# STRUCTURAL BUILDING COMPONENTS MAGAZINE November 2004

# Stranger in a Forested Land by Sean D. Shields

# We're all aware that the softwood lumber dispute lives on, but how much do you know about Canada's forestry management practices as compared to those of the United States?

In August, the Canadian Federal Government, in cooperation with the Provincial Governments of Nova Scotia and Ontario, invited a delegation of ten Americans, including the author, to partake in a fact-finding mission of their forest management practices. The objective was to provide an opportunity for these individuals to learn about Canada's policies, practices, achievements and initiatives with regard to sustainable forest management. The tour lasted five days and covered everything from one-man operations to the large harvesting practices of J.D. Irving and Abitibi-Consolidated.

Representing WTCA, the author sought to educate both members of the American delegation and Canadian government officials on WTCA's view of the current softwood lumber dispute between these two countries, along with the many industries that are similarly affected by the current trade remedies in place. Fortunately, WTCA has been able to position itself as a credible voice for why a negotiated settlement would be the most logical and beneficial outcome of the current dispute.

This article is intended to provide you with an introduction to Canadian forest management practices as they were presented during the tour, along with a little of the flavor of the places and people the author visited.

## U.S. VERSUS CANADIAN FOREST

In the context of landmass, Canada and the United States are comparable, the former being just under 2.25 billion acres and the latter just over 2.26 billion acres.<sup>1</sup> But in relation to forestland, these two countries are very far apart. In Canada, over 44 percent of the land is forested (992 million acres), compared to only 32 percent in the U.S.<sup>2</sup> In terms of population, the U.S. averages 202 people per square mile, while in Canada that number plunges to 21.<sup>3</sup>

Of Canada's 992 million acres of forests and other wooded land, 73 percent (724 million acres) are considered commercial forests capable of growing harvestable tree species.<sup>4</sup> Canada's forests account for up to ten percent of the world's forest cover, about 30 percent of the world's boreal forest, and more than 25 percent of the world's temperate rainforest.<sup>5</sup> Another big difference is that 68 percent of U.S. forestland is privately owned, but in Canada the Provincial Governments own over 93 percent of forested land. As a consequence, nearly 90 percent of Canada's total timber harvest comes from public lands.<sup>6</sup>

#### THE PROVINCE OF NOVA SCOTIA

While still a part of mainland Canada, the peninsula of Nova Scotia feels more like an island, dominated primarily by forestland and small inland lakes. Flying into Halifax, one is struck by the natural beauty and lack of urban development. As the world's largest ice-free deep sea port, Halifax, established in 1749, is a maritime city through and through. From the Halifax Citadel, a reminder of the former colonial dominance of the British Empire, one can survey the massive commercial docks and cargo container ships as they travel out of Halifax Harbor for their voyage through the cold Atlantic.

Unlike most of the rest of Canada, the Nova Scotia Provincial Government owns only 29 percent of the available forestland. Private woodlot owners own a vast majority (47 percent) of the land, and industrial giants like Kimberley-Clarke, Bowater and Irving make up the rest of forestland ownership (21 percent).<sup>7</sup> What is interesting about Nova Scotia is that there are no primary forests, and it is estimated that every acre of forestland has been harvested at least four times, and in many cases more times than that, since the Europeans first settled there.

The Provincial Government has an extensive silviculture program in place. Over 85,000 acres are subjected to this kind of planned regeneration process each year, compared to the approximately 80,000 acres of forestland that are harvested annually.<sup>8</sup> Their goal is to alter the age curve of the forests so that by 2070, over 35 percent of the trees will be over 100 years old.<sup>9</sup>

The first stop on the tour was a 500-acre woodlot in Digby, owned and harvested by George Chisholm, the 1998 Woodland Owner of the Year. His approach to sustainable forestry stemmed from his education and family background in agriculture. In his view, he saw trees as a long-term crop, to be harvested over a period of decades rather than seasons.

His one-man operation consisted of a 50-horsepower tractor, a trailer with a winch and his trusty chainsaw. Through selective thinning and collecting wind-fell timber, George found his days were more than filled. Beyond tending to his own lands, he also contracted out his services to other land owners in selectively harvesting their lands. In addition, George benefited from the Provincial Government's

aggressive silviculture program. Silvi-culture credits are in high demand from large forest harvesting operators and independent contractors. Individuals like George, with their expertise in habitat protection, mixed-growth forestland and selective harvesting, bring an entrepreneurial spirit toward making the Provincial Government's goals a reality.

The second stop on our tour was the larger-scale operations of the Irving Corporation. Now in its third generation of family ownership, Irving predominates this portion of Canada, particularly in New Brunswick. In Nova Scotia, Irving's landholdings are relatively small, but their operations are extensive. While the company was founded on petroleum production, lumber and pulp production have become a cornerstone of their business plan. Jim Irving, present CEO and grandson of the founder, has adopted a progressive approach to silviculture on their lands.

This sustainable practice was evident—through irregularly shaped harvest plots and the retention of targeted tree stands for wildlife habitat—as the delegation compared segments cut over the past two decades to the current regeneration of spruce that is being encouraged. In addition, Irving has set aside over 1000 acres of land to preserve the heritage of New France, a large logging and sawmill settlement from the turn of the century. Through the restoration of this unique attribute to the land, Irving is accomplishing its goals in silviculture, stewardship and local public relations.

Finally, before departing the Digby region, the delegation toured a small woodland owner cooperative that started in 1978. Made up of almost 100 individual owners, some of the lands have remained in the same family since they were granted in the late 1700s. However, due to a popular family custom of divvying up landholdings among numerous children, some of the land parcels have unusual proportions. In a few cases, an individual land holding is three miles long, but only three feet wide!



In Canada, over 44 percent of the land is forested (992 million acres), compared to only 32 percent in the U.S.



Of Canada's 992 million acres of forests and other wooded land, 73 percent (724 million acres) are considered commercial forests capable of growing harvestable tree species.





According to Canadian government figures, the forest industry represents three percent of the country's gross domestic product, or a little over \$24 billion.



78.2 percent of Canada's softwood lumber exports are purchased by the U.S.

# CANADIAN FOREST MANAGEMENT

In Canada, harvest limits are controlled by government regulations, and, according to the Canadian federal government, all harvested

areas must be reforested either through planned plantings or natural regeneration. Of the country's commercial forest lands, only half of it is currently subject to forest management activities, and one-third of one percent of Canada's commercial forest is harvested (2.22 billion acres) each year.10 To put this in perspective, more than triple that area is damaged annually by fire, insects and disease.

Quite an evolution has taken place in Canada in regards to forestland management. In the colonial era, there were no regulations and trees were cleared at will, not only for the timber but also to make way for agricultural uses. It wasn't until the late 1800s that Canada began to look at various methods of conservation, and the idea of sustainable yield wasn't introduced in Canadian management policies until the 1950s. In fact, only in the past 15 years has Canada begun the process of incorporating sustainable development and global stewardship into its overall forest management.<sup>11</sup>

In practice, responsibilities for management are divided between the federal and provincial governments. The federal government concentrates on international trade and relations, and building consensus between provinces. The provincial governments own and manage public forestlands, develop legislation, regulations and policies, allocate timber licenses and collect stumpage fees.

#### **PROVINCE OF ONTARIO**

The differences between Ontario and Nova Scotia start with the sheer economies of scale. Ontario has over 173 million acres of forestland, 85 percent of which is publicly owned and managed.<sup>12</sup> In total, Ontario manages 17 percent of Canada's forests, and two percent of the world's forests. The annual harvest from managed forest is a little under 500,000 acres, or 900 million cords of lumber (900 chords = 1,382 MBF).<sup>13</sup>

Unsurprisingly, forest management by the Provincial Government in Ontario is drastically different than their counterparts in Nova Scotia. In contrast to an aggressive silviculture program focused on mixing tree species populations and preserving habitat for native wildlife, science has lead Ontario to adopt a form of harvesting that approximates the pattern of natural disturbances like wildfires, wind, disease and infestation. In other words, harvest plots are irregular, generally less than 650 acres, and have periodic stands of trees left amongst the clear-cut area.<sup>14</sup>

Through satellite imagery, it is not difficult to see why the geography of Ontario would lead the Provincial Government to adopt such a strategy. Ontario stretches from its southern border it shares with the U.S. along the Great Lakes, to the north along the coast of the Hudson Bay. The northern half of the province is sparsely populated, has little to no transportation infrastructure, and consequently, is left unmanaged. In this densely forested region, the damage done by natural forces is readily apparent.<sup>15</sup>

Since most of the forest type in Ontario is boreal, including jack pine, aspen, black spruce and birch, it is well adapted to natural disturbances. According to the Ontario Provincial Government, the life cycles and silviculture characteristics of these types of trees make this approach to harvesting the most ecologically appropriate method of harvesting and regenerating stands.

Our tour of Ontario's forest harvesting was limited to the operation of Abitibi-Consolidated on leased public lands in the Spruce River Forest. A global company with over 68 facilities and 15,000 employees, Abitibi produces over 5.7 million tons of newsprint, 2 million tons of value-added papers and 2.4 billion board feet of lumber each year. While most of the land they harvest is located in New Brunswick, Abitibi manages close to 2.4 million acres of forest in Ontario alone.

Everywhere we went in Ontario, evidence of forest harvesting was abundant. Yet, it was also clear regeneration in these areas was occurring. General forest health was good in the stands the delegation visited, while also being geared to sustainable production.

## FOREST ECONOMICS

According to Canadian government figures, the forest industry represents three percent of the country's gross domestic product, or a little over \$24 billion.<sup>16</sup> There are over 300 communities in Canada completely dependent on this industry, and it directly employs one in every 28 working adults.<sup>17</sup>

In the world market, Canada accounts for 16.9 percent of the world's forest products exports.<sup>18</sup> It ranks first in newsprint (47.2 percent of global production), first in wood pulp (27.5 percent), and first in softwood lumber (40.5 percent).<sup>19</sup> Of these exports, 78.2 percent are purchased by the U.S., 6.8 percent by the European Union, 5.5 percent by Japan, 2.5 percent by China, and seven percent by other countries.<sup>20</sup>

#### CONCLUSION

The whirlwind forestry tour of the American delegation succeeded in giving all its members a new insight into Canadian harvesting and management practices. The tour also brought into focus some of the struggles behind the current softwood lumber agreement between the two countries. Understandably, the Canadians expressed an eagerness to see the conflict resolved because it does have such a large impact on their economy and jobs, but it remains to be seen what will ultimately transpire. What is clear, is that those involved in the U.S. structural building components industry have a lot to gain through a swift resolution of this dispute, and the WTCA will continue to issue.

Author's Note: My arrival was punctuated by numerous celebrations in the streets, not, as I later found out, in response to my presence, but rather in commemoration of the 400th anniversary of the "Acadien Congres." The French landed in Nova Scotia in 1604, in hopes of settling a permanent colony. These people, known as the Acadiens, thrived in this region for over a century. In 1755, however, the British governors of Nova Scotia decided to remove the entire ethnic population. Nearly 11,000 Acadiens were deported over the next three years. Many sailed south to Louisiana, subsequent generations became known as "Cajuns," while others were scattered amongst 16 other locations around the world.

<ol> <li><sup>1</sup> Leger, Claude, Senior Forestry Relations Officer for Natural Resources Dept. of Canada, "Overview of Canadian Forestry," speech given Aug. 16, 2004.</li> <li><sup>2</sup> Ibid.</li> <li><sup>3</sup> Ibid.</li> <li><sup>4</sup> Ibid.</li> <li><sup>5</sup> Ibid.</li> <li><sup>6</sup> Ibid.</li> <li><sup>7</sup> McInnis-Leek, Nancy, Nova Scotia Dept. of Natural Resources, "Nova Scotia's Forests, Forest Use and Recent Policy Initiatives," speech given Aug. 16, 2004.</li> </ol>	<ul> <li><sup>8</sup> Ibid.</li> <li><sup>9</sup> Ibid.</li> <li><sup>10</sup> Canadian Council of Forest Ministers, "Canadian Forestry Fact Sheet," Aug. 2004.</li> <li><sup>11</sup> Leger, Claude, speech on Aug. 16, 2004.</li> <li><sup>12</sup> Thornton, Bill, Director of Forest Industry Relations, Ontario Ministry of Natural Resources, "Overview of Ontario," speech given Aug.</li> <li>18, 2004.</li> <li><sup>13</sup> Ibid.</li> </ul>	<ul> <li><sup>14</sup> Ibid.</li> <li><sup>15</sup> Ibid.</li> <li><sup>16</sup> Leger, Claude, speech given on Aug. 16, 2004.</li> <li><sup>17</sup> Ibid.</li> <li><sup>18</sup> Ibid.</li> <li><sup>19</sup> Canadian Council of Forest Ministers, Aug. 2004.</li> <li><sup>20</sup> Leger, Claude, speech given on Aug. 16, 2004.</li> </ul>
---	---	--

#### SBC HOME PAGE

Copyright © 2004 by Truss Publications, Inc. All rights reserved. For permission to reprint materials from SBC Magazine, call 608/310-6706 or email editor@sbcmag.info.

The mission of Structural Building Components Magazine (SBC) is to increase the knowledge of and to promote the common interests of those engaged in manufacturing and distributing of structural building components to ensure growth and continuity, and to be the information conduit by staying abreast of leading-edge issues. SBC will take a leadership role on behalf of the component industry in disseminating technical and marketplace information, and will maintain advisory committees consisting of the most knowledgeable professionals in the industry. The opinions expressed in SBC are those of the authors and those quoted solely, and are not necessarily the opinions of any of the affiliated associations (SBCC, WTCA, SCDA & STCA).