

DIRK BRINKMAN CONTRACTING

Reforestation chaotic without planter collaboration.

Last month, B.C.'s silviculture industry was given promises of increased future business when the provincial government announced its \$1.4 billion, five-year Forest management program which ups treeplanting spending by some \$13 million annually by 1985.

But the industry's biggest boost – in fact, its creation – came several years earlier, in the late '60's, early '70's, when the B.C. Forest Service and the private forest companies switched from handling their own treeplanting work to subcontracting it out to private companies.

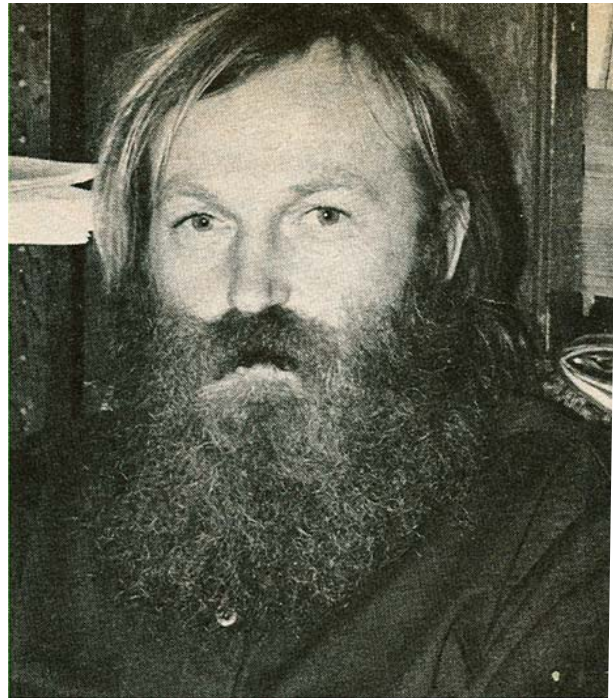
It was at this time, in 1970, that Dirk Brinkman and an associate, Ted Davis, launched a treeplanting operation that has now become a legend in the Problem-wrought silviculture business.

As with most infant industries, the silviculture business has suffered growing pains over the past decade. Labour turnover has been high (more than 100% in many cases) and bankruptcies frequent.

What Brinkman has done is bring order to this chaotic business by recognizing that traditional management techniques do not work in the treeplanting field. It's highly labour intensive, and, because of this, requires a high degree of worker loyalty to succeed.

In Brinkman's operation, a typical contract is undertaken by a crew of 15 to 20 planters for a duration of one to three weeks. An experienced crew will average 1,000 trees a day per planter. The crews work seven days a week, 10 hours a day until the contract is completed, then move camp to the next contract location.

The individual planters are paid roughly



Dirk Brinkman: *"Ensuring that we have trustworthy people is the only control I want to keep..."*

10 cents a tree (approximately 50% of the contracted per tree price) and work without supervisor for days at a time. Their planting is checked by a forest service employee.

According to most estimates, productivity has doubled since contractors took over the planting function from the provincial government and private forest companies, primarily because the contractors pay on the basis of trees planted rather than on a per hour basis.

In the scattered treeplanting camps, however, where bizarre operating problems are the norm, the full collaboration of the planters is essential to avoid prohibitive supervision costs.

Most of the contractors who started out at the same time as Brinkman have gone out of business, primarily due to the lack

of planter loyalty.

“As soon as they (the contractors) underbid on a contract, the planter, unable to make a good day's wage, would leave,” says Brinkman.

Brinkman and the other surviving contractors realized that they must inspire a co-operative spirit and maintain the production oriented atmosphere where planters can earn according to their own capacity.

Brinkman slowly developed sophisticated accounting strategies to encourage trust and initiative, which have become the corner stone of his success.

The internal management accounting information for the over \$1.5 million which flows through the operation in a season is open to all members of the nine planter teams. Budgeting and allotment of funds are discussed in an open meeting and a summary of the minutes of the meeting is distributed to the interested crews.

“Everybody knows how much everyone is getting and why they are getting it.

Our philosophy is that by ensuring workers are not kept in the dark about financial matters, they will be more closely aligned with our collective goals.

“However, this organization cannot function without the honesty and sincerity of the planters. Ensuring we have trustworthy people is the only control I want to keep.”

Each crew is responsible for building the camp, maintaining equipment and purchasing food and supplies. Typical problems include truck breakdowns, washouts, and cook shack blowouts. In addition, negotiations with the forest service and logging companies require considerable judgment on the part of the crews.

Brinkman is quick to point out that this type of autonomy requires a much higher level of responsibility than is

1980 treeplantings total 70 million

Reforestation was first identified as mandatory in the first decade of this century, but it wasn't until 1925 that the first seeds were sown in experimental trails at B.C.'s first nursery, located in Victoria.

Surveys conducted in 1928 and 1930 indicated that only 35% of denuded lands were restocked naturally and treeplanting began in earnest. Between 1930 and 1938, some 66,000 seedlings (still less than a thousandth of today's annual total) were planted each year.

By 1971, the total provincial planting program had burgeoned to 34 million seedlings annually, which led to the development of large scale contract planting.

Contractors now handle more than 80% of all reforestation in BC. While there are more than 80 small contractors involved in treeplanting, there are approximately 12 large operations which account for more than 50% of the annual total (in 1980, the total number of seedlings to be planted is estimated to reach 70 million).

Dirk Brinkman's crews, for example, will plant approximately 8 million seedlings, or 11% of this year's total.

normally required in a working situation.

Brinkman must rely on the crew to make good decisions in an atmosphere of disorder.

Each contract operates on a budget for food, vehicles, and overhead. The bid price on a per tree basis is broken down into four general categories. For example, on a bid of 20 cents per tree, the split might be 13 cents paid to the planter, 5 cents to cover operating overhead, 1 cent to act as a buffer, and 7 cents to cover administration.

The planter is paid at the end of season,

Reforestation increase inadequate say industry critics

The five year forest management plan tabled in the legislature last month proposes that the budget be increased by 34% in real terms by 1985, but industry sources claim that an increase of over 100% is required to ensure all forest land clearcut will be satisfactory restocked.

The argument centres around the effectiveness of natural regeneration. Of the 166,000 hectares of forest land logged each year, 110,000 hectares will be left to regenerate naturally under the new plan.

The forest service's five year resource analysis shows that in the past, natural regeneration has not always been successful.

Over the years, a backlog of over half a million hectares of forest land has accumulated which has not regenerated naturally. Planting has always been less than half the area clear-cut each year, with fires contributing more non-productive land.

Jack Munro of the IWA does not mince words when he makes a point: "We are among the worst, most irresponsible tree farmers in the world."

Other problems with natural regeneration are pointed out by Nora Lilligren, a spokeswoman for the Pacific Reforestation Association. "Many areas will regenerate, but with species of trees which are of less value."

In most cases, planting trees gives a head start over natural regeneration of up to 20 years.

Bill Young, the province's chief forester, defends the budget saying, "One of the main reasons we cannot plant extra trees is that we don't have the present nursery capacity to grow the seedlings."

However, the critics refuse to believe that an increased budget would not help increase the number of seedlings available

when the forest companies pay Brinkman, thus he avoids financing the payroll. The buffer is divided at the end of the season among the contracts, according to what actually happened on the contracts. For example, if a contract turned out to be more difficult than expected, a portion of the buffer fund would be paid to compensate the planters. The remaining 1 cent per tree is plowed back into new trucks and equipment and provides Brinkman with "enough money to live."

Brinkman's organization has been able to achieve tremendous productivity through their system. Twenty-three of their professionals averaged over 1,800 trees per working day last season. In an industry where some contractors experience over 100% turnover every season, Brinkman has over 50 veterans who have

been associated with the operation for over five years.

In addition to policies dealing with motivation and communication, Brinkman has been foremost among contractors in recognizing the need for an organization to deal with silviculture industry concerns. Thus Brinkman people have given considerable thought to the Pacific Reforestation Workers Association.

The PRWA was formed when a group of independent contractors and planters approached the Worker's Compensation Board to lower the WCB rate in recognition that treeplanting has a lower risk of injury than logging. After the success of that campaign, the PRWA has headed other projects including contract standardization and pesticide research.

On of the fundamental purposes of the PRWA is to enhance contractor-planter co-operation to reduce the employer-employee polarization, which requires the representation of a labour union. The PWRA is at present the legal representative of the treeplanters.

Most treeplanters at present are opposed to membership in a union, but recognize the need for some form of organization to represent their interests in dealing with disreputable contractors and inexperienced foresters.

Brinkman looks upon many of his policies as a form of "preventative maintenance for the free enterprise system." He believes that although treeplanting operates in a different environment to many other businesses, some of them could benefit from the application of some of his principles.

B.C. Business Magazine, April 1980

Dirk Brinkman Contracting Ltd.

Innovative management techniques