

# WSCA

FALL EDITION 1985

NEWSLETTER



#### **NEW CHECKING SYSTEM**

"Only the strongest will survive." Brian Storey (Planting Program Specialist, Victoria) said in a meeting with WSCA contractors on September 25, 1985.

Over the past few years the bid prices have fallen 30%. For the first time ever, fall bidding 1985 for 1986 planting will go to the low bid for both industry and ministry contracts. Now there is a new checking system that has never been tried. Many contractors are not aware of the magnitude of the changes and fine tuning in the checking system and will not be bidding significantly differently. It was clear from the five hour presentation by Brian Storey that they will be in for a shock.

This trap may or may not have been set deliberately. Bither way, 1986 will witness many financial failures within an industry that the Ministry of Labour already describes as a horror story. (in reference to the number of claims related to immigrant labour.)

"There is only one checking system. It is the only authorized method of spending tax dollars on planting. It only works is you use the whole system. You can not ignore any small part of it" says Brian Storey.

For the past three years Silviculture Branch has not filled the position of planting program specialist due to cut-backs. Now suddenly all the changes that were clear to them should have been made annually are being brought on at once, and at the moment when prices are lowest and bidding is at its most competitive.

Silviculture Branch is determined to professionalize the industry by rigorously implementing this system on all contracts throughout the province. Contractors not performing will be shut down immediately. In a recent decision, Director of Silviculture Branch, Charlie Johnson, declared "even if shutting down a poor contractor means that 500,000 trees will be destroyed or damaged due to delays or because it is the end of the season, they will still shut a poor contractor down."

In the past many contractors, having desperately put in a low bid during the frenzy of the bidding season, were carried by sympathetic checkers who looked the other way or subjectively interpreted the old checking system their own way. The extent of this is only known within the silviculture industry by the feild contractors, planters and checkers. With this rigorously defined checking system, many contractors are saying "bid high or die."

In 1985, due to the low prices, a half dozen long time contractors went bankrupt. In comparison 1986 could be a massacre.

This system will clearly be to the advantage of experienced contractors and responsible operators in the long term. It will also improve the quality of planting and consequently the image of the industry. While most WSCA members applaud this initiative it is clear that the process of implementing these changes will be difficult. Traditional contractors are not coming in as the apparent low bidders. Some of the more experienced contractors may have to sit out the beginning of the season. Certainly the trees will not be planted within the normal deadlines.

Historically new quality demands have not effected the price trends. Bid prices seem to be more related to supply and demand. In view of the major increase in the volumn of trees available for next year a price hike could be expected. Prices contractors are bidding are up on the average while the prices that contracts are being awarded at are down.

These changes should also result in an increase in the earnings of the experienced planters and contractors because of the even greater increase in the costs facing green crews. Though this increase may or may not occur, certainly the discrepancy between the earnings of the experienced and inexperienced planters will increase.

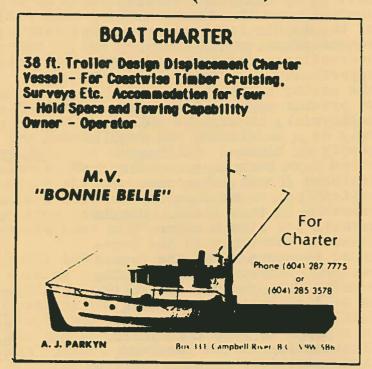
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## PREFERRED RELATIONSHIPS

The preferred relationship required responsible prices. Costs had to be justifiable. Open bidding is just that. We could make a fortune. Lets.

# VARIETIES OF QUALITY CHECKING EXPERIENCE HOMOGENIZED

We all know, some checkers let you get away with anything, other checkers won't let you get away with anything. Silviculture Branch's Brian Storey intends to get uniform checking standards and a uniform checking procedure in this province. Under this new system all checkers won't let you get away with anything.



WSCA NEWSLETTER

## THE FOREST SECTOR LABOUR MARKET (A SUMMARY)

Thousands of Canadians rely upon the forest industry for their livelihood. Forestry has always been and can continue to be an important generator of employment and income, provided that the sector can overcome certain obstacles. In spite of high unemployment, there is, in fact, a shortage of manpower in forestry. The three major causes for this are: image, working conditions and lack of training and retraining programs.

Hard work, low pay, no job security, "for men only" - such is the image of forestry work. This misnomer must be rectified. One way of doing that is by improving working conditions. The forest worker of the 1980's looks for adequate renumeration, job secrity, recreational facilities and an opportunity for family life. the sector hopes to continue to provide opportunities for employment, it must be able to rely on a sufficient and regular supply of timber. Although steps have been already taken to increase forest management activities, we must pursue research in this field. markets are also a major economic condition to the continued development of the forest sector. Industry would greatly benefit from product diversity as well as improved stocking facilities for their products as a means to ease the cyclical fluctuations in the level of their activity. Dynamic marketing would promote forest products at home and abroad.

The major structural changes affecting the industry and the introduction of new technology will require that the workforce become more highly skilled than in the past. The demand for workers skilled in silviculture will continue to increase as the need for this activity continues to grow. There will also be a need to replace approximately 12% of the actual workforce which is expected to retire in the next decade. Realizing this opportunity will require some planning and a great deal of organization. High school students must be sensitized to the career opportunities in forestry, and training institutions must adapt their programs to cope with new technology and to meet the practical needs of the industry. unskilled labourer will soon find decreasing opportunities for employment. Extensive retraining programs must be undertaken now to avoid a situation where we have, on the one hand massive layoffs and, paradoxically a severe shortage of qualified replacements, on the other.

These issues must be dealt with as soon as possible. It is a challenge that will have to be addressed by training institutions, unions, industries and governments. The Canadian Forestry Service can play an active role in this field.

The above statement was taken directly from the conclusion of a summary report sent out to the following invitees to the Forestry Labour Market Development Workshop held in Vancouver, October 21-22, 1985 at the Hyatt Regency. The invitation list included;

Canadian Forestry Service

- Louise Mantha
- Maryse Brunet-Lalonde
- John Edwards

Fed. Economic Develop. Coord.
- Mr. Darcy Rezac

Employ. & Immigration Canada

John WatsonBlair Lopes

Labour Canada
- Bruce Dodd

Ministry of Forests
- Jack Biickert

Ministry of Industry
- Steven Hollett

Ministry of Labour - Danny O'Neil

Council of Forest Industries
- Allan Sinclair

Canadian Institute of Forestry
- Jack Toovey

Western Silvicultural Conctractors
Ciation
Bill Green

Cariboo Lumber Manuf. Assoc.
- E. Van Scoffield

Truck Loggers Assoc.
- Mr. Manson

Central Interior Logging Assoc.
- Frank Drougel

Interior Logging Assoc.
- Ralph Eppinger

NW Lumber Manfacturer's Assoc.
- Jim Shaw

Forest Industrial Relations
- Ross Stryvoke

Interior Forest Labour Relations Assoc.
- Ronald Taylor

North Cariboo Forest Lagur Relation Assoc. Dave Gunderson

Pulp & Paper Industrial
Relations Bureau
- Jack Fournier

IWA

- R.F. Blanchard

Pulp & Paper Woodworkers of Canada
- Stan Shewaga

Canadian Paperworkers Union
- Art Gruntman

MacMillan Bloedel Ltd.
- Gordon Tall

Canadian Forest Products
- Doug Edwards

Forintek Corp. of Canada - K.A. French

As an organization that deals with the less glamorous part of the forest industry, I would like to deal with some of the problems facing contractors and ultimately it's work force.

The publics perception that people have no choice when they enter the labour force is quite true... today. As the C.F.S Forest Sector Labour Market Summary points out, under the contract system now in place a worker must perform his/her duties under conditions most of us would have nightmares about.

Until 1983, contractors would take working conditions into account when bidding took place, and generally speaking the economic return to our people was adequate to keep them on the job and reasonably happy. With the current government's short sighted strategy of restraint and the Treasury Board's decision to insist on open tendering in all contracts under their control, all hell has broken out in the silvicultural contracting industry.

At this time current bid prices are at the 1977 level.

If we look at a realistic bidding structure, we have labour costs, hard costs, profit and production. The flexible areas are profit, labour and production. Profit today is generally below term deposit interest rates which is unacceptable, production and efficiency is at it's maximum, so what's left? - labour, and in the last couple of years that's the area that has felt the so-called restraint the most. in many cases forestry workers must provide their own sub-standard facilities to just get a job, and after all of this he/she has the chance of not getting paid at all.

The Silvicultural industry to the best of my knowledge is the only industry not covered under the province's Labour Standards Act, so therefore there is little or no controlling body that controls the operating ethics of a contractor.

Our association has had meetings with the Labour Department, asking them for their help to clean up our image but to no avail.

It seems mums the word from the top. Yet, in conversations recently with industrial relations officers, who are saying, and I quote, "It's a horror story out there", we question just who has the right to let these conditions continue?

The P.R.W.A in light of the potential disasterous season facing them has made it known to our members that they have recommended, "planters take job action where necessary".

I think I should read this letter to let you get the feelings our workers have (see page 17). So when the C.F.S report states that we have to clean up our image, I feel that this is the most important thing that could come out of this meeting.

I challenge the C.F.S and other interested parties to monitor a few operating contracts as workers and have them report back on just what conditions exist in the field.

I challenge the Ministry of Labour to release figures of worker complaints and give us some input from their department on how best this problem can be approached and resolved.

I challenge the M.O.F and private industry to release figures on just how must it's costing the public in failed contracts and plantations due to their current policies.

Our association members have in the past been in the fiscal position to train it's own employees how to perform their duties. We of course welcome any additional assistance in this area. But question the millions of dollars spent to date on short term job deveopment programs, because with realistic prices in the market place the free enterprise system will work according to supply and demand.

Association Des Entrepreneur Travaux Silvicole de Quebec was formed Oct 23rd, 1985.

The code of ethics, tabled by the WSCA was adopted with minor changes. Members include a high percentage of professionals, forest technicians and engineers. Association decided to accept new contractors as members. A standard contract between the contractors and the planters is being drafted, planting contracts are being reviewed and WCB is being engaged in discussions about their requirements for men womens outhouses, showers sleeping quarters lot contracts awarded 5 days before startup.

These measures put the simple ability of the silviculture industry to plant all the trees in the expanded 1986 reforestation program in jeapordy.

#### Changes.

No bonus tree. (The first days mistakes could once be made up during the rest of the contract by the occasional bonus tree. Bonus trees used to provide an opportunity for the checker to acknowledge planters for extra effort expended to create a plantable spot..)

In exchange for the missing bonus tree, excess tolerance will be 7%. (More trees are candidates for being coded excess.)

"Too close", "too wide", "influence tree", and "missed plantable spots" all have a clear definition. The process for detirmining these calls all require a great deal of measuring and precision. Tolerance for determining too wide or too close is defined as one centimeter. When the spacing is 2.7 metres, two or more trees planted at 2.72 metres from all surrounding trees will be classed as too wide, resulting in missed spots. The recommended minimum spacing is 30 cm less than prescribed spacing. This leaves a 31 cm margin from all surrounding trees within which the planter must plant or be fined.

A new more specific coding system for classing planting faults. Since it is easier to identify faults as specified 'by the book' there will; be an increased frequency of calls for quality.

One disapointment of the system is that the strict upper limits set on spacing too wide will result in inducing densities as high those that resulted from the bonus tree system. The avowed intention of MOF to save the 6% of the seedlings being overplanted too get the bonus tree is not accomplished.

Although clearly defining the procedures reduces the number of misinterpretations possible, the actual number of complex procedures that need to be memorized by the checker has increased.

Checking will take longer, planter supervision costs will increase, contract payment will be reduced (an average of 7%, not counting the additional cost of the new coding system for faulting quality), production will fall, the number of failed contracts will increase (industry is increasing the amounts of the security deposits) and the price will have to be increased enormously to compensate for the increased cost and risk.

Contractor estimates for this increase range from 15 to 50%.

The survival strategy meeting of the contractors determined that the circumstances are so graphic as to speak for themselves. Anyone who is not going to bid to plant to this checking system will not survive.

By eliminating some of the feild of competitors, there may be an eventual increase in prices for those of us that are left.

Of course by then Treasury Board will have cooked up a new rule by restraint plan.

In the mean time, good luck and bid cautiously. Dirk Brinkman.

## WOODSHOCK "YOU CAN'T SEE THE FOREST WITHOUT THE TREES"

Oct 19th and 20th Sierra Club of Canada's bringing together of the Forest Industry and the conservationists was intended to lead to dialogue. It boasted about as much dialogue as a teenager would claim to have with his/her parent.

The parent child relationship is not a bad paradigm for these two groups. In the worst case the one thinks the other is a group of spoiled yuppies and welfare recipients whose freedom to indulge in protecting their pretty forest playground is financed by the benefits of the forest industry; while the other thinks the one is a group of senile compulsive fascists whose monstrous pulp mills and sawmills ravenously consume the mother earth that spawned them.

Industry foresters were sent in some cases up to 11 invitations. In almost all cases the forest management companies declined to send their foresters into the verbal snares of the Sierra Club. Even the host province's Ontario Ministry of Natural Resources decided that if any of their staff wanted to attend they would have to pay their own expenses and book the time off as their vacation.

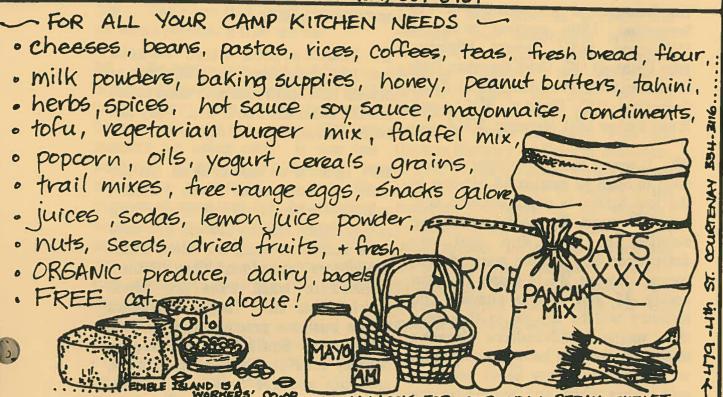
Fortunately the conference organizers invited a lot of panelists and speakers from government and industry--nearly fourty. Add to that twenty brave foresters determined not to lose ground at this kind of a debate and you have the one hundred and twenty hands that periodically clapped when a debating point was made in favour of industry.

Gerald Merrithew used the conference to present the findings of an opinion poll among scientists about the possible effects of acid rain on Canada's forests. This delphi report averages the scientists opinions and states that the impact would be "substantial" in the east and insignificant in the west. Les Reed pointed out that the coefficient of variability of opinion among the scientists was so high in the delphi study that the study offers no confident consensus. "Don't let acid rain distract you from the neglect in managing desease, fire and pests."

# EDIBLE

## WHOLE FOODS WAREHOUSE

ISLAND HIGHWAY, BOX 110, MERVILLE, B.C. VOR 2MO (604) 337-8464



Ontario's new Minister of Forests announced an independent audit of the provincial forest management effort by Dean Gorden Baskerville of U of NB - "The public should know as much as possible. I will open up the debate and hold public hearings on MNR class environmental decisions. We are committed to act on what we find in our review." This was an astonishingly refreshing approach to forest management. Especially in Ontario where forest statistics have at times been held as government secrets.

The pressure to conserve mature forests adds to the need for a federal, provincial and industrial cooperation to implement a program of intensive silviculture on the prime forest sites. If the prime land yield were increased, the pressure to cut would be relieved from the mature stands that conservationists want to protect.

The industry and government focus in these conferences is shifting away from regeneration toward acelerating the immature stands growth with intensive silviculture in response to the short fall we will soon face in harvestable age classes. Conservation pressure supports industry's need for tenure, not only to enable them to harvest their silviculture investment and take pride in their work but also to provide investor stablity against a backdrop of environmental activists threatening their cutting plans. Conservationist actions make successful silviculture more urgent.

#### ONE ACT PLAY

The following is a summary of the September 18th meeting with Al McPherson, (AM) Deputy Minister; John Cuthbert (JC), Chief Forester; Dirk Brinkman (DB), President, WSCA; Tony Greenfield (TG), Director, WSCA; and Frank Barber (FB), Manager, WSCA.

edict to open all section 88 bidding to the low bidder is not a decision that can be changed. They have welded the steering on the ship and are determined to hold the open market course. Spring '86 is going to make spring '85 look like a picnic. The industry will be run on to the rocks this spring. Silviculture Branch's objectives will not have been met, so we want to talk now about setting a new course which will accomplish the goals of the ministry and our industry.

AM Treasury Board saw that when highway contracts were opened to competitive low bidders, costs were cut by 30%. From this, they assumed a similar result must be possible here. The Ministry has cut staff 30%. Industry has cut personnel 30%. We had a lot of fat, the industry had a lot of fat, and things are leaner and more efficient now. Lean is the trend of all governments.

TG It damages the industry when ten year relationships involving the training of the contractor and crew are broken. A lot of experience is lost. What replaces it is an increased occurance of planters not being paid, contractors not being paid, contracts not being finished, trees being stashed and poorer quality.

JC There's no proof of that. We have just had discussions with Silviculture Branch that confirmed poor contractors are not being allowed to bid. They are being restricted to 100,000 trees.

DB There is no control at all. At the most, a contractor who doesn't complete several contracts is restricted in one region for one season, and only if he insists on using the same name. Contractors who don't pay their planters or stash trees are never restricted at all. These contractors whose business practice it is to walk out on poor contracts in one Region, not pay their planters, or stash trees, may bid and get contracts in other Regions. There is no way to stop these contractors because there is communication between Regions. It's these contractors that set bidding trends. They set the market price and force other contractors to cut essential services to stay in business.

AM Communication between Regions is poor. We want such cases of contractors stashing trees, not paying planters and cutting out.

JC We hear stories but have no evidence. Get us the evidence and we'll take action to rectify it.

DB We will do that if you can assure us that this evidence will result in an opportunity to sit down with

Silviculture Branch and regulate the industry.

AM Don't use that word regulate-we won't regulate a free market.

DB No bonus tree, low bidding, no preferred contractors--next year will be explosive. Employment Standards already has large files on planters not being paid. If you can authorize Silviculture Branch develop a mechanism to limit the number of trees that can be awarded to contractors who have failed, not paid planters, stashed, not paid WCB. not paid bills. violated regulations etc.. We'll see that you get some evidence.

Okay, if you show us the evidence. We are enforcing stricter standards through our new checking system. We don't want irresponsible contractors. We only want contractors who commit their services responsibly. who intend to meet the terms of the contract and conduct their business responsibly. We must shift the focus from numbers of trees planted to numbers of hectares planted. We don't want a numbers game. We want well restocked areas.

We need highly trained people. Contractors are valuable to us. We're not trying to shaft you. We need a core of good contractors to do all this silviculture work. Perhaps one solution would register to contractors like small business.

We have to leave room for new IC contractors coming into the business.

Your efficient workers will become your competition someday. We have also just authorized Charlie lohnson (Director of Silviculture Branch). when he goes to the Woodshock Symposium in October, to spend a couple of days with the Ontario Ministry of Natural Resources. to look at the proposal award system they are using. They've looked at the material you gave us on Ontario's proposal award system. Its like the point system we use to award the nursery growing contracts. There. price counts for 60 points out of 100. We'll see what Charlie thinks of this system for treeplanting.

TG,DB,FB Great.

DB So we are here to inform you that 88 section has not privatized Silviculture. Ouite the opposite. You have extended the forest service bureaucracy by requiring inudstry foresters to seek written approval for every decision. They are not managing the forest, the Ministry is. They are not being held accountable the survival and for growth performance of the plantations, they are only accountable for filling out forms and meeting the terms of the addendum users guides and agreement. No one is accountable for results in the field.

We are accountable! The buck stops with us.

AM We're not purposely trying to shaft contractors.

FB But you are, and its the planters who are the ones who suffer most.

DB There is an unneccessary and immense cost associated with the lack of real accountability for those who are in charge of the program. objective of forest renewal should be to stock the maximum number of free growing hectares with the most vigorous plantations possible. Right now the cost is unneccessarily high because the objective is to satisfy the requirement of the maximum number of report forms and other Section 88 paperwork. Give the industry a free rein to innovatively get vigorous plantations in whatever way they can, and make them accountable for the results. For each hectare that does not reach an established free growing status, in an acceptable time period. have an appropriate portion of AAC removed. Set a flat rate of credit to stumpage for planting, scarification, collection, etc. for each Region. Provide cutting incentives for those who succeed. If the growth rates of the plantations are increased, and the rotation period is shortened, increase the AAC. No one has ever had their AAC cut for failing to perform their regeneration obligations. This administration has never had the guts to enforce the original intent of Section 88 and Section 52. The recession strained the original intent so that now we just have a slack bureaucratic paperwork system that trips everyone UD.

AM Something like that is just being put into place with the subsidiary agreement for tree farm licences.

TG We would like to see a stewardship contract. Where we guarantee the results.

DB We would like to be partners with industry in the success of reforestation, rather than victims of a third party contract. Right now we are tenants of an absentee landlord, subject to the approval of an absentee forest service. The forest service is for the most part not out there until after the contract is over, sometimes even months later.

AM That can be corrected by having checking done currently, we've got to get the districts to do the job.

TG DB Ideally areas should be checked within one week of planting.

Checking will never be done currently with present levels of staffing. We haven't got the manpower. Also, with the subsidiary agreement, its going to be after-the-fact monitoring.

DB Increasingly, industry is putting a clause in the contract making a contractor's payment "subject to forest service approval".

JC Don't sign that contract, just refuse to sign it.

DB Either we sign the contract or we don't work. We're committed through our capital investments and obligations to our planters to work in silviculture.

JC Well if everyone in the Association refused to sign, surely the companies would take the clause out.

DB We can't all go on strike. We're not a union. If any one of us refuses to sign the contract, someone else will take it. If the forest service held the companies directly responsible for results instead of just doing things according to forest service's rules we could have a direct one to one relationship: real 2 contract relationship. This clause is expressing the fact that our contract is actually with the forest service-that the hidden agenda is the companies addendum agreement with the forest service. Its a joke among contractors now that its actually easier to do Ministry contracts than industry contracts. At least there you get your questions answered. You can see whom you are working with. There is a one to one relationship, though you never know with whom

AM This contradicts the intent of Section 88. Industry is passing the buck. We could take their 14% away if they were not doing their checking.

TG It's not that they don't do their checking. It's just there are inevitable differences of opinion and judgement in checking. We do what industry intructs us to do. If the ministry

comes in later and disagrees, they hold the purse strings, we don't get paid.

AM Licensees can't be doing their job. No reputable licensee would be caught this way.

TG Reputable licensees and reputable contractors are caught this way.

JC We are increasing quality demands.

TG It is not possible to have increased quality and lower prices.

DB The great difficulty is getting uniform quality standards. This province is too diverse. Checkers are too different, and the issues are too subjective. lust forget about regulating the way in which everything is done and leave it up to industry to get results-just check for results. Allow individual foresters to do it their own way, as long as they get vigorous healthy plantations.

TG Area based contracting will also save the province a lot of money by spreading the available trees over more hectares.

AM I don't understand why this should make such a big difference?

DB A planter who is paid by the tree doesn't make any money unless (s)he plants. (S)he is trying to plant as often a possible, looking to squeeze a tree in wherever (s)he can. Foresters and contractors are always in conflict with planters who want to squeeze the

spacing, plant close to naturals, along roads, on the fire guard, in cut banks, close to the forest, etc. When they are paid by the hectare (s)he will be looking for hard to find naturals, staying away from the roads, cut banks and the forest line. The result is, conservatively, 15% more ground covered.

JC We heard contractors oppose area base.

TG On the contrary, the WSCA contractors support and encourage it. We originally initiated it. There are benefits for both the Ministry and contractors. Green contractors don't support it because they can't calculate productivity on an area basis.

DB We've seen the ministry perceive reactions by a few contractors who decided to still pay by the tree on a per hectare contract, as a rejection of the system. These were brief trials, too short to mean anything. Area base gives an advantage to experienced contractors and planters so it definitely has the support of the established contractors.

TG Right now the ministry has been slow in coming out with area based contracts and some districts actually discouraged requests by industry for area based Section 88 contracts.

JC Well, we do support it and would like more work to be contracted that way. I haven't heard that we are discouraging it. I'll check that.

DB Lets get on to the Weifare issue. We feel the fact that MOF has, by taking \$5 million out of the forestry budget and spent it on welfare make work programs, violated the legislated mandate of the Forest Act. This money was supposed to be for silviculture and other forestry work. The existing meager forestry budget shouldn't be supporting on sauandered ineffective social welfare programs. Let the welfare budget pay for this. Contracts our industry was anticipating doing were cancelled and replaced by the Forest Activity Program for people on welfare. The legitimate silviculture industry workers have been put out of work in favour of welfare workers. We are not against make work in the There is room for all the unemployed in Canada to work in the forests. We do not, however, want to see dedicated funds displaced. This will not accomplish any silviculture objectives.

AM We are still getting some Silviculture work done.

DB At what cost? We could do this same work as these welfare make work projects, butfor 1/3rd to 1/5th of the cost. Our workers can also support and raise their families, and pay taxes on these earnings.

AM We are also setting up a program where we will pay the contractor \$1.50 per hour to compensate for increased overhead and reduced production for hiring a welfare worker. It will be a condition of the provincial contract.

DB Where's that money coming from? If it's from the existing silviculture budget I don't support it. It's a moral and a legal issue. The silviculture budget is already too pathetically small.

AM The program to pay \$1.50 to benefit the contractor is probably from the silviculture budget. I don't know.

DB This has to stop. Let the welfare budget pay for getting welfare recipients off of welfare and onto UIC, let the silviculture budget do silviculture!

We'll take this issue into the house, if it can't be changed here.

PB If at some point Welfare pays the bills for this program, this money would be better spent to train a skilled silvicultural labour force. At present, the contractor foots the bill for any training of his/her employees. Costs of such training far exceeds \$1.50 per hour.

DB Lets get on to the issue of wild fires this year. There were 250,000 hectares burned this year. Let's plant them now before they brush in. There is a significant number of plantations where there is an identifiable reforestation lag. Contract the survey of these fires and the growing of seedlings and lets get in there.

JC We want to salvage the timber first. That will take a year or two.

AM We are going to accelerate the program to meet these increased needs, that will show up as trees added to the 1987 & 88 program. We will be increasing our targets.

JC The Sue fire (burned in 1972) is a good example of how we can wait. There are areas there that still haven't brushed in. Its also a good example of how we do plant the fires now.

DB The Sue is one of the few fires you are planting. Only 8% of the annual silviculture budget is dedicated to reforesting fires, the rest is for logging. That's a poor ratio when fires burn an average of 50,000 hectares a year, while logging harvests 200,000 ha. And now we have a year when fire denuded 250,000 hectares. A slight increase in the planned planting program is inadequate.

AM Fires burn a lot of scrub. We'll never plant the trench where we had a lot of fires. Also, alpine is not worth spending money on.

DB The number of hectares of high sites burned this year is more than the total average hectares burned in past years. It's characteristic for these high sites to brush in fast. Some of them are young plantations on which no salvageable material burned. A small percentage increase in the overall program, and not until 1988, is not enough. It adds to the expensive backlog problem. The fresh burns are cheaper to deal with. We recommend an immediate crisis response. MOF has

biogeoclimatic zones identified where regenerations lapses and brushing-in or grassing-in are problems.

JC Well, until we salvage the timber, snag fall and survey the areas to determine if they need any kind of treatment, we won't be doing any planting on this years fires.

AM We will be increasing the future number of hectares and trees to be planted.

TG If you go to per hectare based planting you could increase the number of hectares right now.

The time was 5:35 p.m. so the meeting was wrapped up.

DB,FB WSCA



WESTERN SILVICULTURAL CONTRACTORS' ASSOCIATION

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## SOUTHERN INTERIOR TREEPLANTING CONTRACTORS

September 12, 1985.

Bob Skelly Leader of the Opposition Parliament Buildings Victoria, B.C.

Dear Mr. Skelly:

This letter is written in exasperation from several treeplanting contractors who find no intelligent response from the Socred government to the plight of our forests. We write from the southern interior of B.C. where nature has generously produced great forests of beautiful strong timber.

We find ourselves caught in an illogical and ill-advised system of reforestation where all emphasis is on numbers and statistics with a shameful absence of concern for true silviculture. Although the Ministry of Forests acts as an accomplice in the dereliction of responsibility concerning our children's resource heritage, it is clear that a misguided selection of priorities by the present government and a marked lack of vision is ultimately responsible.

Recently, the Treasury Board ruled that forest companies could no longer select silviculture contractors based on past successful, efficient, and quality-conscious performance. Ministry officials speak of "more bang for our buck" in their quest to plant more hectares for less money while neglecting the numerous on site

performance factors which determine survival and yield.

Any good farmer knows that yield and quality are the bottom line in agriculture. This simple business principle seems to have escaped the government.

Now, all contracts have to be awarded to the lowest bidder with scant provision to ensure that these expensive and delicate seedlings are put in the care of well experienced, properly equipped, and trained crews. The time and money we and our planters have invested in developing reputations for quality performance is given no value.

In a truly free enterprise system, the customer may choose products and services based on past experience of quality as well as price. In the illusion of false economy, the forest companies and responsible MOF personnel, acting as stewards of our forest lands, have been denied the right to intelligence and common sense in spending our nation's taxes on forest renewal. Due to the perverted logic of government ministers, those who give extra time and care to our future forests are penalized.

We assert that common sense should play a part in forest renewal policy and we ask that you and your colleagues question the wisdom of current policies affecting the silviculture industry. Among us we could recite endless examples of the pitfalls of selecting bids based on the ability to write the smallest number on a piece of paper.

We trust you will help bring to light our predicament and endeavour to change the system to reflect our concern for:

- 1. The quality of our future forests
- 2. The health of a vital silviculture industry
- 3. The working and living conditions of the silviculture work force
- 4. Opportunities for productive employment for our province's youth

Thank you for your attention and your efforts.

Yours truly. Southern Interior Treeplanting Contractors c/o Box 1836 Grank Porks, B.C. VOH 1HO Bob McAtamney, Southern Okanagan Silviculture Gary Ogletree, Arbolitos Silviculture Bart MacLean, Mart Resources Graeme Giltrap, Oliver & Giltrap Gordon Saunders, Zanzibar Holdings Scott Carlson, Evergreen Co-op Dennis Graham, Greenpeaks lames Mathieson. Crow **Point Enterprises** 

cc: Hon. Tom Waterland, MLA; Bob Williams, MLA; Hon. Gerald Merrithew, MP; WSCA; PRWA; SISCO; Vancouver Sun



#### ACID RAIN IN EUROPE

To Prime Minister Brian Mulroney:

Congratulations on committing 300 million in incentives to abate acid rain.

One third of northern Europe's (Czeckoslovakia & Germany) forests have been decimated by acid rain.

Our members are very concerned about the effects of acid rain on the growth and health of Canada's forests.

Thank you also for maintaining your committments to the Fed-Provincial fund for forest renewal.

Please ensure that B.C. upholds its side of the agreement. Do not allow B.C. to divert the federal forest renewal funds into other industries or megaprojects. Especially do not allow these funds to subsidize B.C.'s commitment to reforest current logging.

The future of the economy, the forests and our industry is in your hands.

Thank you for your commitment.

Dirk Brinkman
President
Western Silvicultural Contractors'
Association



## Establishing QUALIFYING STANDARDS

As a result of a discussion towards establishing qualifying standards for contractors bidding on Ministry and Section 88 Silviculture work, the chief forester for the province of B.C. requested the WSCA provide him with any evidence that unethical actions are taking place in the silviculture industry in B.C. "Show us the proof and we'll take action. Until we have proof we will assume there are no problems." The WSCA, therefore, intends to provide the chief forester with any evidence that;

- a) there are contractors who do not pay their planters and who continue to bid and are successful in being awarded contracts,
- b) there are contractors who have had a proven history of stashing trees or who are repeatedly hiring planters who stash trees, and are still being awarded contracts, c) there are contractors who repeatedly fail at contracts and continue to be awarded work without restrictions,
- d) there are contractors who do not pay their bills (ruining the credibility of other contractors in the reforestation industry), without any effect on being awarded future contracts.

Any evidence you have, data, cases, proof, correspondence and written statements that relate to the above

request will be very much appreciated. Please send your information to:

#### Personal and Confidential

John Cuthert
Chief Forester
Province of B.C.
1450 Government St
Victoria, B.C.
V8W 3E7

Enclosing a copy of this WSCA request with the information will result both in the establishment of qualifying standards that improve the working climate in the industry and ("if there are real problems, I would like to know") may result in action on the particular issue involved.

Dirk Brinkman President WSCA



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## FAT CONTRACTORS GET SQUEEZE

Is the Ministry trying to save 30% on planting costs by both increasing the penalties applied through the new checking system and increasing competition?

The Ministry's 1987-88 budgets targetting the planting of 200 million trees, involves a 25% cost reduction in per million trees. Unless this is an accounting error, somehow the Ministry expects to save 25% on future growing and planting contract costs.

Anyone got any fat they can squeeze out?

For readers who don't know, the above article is a sick joke. Industry prices have already fallen 30% in the last three years. Such actions, however, will have serious consequences on the integrity of our forest resource in the future. Planting trees as cheaply as possible is not the way to practice successful forest management in B.C. Planting quality affects plantation productivity which determines potential yields. Getting the greatest number of trees in the ground for the cheapest price is still playing the numbers game. And to think that people who believe in such a philosophy have the audacity to call themselves forest managers...

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### PRWA TAKES STANCE

October 2, 1985.

Members of WSCA:

This letter is to inform contractors of the PRWA's position regarding recent changes to the Planting Quality Inspection Manual as enacted by the Silviculture Branch of the Ministry of Forests. The following statements were developed during a meeting that took place in Vancouver on September 28, 1985, entitled "New Developments in Forest Policy".

The quality inspection regulations outlined in the new manual constitutes what is in effect a whole new system of planting and checking trees. The new system is undoubtedly more stringent than the old, leaving a smaller margin for error. Given proper implementation, however, the system can help to achieve a more sound and precise method of planting. In so far as this is condusive to the survival and health of the plantations, the PRWA is in favour of the changeover.

Our major concern is that planters not be brought to bear the costs that accommodating these new regulations will entail. We have witnessed a growing trend in reforestation towards the transferring of supervisory fines

away from the employer and on to the worker. As planters have no say in the negotiation of contracts, we find this practice unfair and unacceptable.

The PRWA recognizes the extreme difficulty of the situation facing contractors due to Socred "restraint" policies. There is very little we can do however, except to ask, on behalf of the thousands of people who will be affected by your decisions, that contractors preparing for the 1986 season reflect in their bids the real costs of: a) fair and regular wages; b) proper training and supervision; c) adequate camp conditions.

For our own part the PRWA will be recommending that planters not sign contracts guaranteeing minimum wage and demand instead the full price per tree as it is stated by the contractor. We will also recommend that planters take job action where necessary, that is, that they leave a job rather than work under bad conditions, or for less than the stated price per tree.

The PRWA is looking forward to working with WSCA in turning this industry around.

Sincerely,

Leslie Hamilton for the PRWA Executive Pacific Reforestation Workers' Association Box 65361, Station 'F', Vancouver, B.C., V5N 5P3

contractors

# Stringent guidelines worry tree planters

By DON WHITELEY Sun Business Reporter

A provincial government program aimed at improving the survival rate for tree seedlings, while at the same time reducing costs, has planting contractors concerned about their survival.

"It's bid high or die," said Dirk Brinkman, president of the Western Silvicultural Contractors Association. "We could be facing a massacre."

The ministry of forests last spring made it mandatory for forest licence holders to award tree planting contracts to the lowest qualified bidder. In the past, licence holders had the option of using factors other than price, and many had preferred contractors.

Now, the ministry is instituting far more stringent guidelines for planting work. Starting in the spring of 1986, contractors won't be paid unless the planting work meets those new guidelines.

The combination of these two changes could destroy a lot of contractors, Brinkman said.

"Either way, 1986 will witness many financial failures within an industry that the ministry of labor has already described as a horror story," Brinkman said.

"In the past, many contractors having desparately put in a low bid during the frenzy of the bidding season, were carried by sympathetic checkers who looked the other way," Brinkman said. "Even so, in 1985 half a dozen long-time contractors went bankrupt. In comparison, 1986 will be a massacre."

Either way, 1986 will witness many financial failures within an industry that . . . has already (been) described as a horror story

-- Dirk Brinkman

Brian Story, planting program specialist with the ministry's silviculture branch, doesn't take issue with Brinkman's description of past practices.

"All we're really trying to do is to take some subjectivity out of the system and make it fairer," he said. "Dirk may be right. But my guess is that the companies that fail will be the companies we would just as soon fail."

Story said there are two groups of planting contractors. Those that already do the job properly make up about one-third of the planters, and they'll survive.

"For the other two-thirds it could be extremely traumatic," Story said.

The new guidelines, in simple terms, tighten up the standards for such things as spacing between seedlings, number of plantable sites that must have trees in them.

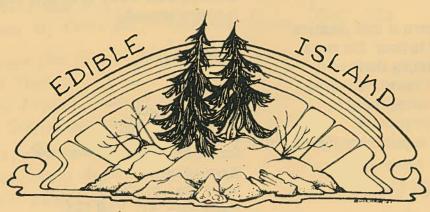
"We're looking for a significant improvement in the survival rate of trees planted," Story said. "The idea is that when we plant a site, we want to plant it once. It's very expensive to go back."

Story has been travelling throughout the province in recent weeks explaining the new rules to planting contractors.

Brinkman says he has no argument with the province's basic goal — to improve the survival rate for tree planting. Province-wide, that rate is about 70 per cent.

But he questions if planting contractors, or the ministry itself, will have enough qualified people to make the more stringent guidelines work.

"Most of the planting checkers in the province are inexperienced summer forestry students," he said.



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## CUTTING COSTS AT ALL

The WSCA is the only group actively supporting the MOF Silviculture Branch's proposal for the establishment of a fund to cover such upredictable situations. In the WSCA Summer Edition it was reported that both Silviculture Branch and the WSCA support this proposal. Since then. however. Silviculture Branch has been told to keep their mouth shut about this issue. Cutbacks in fire fighting facilities, manpower, etc., has blown up in Treasury Board's face. The results of Treasury Board's tactics to cut back Protection Branch's fire fighting budget didn't take long to materialize. estimated \$10 billion in merchantable timber was lost from 280,000+ hectares of B.C.'s productive forest land base. How much money did Treasury Board 'saving' by hamstringing Protection Branch's fire fighting capabilities? \$1 million? \$2 million? The catastrophic effects from Treasury Board's attempts to cut costs in the silvicultural industry by increasing competition (lowest bid and no preferred contractor) will not materialize until many years down the road. By that time it may be too late to rectify the problem. The sun will have already set on this "Sunset Industry".

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### REBEL WITHOUT A SHOVEL

On September 4th a rebel element of the cutthroat contractors' association attempted to plant a welfare worker in the legislative lawn in Victoria. The Canadian Secret Service, called in to investigate what appeared to be an attempt at getting a mole into the legislature, followed the contractors posing as tree planters looking for work.

Upon being recognized by their enthusiasm an extensive interrogation was followed by the rebel contractors surprising release. Only the resulting report to Silviculture Branch could have led Charlie Johnson to say in a September 19th telephone interview "there are no bad contractors, only poor forest service and industry staffing."

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#### CALLING A SPADE A SPADE

A commuting 22 year old planter, who over several days had smuggled about 9500 trees off the contract in the trunk of his car, thrown them in the dump and claimed to plant them, was charged by his contractor .....(Bill Sinclair, President of the Silviculture Ontario Contractors Association) with criminal fraud and destruction of government property. The Ontario Provincial Police, who were called in to investigate the case when the trees were found in the dump, identified the vermiculite and other peat material from seedlings in the trunk of suspects car. The planter, who admitted that he had stashed the seedlings in the dump, was arrested. The crown attorny is seeking a jail sentence.

## Ministry of Forests Takes Steps to Eliminate the Tree Planting "Numbers Game"

This article was written for the WSCA Newsletter by Brian Storey, Planting Program Specialist for the Silviculture Branch in Victoria.

Starting January 1, 1986, the "numbers game", frequently practised by tree planting contractors in B.C., will become a thing of the past. This "game" involved masking the effect of poorly planted trees by planting as many extra as possible. By playing the "game", the contractor was able to raise his Planting Quality percent calculation substantially without doing better quality planting and still avoid charges for excessive seedling densities. The result was that good "players of the game", and not necessarily the best planters, received the highest payment.

By discontinuing the use of the "Plantable Spot Allowance Tree" concept (known commonly as the "bonus tree") and by raising the allowable tolerance in the "Excess" calculation, the ministry's new Planting Quality Inspection system will put more emphasis on properly located and well planted trees than on the actual number in each quality inspection plot. Under the new rules the only way of improving planting payment is by actually planting the trees better. This may severely tax those who relied on the numbers game but should be good news to high quality planters.

The way the system will work starting in spring 1986 is that the number of plantable spots in each plot will be less than or equal to the maximum number allowed in the contract. Checkers now must identify a problem before they can disagree with the number or location of trees within each plot. Whenever more trees are planted than the maximum allowable, these extra trees will be coded as "Excess". Seven percent of the total number of trees planted will be allowed as "Excess" before any charges are applied. This will allow for both sampling and human error.

At the same time the new planting quality inspection system will clarify definitions and sampling procedures and general standards while leaving the specific standards in the hands of the field forester to be included in each contract on a site by site basis. Wide spacing, close spacing, missed plantable spots, and the often misinterpreted concepts of identifying plantable spots and influence trees are explained and standardized in the new instructions.

The Ministry is also trying to promote quality planting contractors who complete contracts competently and on time. Many of these contractors were losing business to others who, under the previous system, were able to cut corners and scrape by with a poorer quality job. To promote the better contractors and dissuade poorer ones, the ministry has proposed a series of administrative modifications to be applied during the 1986 planting season on all Ministry and licensee projects on crown land. These include the following:

1) Standard application of the new P.Q.I. system to:

- greatly reduce the practise of masking the results of poor planting by putting in extra trees.
- reduce the variability in checking
- ensure the best planting quality receives highest payment.
- 2) Extensive pre-work conference and early checking to ensure the contractor understands and complies with requirements and standards.
- 3) Quality Inspection plot locations must be systematically laid out and proportionately cover the area to remove bias in sampling which causes distorted results.
- 4) Contractors must be responsible for their own quality control and required to perform all aspects of their contract. "Babysitting" by contract administrators may help a faltering contractor to succeed but often has serious implications. First, contractors who win jobs with unrealistically low bids are helped to scrape by which establishes their bid as a new standard, forcing performing contractors into a destructive low bid spiral. Second, poor performers are supported in business to the detriment of the whole industry.
- 5) Only those clauses needed on a site specific basis should be in contracts and all clauses then fully enforced. This is both good forestry and prevents contractors anticipating clauses which won't be enforced and lowering their bids accordingly.
- 6) Contractors who do not perform satisfactorily will be immediately instructed to comply and failure to respond will result in early cancellation. In such cancellations the full security deposit will be retained by the Ministry and the contract reissued to the next available bidder even if the price is significantly higher. Poor quality work cannot be tolerated under any circumstances as planting trees that won't survive is a flagrant waste of time and money. Wasted trees or unaccounted for trees will be penalized under the terms of the contract and tree stashing if substantiated will result in disqualification from bidding on future contracts and possible prosecution.
- 7) The ministry will cooperate with other agencies to check contractors for compliance with WCB, health, and employment standards. Complaints from these other agencies may affect payment or future contracting opportunities.
- 8) A system of documenting performance which may be used as a factor in establishing eligibility for contracts in future years, will be instituted in 1986 and may include contracts performed in the 1986 planting year.
- 1) "Unit based contracting", which the Ministry has been developing over the last few years, is being actively encouraged. This type of contract pays for planting as a lump sum once a unit is completed

rather than the old method of paying installments on a "per tree issued" basis. The new system removes the incentive for stashing or wasting trees, encourages fill-in planting on areas partly regenerated, and requires contractors to properly complete and check each unit before submitting it for evaluation and payment.

The ministry is insistent upon getting good quality work for a fair market price as future forests do not deserve less and the public purse should not have to pay more. The new procedures should go a long way towards achieving this goal. Any other positive recommendations from the contracting community to help attain this goal are welcome especially in view of the future increases in the silviculture program.

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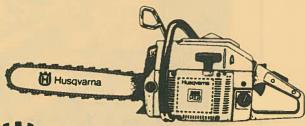
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