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The future of Canada's forest industry hinges on innovation

DEREK NIGHBOR

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Derek Nighbor is CEO of the Forest Products Association of Canada.

Not everyone thinks of innovation when they think of Canada's forest products companies. But the federal government has fully recognized that the future of the forestry industry and its 230,000 workers depends on the success of its continuing commitment to innovation and sustainable development in every area of the forestry business.

The importance of this transformation was underscored by Natural Resources Minister Jim Carr in Ottawa's response to the new round of U.S. tariffs against Canadian softwood-lumber imports. Earlier this month, Mr. Carr announced the federal government would provide \$867-million in funds to help the forestry industry in the wake of the unwarranted U.S. duties aimed at Canada.

In addition to critical support for forestry employees, the government earmarked a large portion of the new funding to support the sector's wide-ranging, transformative commitment to overhaul its operations for long-term, sustainable growth. While Mr. Carr's support package was primarily intended to assist softwood-lumber producers, funding for investments that will help all forestry products companies pursue modern, research-based operations and new markets will be available across the sector.

The importance of this support cannot be overstated. Canada is steward to 10 per cent of the world's forests, and by embracing strong environmental standards and committing to continuous improvement, Canada's forestry sector is recognized around the world as an environmental leader.

The sector is investing in world-leading forest management practices, introducing new technologies in its mills and plants and focusing on growing global markets.

In this transformation, a wide range of new uses are being discovered for wood fibre – everything from clothing to car parts, from cosmetics to chemicals to advanced construction systems. For example, an 18-storey student residence built from wood recently went up at the University of British Columbia, making it one of the tallest wood buildings in the world. Canada's pulp and paper mills have also reduced greenhouse gas emissions by 65 per cent in the past two decades.



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And, as Canada’s third-largest industry and the lifeblood of some 200 rural and northern communities across the country, the forest products sector is fully aware of the stakes in its all-out strategy to forge a forward-looking, innovative production model.

Adjusting to changing world economic conditions and environmental developments is not easy. So the latest investments by the federal government represent a welcome and much-needed vote of confidence from Ottawa in forestry producers’ ability to fulfill their sector-wide commitment to innovation and sustainable development.

In addition to pursuing innovative production and new technologies, forestry companies see themselves as partners with the federal government – and indeed all Canadians – in the effort to address global warming. That’s why the Forest Products Association of Canada launched its 30 by 30 challenge to reduce 30 megatonnes of greenhouse gas emissions a year by 2030.

By implementing strong environmental standards and helping to build a green economy, forest products companies are committed to contributing to a sustainable commodities sector.

The federal government’s latest funding commitment is an acknowledgment of the key role the forest products industry plays in advancing innovation and the use of clean technologies. The much-valued support will help the sector remain competitive and continue to bolster Canada’s economy along with many thousands of high-value jobs across the country.

Richard P. Vlosky, Ph.D.
Director, Louisiana Forest Products Development Center
Crosby Land & Resources Endowed Professor of Forest Sector Business Development
Room 227, School of Renewable Natural Resources
Louisiana State University, Baton Rouge, LA 70803
Phone (office): (225) 578-4527; Fax: (225) 578-4251; Mobile Phone: (225) 223-1931
Web Site: www.LFPDC.lsu.edu



President, Forest Products Society; President, WoodEMA i.a.

