

The Government of British Columbia:

Old growth Strategic Review

Submission from

**The United Steel, Paper, Forestry, Rubber, Manufacturing, Energy, Allied Industrial and
Service Workers International Union
("The United Steelworkers")**



January 28, 2020

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Introduction

1. This submission is filed on behalf of the United Steel, Paper, Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union (hereinafter the “United Steelworkers”, “USW” or “Steelworkers”) in regards to the Government of British Columbia’s (BC) Old Growth Strategic Review. The United Steelworkers welcomes the opportunity to comment on BC’s forestry sector.

2. The United Steelworkers is one of Canada’s largest industrial unions, representing more than 225,000 workers across the country. The United Steelworkers is one of Canada’s most diverse unions, representing workers in every sector of Canada’s economy. Steelworkers can be found working in sectors such as mining, healthcare, education, telecommunications and forestry.

3. USW’s forestry membership is a product of a merger with the Industrial, Wood and Allied Workers of Canada (IWA). Because of the 2004 merger with the IWA, the Steelworkers represent over 18,000 forestry workers, 70% of whom are employed in BC. Forestry puts food on the table for thousands of BC Steelworkers and has a rich cultural tradition in the province.

4. It is the USW’s position that there should not be any further restrictions placed on access to harvestable timber from old growth forests because of this strategic review. Forestry is an important part of BCs economy and contributes a significant amount to the provincial coffers through taxes. Harvesting old growth forests creates high paying quality jobs that support families and communities, especially rural communities. Forest industry activities also have other benefits such as contributing positively to climate action; and providing access to remote areas with logging roads that are useful for tourism and fire fighting efforts into otherwise inaccessible remote areas. BC has already acted to ensure that the renewable forest industry is sustainable. Any further action to limit access to old growth forests will negatively impact forest industry workers, communities across British Columbia and provincial revenue from industry activity.

Economic Impact

5. Forestry is a foundational building block of the provincial economy. BC received over a \$1.4 billion in revenue from the forest related activity in 2018 fiscal year. While that dropped slightly the following year due to industry downturn, BC anticipated bringing in over \$1.1 billion revenue during 2019 fiscal. Old growth logging is an important component of this revenue stream and a significant contributor to BC's Gross Domestic Product (GDP).

6. Old growth logging mostly occurs in BC's coastal region and it is easy to see how important the industry is to the provincial GDP. The coastal harvest is just over one-quarter of the total volume harvested in BC, but the region generates about 45% of the province's total forestry GDP. This is a much greater value per cubic metre to the provincial economy than the Interior. This is partly due to higher-value timber and established secondary manufacturing activities in the coastal region, including 35% of the province's pulp capacity and 87% of the province's paper capacity.

7. Old growth generates higher-value timber than second-growth trees. It produces stronger wood with tight, dense grains, which is valued higher than the wider ringed, softer wood from second-growth trees. The appearance grade of old growth products makes them very high value and useful for niche products that are at the core of the markets and profitability for coastal producers. The products produced from harvesting old growth (especially clears and high value cedar products) are the driver that makes the commodity viable. In general, old growth stands also have much more timber volume per hectare than second-growth stands. As a result, old growth forests per given site are higher in economic value than second-growth stands for logging.

8. Harvesting higher value old growth stands on the coast are necessary to maintain a viable coastal forest industry. The products produced from old growth stands have a high value that are necessary to balance uneconomic stands and the higher harvesting costs in coastal BC. Simply banning old growth logging and harvesting only second growth timber would have a devastating impact on the viability of harvesting in coastal BC, putting the whole industry in jeopardy. It would make whole areas of the coast uneconomical. In the event old growth logging were banned, even if some areas were still viable, it would also create an even bigger incentive for companies

to export logs rather than manufacture products in BC by seeking higher prices from foreign buyers who subsidize their industry. This would further undermine the manufacturing sector including primary, secondary and value-added producers.

9. If the viability of the coast industry is lost due to the removal of high value old growth stands and their associated products, workers (unionized or not) will likely not be able to maintain the high paying family supporting jobs that are the backbone of economic activity and small business in numerous communities. This would have a drastic negative impact especially in those communities that are forest dependent.

Workers will bear the brunt of restrictions on old growth

10. The forest industry employs approximately 50,000 direct workers in urban and rural communities across BC. In 2017, the coastal forest industry created 24,000 direct local jobs, making up 6% of total coastal workforce. That has dropped to 17,000 direct jobs by the end of 2019. That means the coastal forest industry has shed 7,000 jobs in the last two years due to circumstances outside of the industry and governments control. However, limiting access to old growth is within the governments control and doing so will only worsen this trend.

11. It is important to remember the negative impacts of job losses are felt far wider than just those directly employed in the coastal forest industry. There were 32,811 indirect and 31,948 induced jobs associated with the coastal forest industry in 2019. Indirect jobs are those that support the industry and induced jobs are those that are the result of direct/indirect workers spending money in communities. For example, workers in a saw mill would be directly employed, people selling equipment to saw mills would be indirectly employed, and workers providing services such as lodging and food to the sales people out in the communities on business would be induced jobs.

12. These 81,000 direct, indirect, and induced jobs sustain individuals and communities. Assuming a 1:1 ratio of harvest reduction to job loss more than 40,000 jobs are at risk in the North Coast/Nechako, Vancouver Island, and Mainland/Southwest region if the government further restricts Annual Allowable Cut (AAC) in old growth forests. Small and medium sized businesses

rely on the disposable income created by these high paying jobs. Restricting the coastal forest industry's access to old growth trees would have a crippling domino effect on entire communities.

13. It should also be noted an additional 10,000 direct, indirect, and induced jobs are also at risk in the pulp and paper industry fed by the forest industry. Old growth stands produce a higher percentage of pulp logs than second growth stands. If saw mills are not cutting those trees the availability of chips decline and pulp mill costs rise, further eroding their competitiveness.

14. It is no secret that the forest industry has had a particularly tough year in 2019. Thousands of workers have lost their jobs in the forest industry, including over 1,300 USW members. According to Employment and Social Development Canada, unemployment insurance claims went up in B.C. by 1,170 between September 2018 and the same month in 2019. Issues accessing economically harvestable fibre and exporting raw logs instead of using them for manufacturing in BC are a large part of the problem. Further restricting old growth access will only worsen the problem.

15. Old growth forests are an important component of BC's operational forest and any further restrictions on old growth logging will negatively impact USW members, their families, and their communities. This negative impact will be felt especially hard in the coastal region, specifically on Vancouver Island. From 2012-17, about 47.7 per cent of their harvest was from old growth trees. If the available supply of old growth forests were to suddenly disappear on Vancouver Island, it would result in the closure of four saw mills and at least one pulp mill. Further restricting access to high quality fibre, one of the root causes behind the rash of sawmill closures in 2019, will have extremely negative repercussions for Vancouver Islands forest industry.

Environmental and other benefits of old growth logging

16. Harvesting old growth forest is an important component of sustainable forest practices, by increasing the ability of forests to sequester carbon while improving other parts of the ecosystem, such soil and water quality. Planting new trees and improving forest health through thinning are some ways to increase carbon sequestration in forests in the long run.

17. Harvested wood products can play an important role in climate change mitigation because they store carbon depending on the type of product and the time scale the product is used over. Harvested wood products therefore provide the opportunity to provide long-term carbon storage benefits. When the wood from old growth trees is used to meet demands for building products that would otherwise be met by relatively higher green house gas emission materials such as concrete or plastic, a relatively permanent emission benefit is realized.

18. Once that timber has been harvested and turned into a long-term carbon store another opportunity is created from replanting the harvested area. Forest carbon cycles are characterized by long periods of slow carbon uptake during growth accompanied by relatively short periods of large carbon losses due to disturbances such as fire or insect infestation. Furthermore, removing dead trees and residual fibre left over after processing for other purposes such as bio-energy can have a net carbon benefit if used to replace fossil fuels.

19. There is no question that forests are dynamic and they can act as carbon sinks or sources from year to year. Harvesting old growth forests provide an important tool to ensure that British Columbia's forest provide a vital role as a net carbon sink.

20. Logging also has spin off benefits such as creating logging roads which provide access to previously unreachable areas for tourism. These roads also create a road system that is useful in fighting forest fires. This is increasingly important as BC wildfires become a greater concern. Summer 2017 and 2018 were the worst wildfire seasons on record for British Columbia leading to a provincial state of emergency being declared both years after 2.6 million hectares were burned. Even in places that experience a lot of rain are not immune from this risk. For example, in 2018, the community of Zeballos in northern Vancouver Island was evacuated due to fire. Logging roads that double as access for forest fire fighters are very important for remote communities.

British Columbia's forests are sustainably managed

21. There are already appropriate measures in place to protect old growth forests and ensure industry has access to the timber it needs. The forest industry only harvests 0.3 per cent — 27,000

hectares — of the coast's 8.5 million hectares of operational forest per year. On Vancouver Island about 10,000 hectares of productive old growth forests are logged each year. According to the B.C. government, 55 per cent of the province's 3.2 million hectares of old growth forests — or 1.78 million hectares — are protected in parks and wilderness areas and will never be cut. On Vancouver Island, that amounts to about 520,000 hectares of forest that will never be logged.

22. Other legislative changes have contributed to ensuring BC's forests are sustainably managed. For example, BC protected 54 of the oldest and biggest trees from the University of British Columbia's Big Tree Registry, plus the surrounding one-hectare grove to act as a buffer zone in 2019. They also have riparian zone and wildlife management plans that provide ample protection.

23. Reducing the old growth harvest could impact the coastal AAC by more than 50%. Crown forests are already heavily protected with 70% outside of the Timber Harvesting Land Base (THLB). The THLB is further reduced and converted to non-harvestable land base for every additional hectare of old forest not harvested. This constrains BC's working forests to what has been harvested in the past and diverts from the sustainable long-term plan of 16 million m³ AAC.

Conclusion

24. No further restrictions should be placed on access to harvestable timber from old growth forests because of this strategic review. Forestry can and should continue contributing to the economic well-being of workers, the communities they live in, and the province. Harvesting timber is also an important part of sustainable managing the forest and acting on climate change. Access to old growth timber is an important part of the recipe for that success.

25. The United Steelworkers thanks the Government of British Columbia for affording the union the opportunity to comment on the forest industry. Should committee members have any further questions the Union can be reached using the contact information provided on the cover page.