

# Company-Community Partnerships in Canada

Dr. Gary Bull  
Faculty of Forestry, UBC  
Vancouver, Canada



From Forest to Furniture: New Green Market Opportunities in China  
12-13 September 2001  
Shanghai, China

# Outline

- Historical context
- Why are partnerships attractive?
- Types of company-community partnerships in Canada
- Conditions that promote successful partnerships
- Outlook

# Historical context

- Companies operated with a single focus- the bottom line
- **Governments** set the rules and required mills to be built
- **Communities** did not play a strong role
- **Aboriginals** had no role
- **ENGOs** in the 1980s and 1990s raise social and environmental concerns influencing investors, the public and markets

## Response

Companies now actively connected with all **four** stakeholders in building new relationships.

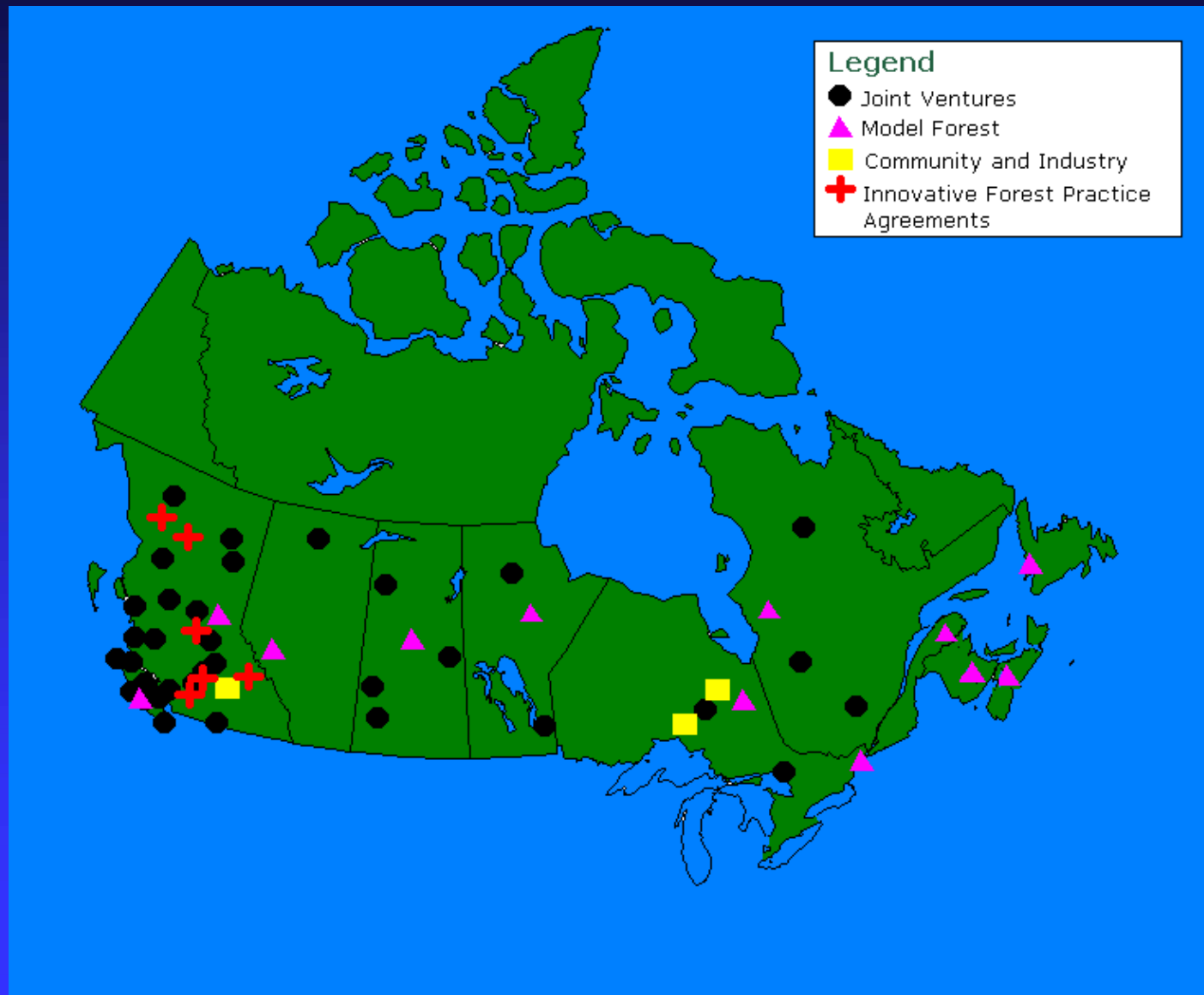
# Why were partnerships attractive?

- Potential to increase **stable wood supply**  
(e.g. Domtar, Riocell)
- Potential to reduce **labour and management costs** &  
increase **employee productivity**
- Companies can deal more effectively with **social and environmental concerns**
- Cooperation of ENGOs and communities is necessary for **market access**- certification

# Types of partnerships in Canada

- Joint ventures (aboriginals & industry)
- Model forest program
- Resource community & industry
- Innovative forest practices agreements

# Locations of partnerships



# Aboriginals and industry

- Large firms have progressive and proactive policies for improving relationships with aboriginals in the land base on which they operate:
  - ◆ Domtar
  - ◆ Tembec
  - ◆ Western Forest Products
  - ◆ Weyerhaeuser
  - ◆ West Fraser Mills
  
- Examples of joint ventures
  - ◆ Babine Forest Products (*British Columbia*)
  - ◆ Mistik Management (*Saskatchewan*)
  - ◆ Nabakatuk Forest Products (*Quebec*)
  - ◆ Tanizul Timber (*British Columbia*)

# Aboriginal communities & the commercial forest zone of Quebec





# Model forest program

- Extension of public participation process
- 11 model forests in 9 provinces
- Structure of partnerships
- 8 major forest companies are involved

“In today’s society, the involvement of affected stakeholders is essential in maintaining access to public resources for our mills.”

*Weyerhaeuser: justification for participation in Prince Albert Model Forest*

## Resource community and industry

- Gorman Brothers, British Columbia
- Northern Forest Products Association, BC

## Innovative forestry practices agreements

- Provides funding to test new and innovative practices
- Incentive is an increase in allocated harvest levels
- 6 pilot IFPAs have been approved

## Condition 1: An appropriate legal framework

### ■ Community forest agreement tenure

- ◆ *Long term lease (99 years)*
- ◆ *Rights to non- timber resources*
- ◆ *Community decides on AAC and management plan*
- ◆ *10 pilot projects have been approved*

### ■ Small business enterprise program

- ◆ *13% of BC's total AAC*
- ◆ *Allows small companies access to forest resources*

## Condition 2: National and provincial policy

### ■ National forest strategy:

3 of 9 strategic directions deal with inclusion of stakeholders:

- ◆ *Public participation*
- ◆ *Forest-based communities*
- ◆ *Involvement of aboriginal peoples*

### ■ British Columbia

- ◆ *Policy to encourage joint ventures*

### ■ Ontario

- ◆ *Lands for Life campaign*

## Condition 3: Company recognition of aboriginal rights and title

“...there is a very real and growing threat to British Columbia’s companies that access to the lands and resources will be curtailed by local aboriginal communities... Western Forest Products’ position is that positive relations with aboriginals translate into increased certainty for our business”

Dan Jepsen

*Manager of Aboriginal Relations and Environment, Western Forest Products*

## Condition 4: Recognition of local empowerment

- Ontario
  - ◆ Local citizens committees
- British Columbia
  - ◆ Land and resources management planning tables
- Saskatchewan
  - ◆ Web-based public involvement
  - ◆ Community forest boards

## Condition 5: Effective process for inclusion of stakeholders

- Effective and meaningful consultation with aboriginals defined
- ENGOs invited to the boardroom
- Community relations programs

## Condition 6: Change in management & employee attitude

- Iisaak Forest Resources Ltd.
- E.B. Eddy (now Domtar)
- Gorman Brothers

## Condition 7: Appropriate allocation of resources & time by companies and communities

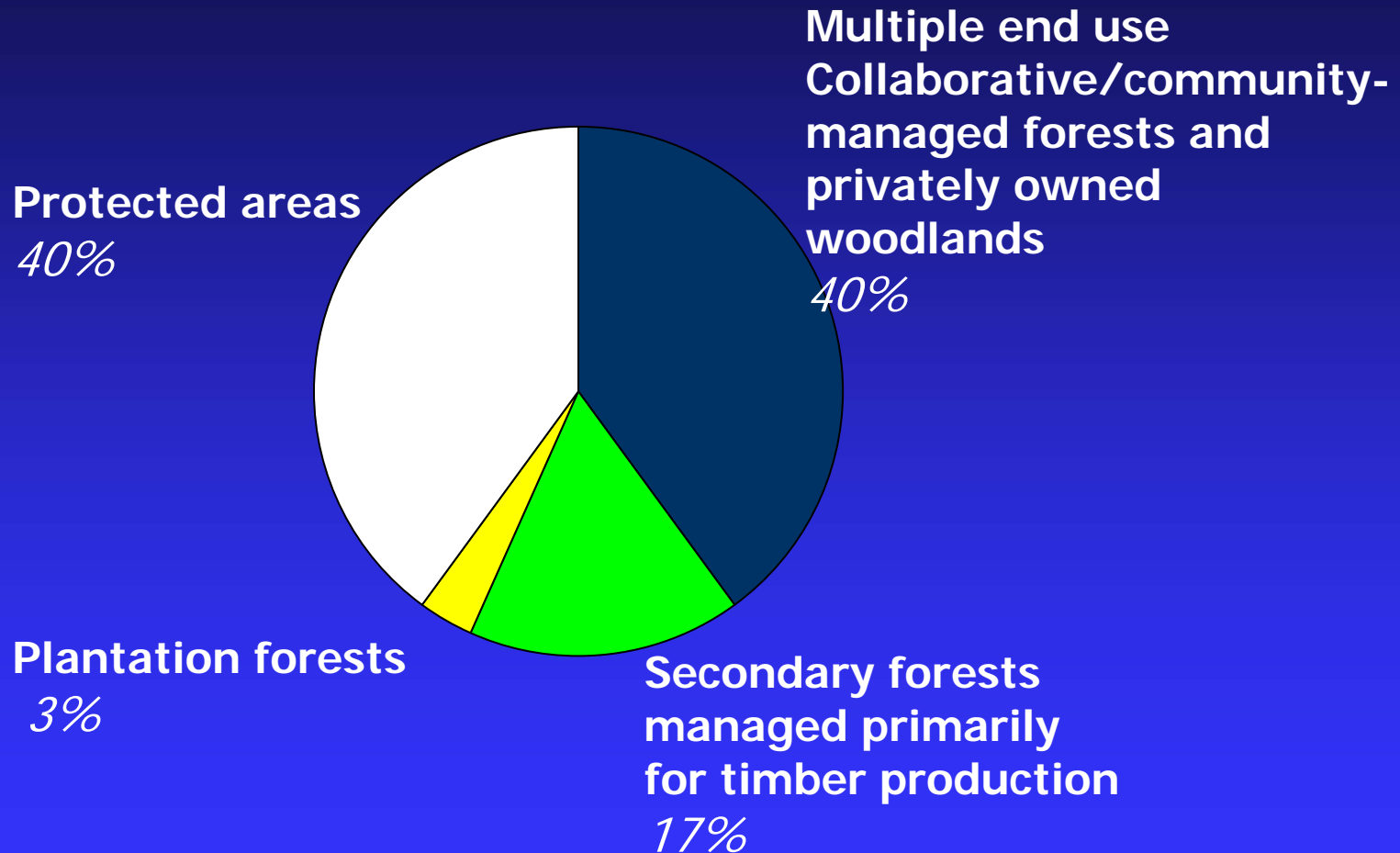
- Weldwood
- Western Forest Products



## Outlook- Global strategies for industry

- Global Forest Trade Network, World Wildlife Fund: *Forest Industry for the 21<sup>st</sup> Century*
- World Business Council on Sustainable Development: *Eco-efficiency*
- Global Vision for Forests  
*40% of forests in community based or non-industrial forms of management*

# Global vision for forests 2050



## Outlook - Global markets

- Forest product certification is here to stay
- Information technology  
supply chain management tools are operational  
which means increased accountability
- Globalization is continuing to produce worldwide standards for rules of conduct

# Impacts of global trends on company-community relationships

- Community will be broadly defined in the relationships
- Predict exponential growth in partnerships
- New solutions to old problems

# The new bottom line

- Community acceptance = Government approval + *Social license*

In Canada, community-company partnerships are a key means to obtain a *social license to sustainable harvest timber*.