

Forest Practices Board BOARDulletin

Board Bulletin, Volume 12 Independent Oversight of Forest and Range Practices

February 2013

This bulletin describes the benefits to the BC public of having the Forest Practices Board provide independent oversight of forest and range practices. It is one of a series of five new Forest Practices Board bulletins describing important issues for forest management identified in recent Board work. The other bulletins in the series deal with the need to manage cumulative effects, the need for better public involvement in forest management decisions, the need for individual land managers with responsibility for an appropriately-sized landbase and the issue of professional reliance as a possible distraction from needed reforms. These bulletins are intended to foster discussion and encourage progress toward improved stewardship of public forest and range resources.

Introduction

The Forest Practices Board has been in existence since December 1994 and has published over 425 reports. The Board examines whether forest and range licensees and the government's timber sales program are following legal requirements for forest practices on Crown land. Practice requirements include such things as ensuring that logging and road construction don't hinder fish passage or cause significant landslides.

Originally established under the Forest Practices Code and continued under the *Forest and Range Practices Act* (FRPA) the Board's job is to audit forest and range practices on public lands, investigate public complaints, examine government enforcement, conduct special investigations of important issues and participate in administrative appeals. It reports its findings and recommendations directly to the public and government.

As the government moves toward better coordination of the myriad industrial and commercial activities that affect forest and range land, we thought it would be useful to reflect on what we have learned about the benefits of having an independent watchdog for forest and range practices.

The rapid expansion of natural resource developments in recent years has put pressure on the province's legislation and institutional capacity to oversee what's happening on the landbase. Perhaps it's time to consider whether it would be good public policy to apply similar oversight to all resource sectors operating on public land to help ensure that BC's forest and range resources are well-managed for the long term, for the benefit of future generations.

Independence

The Board is a provincial government body but it functions independently. Board members are appointed by Order in Council after a merit-based process in accordance with the FRPA and the *Administrative Tribunals Act*. The Board is not part of any government ministry and does not get

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approval from the government before issuing reports directly to the public. The Board has its own legal and communications staff, so it is not dependent on government or subject to government direction for these important functions.

As stated by the BC Supreme Court:

The Board's function is to provide an independent review of the forest practices being conducted on the public lands of the province. It is independent of the Ministry of Forests and other government departments.... By virtue of their oversight role, they are uniquely positioned to see what is happening on the ground on the province's public forestlands. (*Northwood Inc. v. British Columbia (Forest Practices Board)*, 1999)

Independence is important because government ministries are the managers of public forest and range resources and it is preferable to have someone independent of the managers to evaluate results. This is why independent audits are a common feature of the business and financial world – so that shareholders and investors can rely on the integrity of financial management systems. Put another way, government ministries cannot exercise effective oversight on themselves.

While most Board work finds good practices, when it sees something wrong, or simply room for improvement, the Board does not hesitate to say so.

Benefits

Briefly stated, the benefits of oversight include:

- an informed public and greater public confidence;
- markets for BC forest products are objectively informed about practices in BC;
- informed decision-makers;
- higher rates of compliance with legislation; and
- continual improvement.

Board reports provide objective, credible information to the public about forest and range practices. This can lead to greater public confidence in government's management of natural resources, and in the work done by forest companies and their professionals.

Board reports provide reliable, objective information about forest and range practices to export markets. The vast majority of BC forest products are sold outside British Columbia and one reason the Board was originally created was to provide assurance to markets about forest practices in BC. Today, environmental considerations are still a significant factor in purchasing decisions. British Columbia's reputation is good for a number of reasons, including having a responsible forest industry, a mature regulatory framework, third-party certification (which often uses the results of Forest Practices Board audits to help assess licensee performance) and an independent body—the Board—to attest to standards.

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Board reports provide useful information to Cabinet ministers, government officials, licensees and their professionals. This, in turn, leads to better long term understanding and better decisions by civil servants, legislators and forest companies.

Independent audits also lead to better rates of compliance with legislation. Forest companies and government programs that know they may be audited are likely to pay more attention to regulatory compliance than they might otherwise. The Board's approach of geographically distributed random audits is a cost-effective way to encourage compliance.

The work of the Board contributes to continual improvement in forest practices. Board audits often identify opportunities for forest companies to improve their practices and the Board's work as a whole can help government identify areas of legislation and policy where improvement is needed. Finally, the existence of this type of watchdog function demonstrates a healthy governance system, with open, transparent and accountable government.

To be sure there is a financial cost to taxpayers. Compared to the cost of having government ministries exercise similar oversight, though, the incremental cost is small, while the benefits of independence are significant.

Conclusion

British Columbia has shown leadership in establishing independent oversight of forest and range practices. This has helped to maintain public confidence and marketplace assurance. The forest industry has done well by this model and it may be time to consider whether this type of oversight could be applied to other resource sectors to help ensure that BC's public lands are well-managed for the long term, for the benefit of future generations.

We welcome your thoughts on this idea. You can send comments to <u>fpboard@gov.bc.ca</u>, or join the discussion on <u>Facebook</u> or <u>Twitter</u>.

