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# A STEP TOWARD MORE EFFECTIVE FOREST MANAGEMENT

By Gabriel Giguère

Bill 97, tabled by the Quebec government in April 2025, proposes to modernize the current forest regime.<sup>1</sup> The new governmental approach notably aims to decentralize decision-making when it comes to forest management, thereby breaking with the centralizing trend of recent decades. Indeed, the bill would allow industry members to play a greater role, giving them more autonomy and making their forest operations more effective.<sup>2</sup>

## THE FAILURE OF CENTRALIZATION

Over the past 50 years, the forest regime reforms adopted by successive Quebec governments have always gone in the direction of greater centralization.<sup>3</sup> Starting with a forest concessions regime, within which private companies were fully responsible for their operations, the government gradually took over various aspects of daily management—such as the planification of harvests and replanting—finally arriving at the 2013 reform.

That last reform was based among other things on the micromanagement of operations, carried out by civil servants. It proved to be ill-matched to the needs on the ground, and far from reducing costs for companies, it actually increased them. This went against the initial objective as stated by the public authorities, notably in terms of forest royalties and road-related costs. The government mistakenly believed that its civil servants would be able to make the best decisions to reduce the operating costs of forestry companies, despite having neither the economic incentives nor the on-the-ground knowledge and information to do so.

Instead of achieving this initial objective, the 2013 reform added administrative structures

Table 1

Comparison of responsibilities under the current regime and Bill 97		
	Current regime	Bill 97
Access to forestland	Set by the minister according to general planning	30% of land reserved in priority for companies (priority forest development zones)
Planning of operations	Plans produced mainly by the department or its representatives	Responsibility entrusted to companies in their priority zones
Length of attribution of timber volumes	5 years	10 years

Source: Maité Blanchette Vézina, *Mémoire au Conseil des ministres – Projet de loi visant principalement à moderniser le régime forestier*, Government of Quebec, 2025.

that made management less effective and increased procurement costs for companies in the sector. The current Minister of Natural Resources and Forests has recognized that, despite various administrative modifications made to the 2013 forest regime in recent years, “several issues remain, notably with regard to the maintenance of the timber production, harvesting, and processing sector and its importance for workers, as well as for forest communities, and to sustainable forest management approaches, to consultations and the harmonization of forest management activities, and to consultations with Indigenous communities.”<sup>4</sup>

These persistent challenges, stemming from the 2013 forest regime's lack of adaptation, have led the government to propose Bill 97.

## A RETURN TO GREATER AUTONOMY FOR THE INDUSTRY

This bill would return more autonomy to Quebec forestry companies, through the use of priority forest development zones.<sup>5</sup> These zones would allow forestry companies to be responsible for planning their operations,<sup>6</sup> a major change compared to the 2013 regime.

The objective of this new forestry zoning is to prioritize forestry activities—timber harvesting and replanting, among others—in these zones. This is in a context in which Quebec forests are shared among several kinds of users, including tourism and recreation. These new priority development zones would represent 30% of the land allocated from now until 2030.<sup>7</sup> Along with their greater autonomy, companies would enjoy more predictability in the attribution of timber volumes, whose duration would increase from five to ten years (see Table 1).

While this is still far from the concessions approach in effect prior to 1976, the bill nonetheless proposes to implement a more flexible regulatory framework for forestry companies, which could ultimately reduce their logistical costs. They would gain latitude to plan their harvests, maintain wooded paths, and choose their replanting strategies, favouring forest resource optimization and potentially accelerating cycles.<sup>8</sup>

This evolution is all the more strategic given that the management of forest operations and transport alone represents around 50% of a sawmill's costs.<sup>9</sup> Allowing companies to plan based on their local reality and their economic constraints should make their operations more profitable.

According to the government's preliminary estimates, the reform could generate annual savings of up to \$80 million for Quebec's forestry industry, or the equivalent of 67% of profits from logging in 2023.<sup>10</sup> In a sector with narrow margins,

subject to market volatility, this measure could help improve the profitability of regional mills, already facing numerous challenges.

## CONCLUSION

Bill 97 proposes a clear step away from the centralizing trend seen in recent decades. The increased role the industry will be called upon to play in its operational planning should lead to better forest management.

The decentralization of planning should also reduce the labour requirements of the Department of Natural Resources and Forests, which has been responsible for this until now. An ambitious reduction of its current workforce of 439 should therefore be proposed by the government.<sup>11</sup>

Greater autonomy for forestry companies, as well as a reduced role for the government, will allow Quebec's forest industry to become more resilient once again.

## REFERENCES

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3. Alexandre Moreau, *Quebec's Forest Regimes: Lessons for a Return to Prosperity*, Research Paper, MEI, October 2016, p. 22.
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7. *Ibid.*, p. 6.
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11. Quebec Department of Natural Resources and Forests, *Rapport annuel de gestion 2023-2024*, September 2024, p. 33.



This Viewpoint was prepared by **Gabriel Giguère**, Senior Policy Analyst at the MEI. The MEI's Regulation Series aims to examine the often unintended consequences for individuals and businesses of various laws and rules, in contrast with their stated goals.

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