup>, and gave assurances that the new Liberal government intended to follow through on the initiatives taken in previous months.

## PRECONDITIONS FOR AN EFFECTIVE CFS

There are three principal criteria for the success of any agency or enterprise: policy, organization, and leadership. I will discuss these factors briefly by way of introduction to the specific components of a federal forest policy.

### Policy

The federal government has always had a forest policy of sorts, comprised of both explicit and implicit elements. I am not aware that there was at any time a comprehensive written policy. However, lengthy attempts were made to produce one, the most recent by Phil Thomas beginning in 1975. Although no formal statement resulted, it was a useful exercise which helped to clarify the issues.

Later the Canadian Council of Resource and Environment Ministers (CCREM) embarked on an 18-month study which was supposed to conclude with a policy. The result was not strictly speaking a national forest policy, but a 29-page paper titled "Forestry Imperatives for Canada: A Proposal for Forest Policy for Canada". A series of 11 general principles were tentatively approved in June 1979 and then more formally adopted with only slight modification on January 30 of this year. That document is available, and is recommended as a significant milestone on the long trek toward enhanced forest renewal.

More importantly, the CCREM paper concedes that separate provincial and federal commitments are needed. The provinces must manage their own forest lands so as to meet the present and future economic and social needs of Canadians. Commitments to this end are being made, and we await implementation with varying degrees of impatience.

The federal government has jurisdiction over only a few thousand acres of forests within the provincial boundaries, and larger areas in the northern territories. The major federal requirement embraces a triple commitment to support the implementation of expanded forest renewal programs in the provinces. The elements in this commitment are widely acknowledged and can be summarized as follows:

1. Funding on continuous basis
2. Federal Agency coordination
3. Strengthened research

In short, I believe it is a waste of effort to spend more time seeking a unanimous national forest policy as such. It is noted in passing that the federal government does not feel obliged to seek unanimous provincial agreement in other policy areas such as energy self-sufficiency, transportation, fisheries and agriculture. Why should they feel that unanimity is required before enunciating a federal policy on forestry? Indeed, there should be a federal *forest*

*sector* policy, which has many other facets distinct from actual forest management. This will be elaborated on later in the discussion.

## **Organization**

The second criterion listed above is organization. Policies and guidelines are doomed to fall short of expectations if the related organization cannot provide the framework for effective action. To begin with, there are over 20 federal agencies which have some impact on the forest sector, on provincial governments and private industry. The existing CFS organization is incapable of rationalizing this maze of interests. Even an Assistant Deputy Minister status may have difficulty. There are many who hold that a Deputy Minister should be placed in charge of federal forest sector activities. In this regard, it is instructive to recall that the House of Commons unanimously supported a full Department of Forestry in 1960. The arguments which governed 20 years ago are even more persuasive today, given the critical condition of the forest resource and the importance of the forest sector in the national economy.

A new departmental setup appears to be indicated as well. The most logical fit may not be within the Department of the Environment, but perhaps in a reconstituted department which integrates DREE<sup>4</sup>-type funding with Canadian Forestry Service programs. For those who claim that DREE and CFS missions differ, I would answer that there are similar short and long run aspects in each, and that their early integration is a necessary condition of successful forest sector policy for Canada. And while one hesitates to recommend still another reorganization, that too may have to be undertaken.

With regard to organizational focus of the CFS, the present dominant emphasis on research should be modified in favor of a broader and more balanced program. A strong operating group should be developed, comprising such elements as provincial forestry relations, protection, allocation of forest renewal funds, cooperative programs for statistics and inventory, economic studies, coordination of federal agencies, and international forestry relations. The foregoing operating group would assist a revitalized research group in a number of ways, such as restoring the former cordial linkages with the provinces and industry.

## **Leadership**

We turn next to the third criterion for effectiveness of the CFS, namely leadership. This cannot be ignored in a discussion of the federal role. What is widely deplored in the back rooms in forestry circles might just as well be out in the open. Here we tread in delicate territory, and everything I say on this issue is intended to be fully constructive. My remarks are based on close contacts with the CFS over the years and with their critics in the industry and the provinces.

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<sup>4</sup> Department of Regional Economic Expansion

Leadership of the CFS itself has been drawn primarily from within the federal public service and from the group of research scientists. It is often observed that the traits which make an acceptable scientist are not necessarily those which make a dynamic and innovative leader. The reverse is more likely to be true, and the record seems to bear this out. The senior officers of the CFS must also carry a share of the blame for the decay of the agency in the past decade. And I must in fairness include in this group of people the Deputy Ministers and their senior advisors.

In the final analysis, the record of success or failure depends upon the federal ministers responsible for forestry. Speaking candidly, forestry was served without enthusiasm from about 1968 until 1978. Ministers were either indifferent to the forest sector or preoccupied with their other duties. In addition, some were ineffective administrators or without real support in Cabinet. Frequent changes also tended to reduce their chances of making a positive contribution. In the opinion of many, the appointment of John Fraser in the spring of 1979 provided the best leadership in approximately a decade. He was just reaching his stride when the government changed after less than a year.

What is the solution? The two previous forestry Ministers agreed that new blood would be essential to ginger up the agency. A list of candidates for Assistant Deputy Minister which was drawn up in early 1979 did include several people from outside the federal government. Other senior appointments must also be made from outside. Some of these would be secondments for up to two years from various provincial governments, from industry, and from universities.

Before leaving the question of leadership and senior personnel, we must pay tribute to a large number of individuals within the CFS who still "get up early and work hard". The remarks in the preceding paragraphs are in no way intended as a blanket condemnation of everyone. At the same time, we recognize that even the better people tend to perform well below their capacity when leadership is inadequate and morale is low.

Thus, the preconditions for an effective Canadian Forestry Service are widely acknowledged. A certain amount of progress has been registered. The Cabinet should be forcefully reminded at this time that a positive and vigorous follow-through is expected by the forestry community in every part of the country.

## **COMPONENTS OF AN INTEGRATED FOREST SECTOR PROGRAM**

As noted earlier, there are three primary components which form the basis of a well integrated forest sector program at the federal level. These are fiscal support, coordination of federal agencies, and research. While these reach above and beyond the CFS organization, there are a number of items which are in-house and others of an auxiliary nature which also require scrutiny.

### **Funding**

Firstly, funding of forest renewal and protection has been accepted historically as an obligation of the federal government. Federal concerns with the balance of payments, regional and rural stability, generation of social capital and other objectives comprise the rationale for fiscal support. Forest renewal is an eminently sound use of federal funds. The costs of neglect will be far higher, and would have to be met in large part by federal programs.

In my view, the jurisdictional issue is a red herring. The main reason for a resurgence of this issue, as far as forestry is concerned, is the general decline in the level of service rendered by the CFS. The increase in federal-provincial tensions on other matters should not be used as an excuse for federal reluctance to assume funding obligations for forest renewal.

No one questions the responsibility of the provinces for carrying out forest resource management. And that includes cost effective spending of both provincial and federal funds. The audit functions can best be performed under provincial auspices. The Canadian Forestry Service would be foolish to attempt policing of forestry activity. That would be regarded as meddling and rightly so.

The fact remains that the federal government is already allocating significant amounts for provincial forestry. A recent estimate is some \$200 million annually, but I suspect that less than half of this is devoted to regeneration and stand tending. They must continue to contribute at least this

much and hopefully more. The rehabilitation of neglected areas should be considered as a distinct objective and one worthy of federal support.

Where will the funds for forestry come from? It was an easy matter for the federal Cabinet to find \$235 million for upgrading old paper mills. And DREE money for access roads has been provided with a measure of largesse. Both of these programs will taper off in two or three years, but a portion of the related funds must be earmarked in future to forestry. It will take at least five years to gear up for a full-scale program. The technical capability has to be put in place first. Thus, we are not suggesting an immediate increase in total federal spending on forestry.

Meanwhile it is of interest to note that CCREM is currently undertaking a study of funding mechanisms and incentives, with the support of all of the provinces and Ottawa.<sup>5</sup>

## **Coordination**

Secondly, coordination of the federal bureaucracy is a more urgent matter. Just over one year ago, I had the opportunity to penetrate some of the mysteries in several agencies, including the Prime Minister's Office; DREE; Industry, Trade and Commerce; Energy, Mines and Resources; Environment; and even Finance. A group of us were seeking to discover their perceptions of the forest resource base and its contribution to the Canadian economy.

We completed our tour in a state bordering on shock. Senior people in administration, policy, planning and analysis knew very little about the forest sector. By and large, the misconceptions, confusion, and contradictions appeared to be wide-spread. With minor exceptions, these agencies seemed to have lost meaningful contact with the real world outside Ottawa, and indeed with one another. This underlines the need for a CFS information relations office which will inform other agencies on the subject of forestry.

More recently a forest sector strategy committee has been activated for the express purpose of coordination. This is fine in principle, provided that two conditions are met. The CFS must have sufficient status to carry the initiative in such a committee. The CFS must secure a mandate from Cabinet as the acknowledged leader in federal forest sector matters. Otherwise it will be upstaged by more powerful spokesmen in Finance or other more prestigious departments. Such a committee could be a useful forum for reference and discussion, but it must not be given the right to vote on issues which are more properly the responsibility of the CFS.

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<sup>5</sup>This action is being taken at least in part in response to the I I principles of forest management adopted at the CCREM meeting on January 29, 1980. One of these states that "Responsibility for funding maintenance of the resource should be relative to the benefits received".

It is worth digressing here to underline the necessity of coordinating federal actions which affect the climate in which forestry is practiced and in which the forest sector functions. Here are some of the principal agencies, together with activities:

Industry, Trade and Commerce - trade and tariffs -  
industrial strategy

Regional Economic Expansion - regional  
development  
- local rescue operations  
- subsidiary forestry agreements

Finance  
- taxation policy  
- regulations and incentives

Energy, Mines and Resources - biomass  
- energy

Fisheries and Oceans  
- inland water quality  
- use of coastal estuaries

Indian Affairs and Northern Development  
- northern forests

Transport Canada  
- rail and port facilities - rate making  
- regulation

Canada Manpower  
- training, relocation  
- unemployment insurance - immigration

Agriculture  
- pesticides  
- quarantine  
- farm woodlots

Consumer and Corporate Affairs  
- combines policy  
- consumer protection

Provincial Affairs  
- coordination  
- regional policy formation

National Research Council

- codes and standards
- research

Ministry of State for Science and Technology

- technology transfer
- federal science program

Privy Council Office

- cabinet submissions
- national policy formulation

Canadian Transport Commission

Canadian Tariff Board

This list could be expanded considerably, but there is obviously plenty of scope here for energies of federal agencies without engaging directly in provincial forestry. A central focus is obviously needed in Ottawa if forestry is to flourish in the various regions. The climate set by the federal government is terribly important to the prosperity of the forest sector, just as it is in fishing, agriculture and mining.

## **Research**

The third primary component of the federal responsibility is research. We are embarked on privatization of the laboratories for better or for worse. The initial year of the new FORINTEK<sup>6</sup> agency has not been promising. The smaller provinces and companies are not reassured. Priorities for research will tend to favor the more powerful people and those who pay the bills.

The situation in the federal forestry research centres is not encouraging either. There has been no director in the Victoria establishment for well over a year. In some other centres the senior people are nearing retirement. An executive development and recruitment program is overdue. More importantly, applied research must be restored if the research program is to regain balance and credibility. A strong statement to this effect would be most welcome at this time.

Apart from fiscal restraint, the principal reason for pressures to spin off the CFS research functions may have been that the bridge was not maintained between the scientific work and its application. Thus, projects were either lacking in practical scope, or worthwhile results

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<sup>6</sup> Forintek Canada Corporation. Comprises the former Eastern and Western Forest Products Laboratories of Environment Canada.

were not applied promptly in the woods and in the mills. A better mix must be found of short-term problem solving and longer-term theoretical work. The Science Council has emphasized that research must be in support of an operational concern.

## **Other Components**

Other CFS programs need to be strengthened as well. The forest inventory and metric committees have been successful and should counter the pessimists who profess to see small benefit from extending cooperation among senior governments and industry. Economic studies have lagged badly. There is still no Canadian timber trends analysis which matches the quality and scope of those produced in the United States and many other countries. We do not keep up to date on international forestry and on foreign competition for our forest products industries. Nor do we have a respectable data bank which can be drawn on readily by industry, governments and others.

A new area has been opened up recently by IIASA, the International Institute of Applied Systems Analysis. There is a Canadian Committee on IIASA, and I have attended recent international meetings on their behalf. The forest sector research work sponsored by this agency includes world trade models, industry and subsector studies in several countries, and other innovative analyses. It deserves additional support from the federal government and the broader Canadian forest community. It would be timely to have a national conference in which IIASA people could demonstrate some of their successful work.

Several related matters round out this summary of an integrated federal action program. The use of special advisory committees is one of them. The Canadian Council of Resource and Environment Ministers is providing continuing and productive high level contact among federal and provincial governments. The Canadian Forestry Advisory Council has a broader base, including senior industry people, provincial deputy ministers, labor, research and universities. It provides a unique opportunity for two-way dialogue on important matters of policy and should be maintained and given better support in headquarters. The CFS also is a co-sponsor of the Canadian Forestry Association. The Department of Industry, Trade and Commerce sponsors the Forest Industry Development Committee, and although it has lagged recently, there are signs it will become more active.

These and other reference groups are essential and will remain so, even after a restored CFS begins to provide a better linkage with the constituency. There is a problem, however, in the number of such committees, the lack of precision in their terms of reference, and the indifferent support they receive from their respective federal sponsors.

Finally, an integrated forest sector program must include federal support for forestry education, especially in research and in graduate education. It is not simply a matter of funding, but rather of providing a broader range of studies in Canadian schools, and of a reasonably stable job market. The heavy recruitment drive in the 1960's was followed by shocking attrition in the 1970's. It will take another decade at the very least to rebuild the

professional research capability of federal forestry establishments.

The CFS can also assist in narrowing the gap between it and the forestry faculties. Some CFS centres have actually discouraged their professional staff from lecturing in universities, Likewise, they have not utilized university people as much as they might have to supplement their own scientific staff when it is working shorthanded. The federal government's Executive Interchange Program illustrates how this can be accomplished. This mechanism and others must be used to reduce the isolation of university foresters and to draw them back into the mainstream of Canadian forestry. It can also be used to establish better relations with industry.

## **PRIORITIES FOR 1980**

An action program has already been indicated. At this juncture, I would like to recapitulate a number of salient points which would restore the Canadian Forestry Service as a viable and respected agency. The first set are intended for immediate consideration and the second set for later in the year.

The basic objective of the CFS needs to be kept in mind as the foundation. In my view the objective should be as follows.

To rebuild the Canadian Forestry Service and develop an effective federal program which will support provincial forest renewal, while at the same time enhancing the world-wide competitive strength of the Canadian forest industry.

### **First Priorities**

The ten items noted hereunder could be implemented within a period of three to six months.

1. Specify federal policy guidelines:

This means building on the solid work already done by the Canadian Council of Resource and Environment Ministers and others in the past three years.

2. Concentrate on staffing:

A professional and management group which took a generation to build has been shattered. In some ways, the remaining staff resembles an unmanaged forest, with age-class gaps, encroachment of non-commercial species, some over-mature, but a preponderance of untended young growth.

A personnel audit is needed to determine available skills, breadth of experience, regional balance, etc. This will provide the basis for an upgrading effort, recruitment, and longer-term planning.

3. Interim assistance from outside:

Only a handful of people with private sector experience remain, and there are too few who have worked for provincial governments, universities and other agencies. Some new blood, from widely scattered areas across Canada, could infuse new enthusiasm and provide a problem-oriented focus.

Perhaps a dozen or more senior people could be recruited for periods of a few weeks or even as long as two years. A new Assistant Deputy Minister would come from the provinces or from the forest industry.

4. Re-establish linkages:

The CFS headquarters has become increasingly ingrown and isolated from the provinces and industry. Improved domestic forestry relations are a matter of urgency.

5. Restore credibility:

This can be accomplished by emphasizing the service aspect of research, rapid response to requests, quality control of all publications, active participation in national forestry forums, and in many other ways.

6. Audit for cost effectiveness:

The tendency has been to cut budgets at the level of travel and communications, and without regard to the relative significance of a given program. As a result, nearly every section in CFS is anemic. Positions may be sustained, but the professional staff is effectively prevented from maintaining vital professional contacts in the field.

7. Upgrade public relations:

The failure in this case ranges all the way from the absence of annual reports to the lack of a top quality film on forest renewal. The CFS is not well represented at conferences, often neglecting to send experienced and senior people.

8. Provide economic studies:

An outlook study of Canadian timber trends has already been mentioned as a pressing need. This should extend beyond conventional timber products to include recreation, wilderness, wildlife, grazing and water. Improved awareness of international competition is another item frequently mentioned by the provinces.

The CFS has usually been ignored when forest sector analyses are conducted by DREE, Industry Trade and Commerce, or other federal agencies. This practice calls for early correction.

9. Strengthen special committees:

The CFS has done some effective work spearheading metrication and forest inventory work with the provinces and industry. This work deserves additional support and should be extended to the provision of a fully accessible forest sector data bank. Support for the Canadian Tree Improvement Committee is being reduced, which is hardly justified.

10. Restore international forestry relations:

It is vitally important to keep in touch with plantation, research and technology developments in competing regions. This can only be realized when the CFS begins to take this seriously, again by sending qualified people abroad and by hosting international meetings here at home.

## **Second Priorities**

Some of the above can be accomplished in a matter of weeks while the rest could be placed in motion within a few months.

Here are some additional priorities which will take a little longer. Every attempt should be made to see them implemented by the end of the year.

1. Prepare modern legislation.
2. Realign federal forest related activities under the Canadian Forestry Service.
3. Examine the merits of a new department as soon as possible, and also attainment of Deputy Minister status for forestry.
4. Secure rational forestry funding together with effective incentives and mechanisms.
5. Provide for a separate House of Commons Committee on Forestry, and for a forestry spokesman in the two main opposition party caucuses.

This list of priorities may seem like a tall order for 1980, but there is too much at stake to permit the loss of further precious time. We can already measure the lost opportunities in terms of employment, income and trade, not to mention the emergence of widely scattered timber deficits in local communities across Canada.

## CLOSING COMMENT

In closing, I am laying a heavy charge on the entire forestry community. In effect, the Canadian Forestry Service is a pale shadow of its former self. But we do have the opportunity to revitalize the agency and to restore it to the esteem in which it was once held in domestic and international circles.

The first steps toward accelerated forest renewal are already being taken by the provinces. The next ones must be taken by the federal government. These steps are (i) continuity of funding, (ii) coordination of federal agencies to ensure a hospitable climate for forestry, and (iii) a re-invigorated research program.

Even then, the battle will not be won. The forest industry, their respective trade unions, university forestry faculties, professional foresters and the local forest-based communities must all participate as well.

Canada's No. 1 industry will prosper to the extent that we follow through together.

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"An unwritten compact between the dead, the living and the unborn requires that we leave the unborn something more than debts and depleted resources."

Washington State, Supreme Court Decision (Courtesy of Peter Murphy)

## FOREST INDUSTRY LECTURE SERIES

1. Industrial Forestry in a **Changing Canada**, by C. Ross Silversides. 17 November, 1977.
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