

FEDERAL FORESTRY COMMITMENTS IN THE 1980's

ROGER SIMMONS

Forest Industry Lecturer

*Forestry Program
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FOREST INDUSTRY LECTURE SERIES NO. 7

THE FOREST INDUSTRY LECTURES

Forest industry in northwestern Canada is cooperating with Alberta Energy and Natural Resources to provide funds to enrich the Forestry Program of the Faculty of Agriculture and Forestry at the University of Alberta through sponsorship of noteworthy speakers.

The Forest Industry Lecture Series was started during the 1976-77 term as a seminar course. Desmond I. Crossley and Maxwell T. MacLaggan presented the first series of lectures. The contribution of these two noted Canadian foresters is greatly appreciated.

Subsequent speakers in the series have visited for periods of up to a week, with all visits highlighted by a major public address. It has indeed been a pleasure to host such individuals as C. Ross Silversides, W. Gerald Burch, Gustaf Siren, Kenneth F.S. King, F.L.C. Reed, and Gene Namkoong. The subjects of their talks are listed on the last page.

This paper represents Mr. Roger Simmons' major public address given on 5 December, 1980.

We would like to take this opportunity to express our thanks again to the sponsors of this program — we appreciate very much their willing and sustained support:

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ROGER SIMMONS



Mr. Roger Simmons is currently the Member of Parliament for Bruin-St.George's, Newfoundland, and is Parliamentary Secretary to the Minister of Environment.

Mr. Simmons graduated from Memorial University, St. John's with a B.A. in Education and a B.A. in French. He also obtained a Master's degree in Education Administration and Supervision from Boston University.

Roger Simmons has an extensive background in the field of Education. He was Principal of Grant Collegiate, in Springdale, Newfoundland, for four years and superintendent of Education for Green Bay for five years. He has also been President of the Newfoundland Teachers' Association and Director of the Canadian Teachers' Federation.

He is active in the Community Development Program in Newfoundland and is a Past President of the Green Bay Economic Development Association.

His political career dates back to 1968 when he was elected Vice-President of the Liberal Party of Newfoundland. He was later elected to the Newfoundland House of Assembly, a seat he held until his resignation in October 1979. Mr. Simmons was elected to the House of Commons on November 19, 1979 as the Member for Bruin-St. George's, Newfoundland and was re-elected in the last federal election. After the election he was appointed Parliamentary Secretary to the Honourable John Roberts, Minister of Environment and Minister of State for Science and Technology.

Mr. Simmons has been active recently in the forestry scene in Canada, including presenting a major address to the Canadian Forestry Congress in the fall of 1980.

INTRODUCTION

It's good to be here. Thank you for the invitation.

It's good to be at the University of Alberta. And it's good to be in Alberta -- to see actual live Albertans -- without horns. Perhaps you've noticed I don't have any either. I have no doubt that, coming from different parts of this vast country, we have divergent views on a number of issues, though I cannot help but think that we in Atlantic Canada and you in the West have much more that unites us than divides us.

It's good to be out of Ottawa -- to be reminded, reassured, that there are actually people in this country who do not spend all their waking hours talking about constitutional change, and energy, and the budget.

FEDERAL FORESTRY COMMITMENTS IN THE 1980's

I welcome this opportunity to talk to you about forestry. My subject is "Federal Forestry Commitments in the 1980's."

May I begin by saying that I heartily applaud this idea of forest industry lectures that is now a well established tradition at The University of Alberta. I have browsed through several of these and I recognize the tremendous value they must have in a forestry school setting. The lecture program acknowledges the need to keep forestry students -- and their professors -- in the mainstream of forestry.

It's perhaps not an overstatement to say that the forestry enterprise has been the black sheep in the Canadian economic family. We've never gone quite so far as to disown it, but we have taken it for granted over the years. Part of the reason for this attitude was the perception that all was well in the forest industry - an unlimited supply of timber, no shortage of manpower, expanding markets.

A number of factors have conspired to alter that perception drastically.

1. Our timber stands are not infinitely capable of meeting our requirements, unless properly managed.
2. A different emphasis in the types of forest skills required has produced manpower shortages in key areas.
3. There is a heightened awareness - in government and in the public - of the mammoth role forestry plays in our economic destiny.

These factors, these relatively new realizations, are the themes I intend pursuing with you for the next little while, after which I would welcome some questions.

I do not have to remind this audience that forestry is the leading generator of economic activity in this country. Forest-based economic activity is a Canadian specialty and was one of the principal contributors to Canada's rise as an industrial nation. Last year the forest industry contributed more to Canada's net balance of payments than agriculture, mining, fisheries and fuels combined. So wise management of our forests is clearly essential to Canada's prosperity.

A most important document, published this year, is the World Conservation Strategy developed by the United Nations' Environment Program and other agencies. It is interesting to note that the full title of that strategy is: "Living Resource Conservation for Sustainable Development." The message that clearly comes through in this document, reduced to a few words, is that development and conservation are inseparable.

While development aims to achieve human goals, largely through use of the

biosphere, conservation aims to achieve them by ensuring that such use can continue.

Conservation must be combined with measures that meet our short-term economic needs. And development, if it is not to be self-defeating, must be sustainable.

In Canada, perhaps because we are so rich in forests, we have been particularly prone to take them for granted. For centuries, we have used our forests simply for production -- when we ought to have managed them for renewal. In fact, the quality of forest management in the past is not something we can be proud of.

A massive 12 percent of Canada's potentially productive forest land is inadequately stocked. We are adding to this annually, and not only through neglect of areas currently harvested. The spruce budworm, the mountain pine bark beetle and wildfire have all caused enormous losses in the forests in recent years.

Local shortages of wood are becoming more widespread and wood costs are spiralling upward. There is growing concern in the private sector about long-term economic prospects and the ability of governments to cope with these persistent problems. All governments in Canada have given endorsement in principle to the concept of managing forest land for multiple and integrated use: for fibre, water, wildlife, and recreation. Now we must live up to our words. Clear government objectives and long-term commitments to forest management are essential to the future well-being of the forestry sector.

The provincial governments own and have primary responsibility for managing most of Canada's forests -- there is no question about that. In the past decade many provincial governments have reviewed their policies and have made major changes. These changes are a result of the recognition that the forest resource can be an effective route to economic development -- provided the mills are modern and timber is available at reasonable costs. Faced with the prospect of forest industry failures and the resulting high social costs, the provincial governments have become increasingly concerned for the well-being of the forestry sector.

Clearly the provincial governments have a responsibility to develop their resources wisely and to the fullest extent possible. But the federal government has a role to play in encouraging development of the forest resource for all purposes on a sound economic and environmental basis. And it is crucially important that, together, we do the right things.

We have recently made solid moves in this direction, and there are more to come. The status of the Canadian Forestry Service has been elevated within the Department of the Environment so that it is now headed by an Assistant Deputy Minister. The elevated status of the CFS carries with it the responsibility for performing a more important function than this agency had in the past. Previously, the CFS functioned primarily as a research organization, and its structure reflected this. While research is still an important part of the work of CFS, the agency now has additional responsibilities. It must be prepared to act within government to promote better forest management in Canada.

A Federal Forestry Sector Strategy Committee, chaired by the Assistant Deputy Minister, has been established to coordinate the activities of federal agencies that affect the forestry sector. The committee has representation from the departments of Environment; Finance; Employment and Immigration; Transport; Industry, Trade and Commerce; DREE; the Privy Council Office; Treasury Board; Agriculture; Indian and Northern Affairs; the Ministry of State for Economic Development; Energy, Mines and Resources; the Federal-Provincial Relations Office; and the Natural Sciences and Engineering Research Council.

Establishment of this committee constitutes formal recognition that many different departments have an impact on the forestry sector. It will ensure that initiatives by federal agencies are coordinated among all of the agencies concerned. This should lead to a far more positive economic and regulatory climate for forestry both here in Canada and in international competition. The committee has already initiated a number of studies that we hope will serve as the basis for federal initiatives and discussions with the provinces during the coming year.

The studies include:

federal support for research and development;

assistance for forestry school graduate training programs -- let me just highlight what I see as the crying need for more effective support for forestry graduate training and research in our universities;

manpower planning in forestry -- this means specifically the adequacy of the woods labour supply;

the impact of transportation constraints on the forest sector; forest industry

trade and development initiatives;

and funding mechanisms in support of forest management. They are scheduled to be completed by the end of the year.

The work of this committee should go a long way to ensure that initiatives taken by any of the federal agencies are coordinated for the good of the forests. And it should lead to a far more positive climate for forestry, both here in Canada and in international competition.

Another point I would like to emphasize is the federal government's continuing support of the provincial governments and industry in forest research, and its present efforts to ensure that forest renewal has a firm basis in research and development.

We are now taking a hard look at the way our research dollars are being spent, to be sure those dollars are going as far as they can, and that research is geared to the real needs of the industry and the provinces.

To accomplish this, CFS is doing an inventory of forest management research across Canada. And we are cooperating with an industry study of forest management research that is just getting underway. The Pulp and Paper Research Institute of Canada has requested advice and assistance from CFS and the University of British Columbia forestry faculty in this important work. This ties in directly with CFS efforts to ensure that research priorities are appropriate for the 1980's.

The lack of new graduates coming along is one of the most serious handicaps we face. Roughly speaking, the United States has one graduate forester for every 8,000 hectares of forest. The world has one for every 12,000 hectares. Canada has one for every 80,000 hectares.

Many of those who are now active in the profession entered it between 1945 and 1960, and close to 1,000 of these people will retire by 1990. The potential demand for professional foresters during the next 10 years is in the order of 8,000.

Quite apart from gearing up for new programs, we will be hard-pressed to maintain our present man-year complement in the years to come unless students can again be encouraged to enter the forestry field.

The shortage of good graduate students in the forestry schools is at least partly the result of the very limited opportunities to get summer work experience in forestry research. The CFS used to hire hundreds of students during the summer, and many of its present staff came into the CFS as full-time employees through this route. However, reductions in man-years and budget over the past six or seven years have just about eliminated this option.

The graduate training study carried out under the Federal Forestry Sector Strategy Committee makes a case for federal assistance here for the simple reason that the forestry sector is so important to the national economy and a severe shortage of skilled manpower will inhibit its performance.

On the federal side, the federal government has increased tax credits for research and development and capital expenditures, and extended indefinitely special treatment for pollution abatement equipment. It has established a program (\$279 million in federal funds) for modernizing older pulp and paper mills and other processing facilities. It also increased the number and improved the content of forest management agreements with the provincial governments.

One of our key objectives is to rebuild the Canadian Forestry Service and develop an effective federal program that will support provincial forest renewal, and at the same time enhance the world-wide competitive strength of the Canadian forest industry.

To help accomplish this, we are giving renewed attention to the matter of forestry policy. Federal policy guidelines are really crystallizing now. They will take into account work already done by the Canadian Council of Resource and Environment Ministers, and

reflect recent federal initiatives.

In June 1979, this council released a report entitled: "Forestry Imperatives for Canada: A Proposal for Forest Policy for Canada." The report recommended guidelines and goals for forest management in Canada. With minor changes in wording, these recommendations were endorsed by the forestry ministers of all eleven governments in Toronto on January 29th of this year.

That policy document is available, and it is a milestone on the long trek toward enhanced forest renewal.

More importantly, the paper concedes that separate provincial and federal commitments are needed. The provinces must manage their own forest lands to meet the present and future economic and social needs of Canadians.

The document itself states it this way:

"Forest management of provincial lands is the sole responsibility of the provinces -- this cannot be altered by the content or implementation of any national forest policy."

"Provincial and federal policies related to the forestry sector should be compatible, although they may differ in approaches towards attaining common goals."

I would also like to mention some initiatives the federal government is considering, in cooperation with the provinces, which we hope will characterize federal-provincial forestry relations in the 1980's.

We already participate in research advisory committees with each of the Maritime provinces. We are also examining the possibility of an agreement with British Columbia that would use their expertise and ours, and concentrate research efforts in a way that avoids duplication. In Ontario we have the Canada-Ontario Joint Forestry Research Committee agreement. This agreement provides for establishment of a joint federal-provincial committee to review research proposals and activities. We intend to pursue similar agreements with other provinces, including Alberta and Quebec.

During this past year, as you are well aware, we had a disastrous fire season here in Alberta, as well as in Ontario, Manitoba and Saskatchewan. I am told that as of the end of September nearly 640,000 hectares had been lost during the fire season in Alberta. Saskatchewan lost 1.4 million hectares and Manitoba another 600,000.

Forest fires on the scale encountered this year severely taxed the forest protection resources of the provinces concerned. We are looking at a national program for planning and management of fire suppression activities across the country. The possibility of a national fire centre for coordination of fire fighting efforts and special research into fire management is being considered.

None of the objectives I have been speaking about can be accomplished without the qualified people to carry them out. CFS has underway a manpower analysis dealing with technical, scientific and other personnel, to determine the strength of various disciplines today and what this will be five and ten years from now.

CFS has also arranged through the Public Service Commission's executive interchange program to recruit people from outside the service to join us in our efforts to improve the quality of forest management.

At the same time, efforts are being made to develop more and better contacts with the provinces, industry, the universities, and other members of the forestry community. When decisions are made on how money will be spent, they will reflect these consultations.

In direct response to requests from the provinces and industry, CFS is improving its contacts with a number of international agencies. In addition, we will be working with federal agencies such as CIDA; Industry, Trade and Commerce; and the International Development Research Centre. Meetings have been held recently with the United States Forest Service, and others are planned for early in 1981, to ensure better cooperation on research, fire suppression, and North American timber supply analysis. One possible element in this which CFS is exploring is extending the executive interchange program to include the U.S. Forest Service.

The question of broader funding for forest renewal and regional development is being addressed. CFS is now participating in the whole DREE process at the earliest stage of new projects. In the future it will be acting as co-chairman of management committees that are charged with implementing DREE funding programs.

Furthermore, the CFS Headquarters group of economists are now more directly involved in formulating policy and analysis of timber supply and forest renewal opportunities.

Building a good strong staffing program is vital. Careful spending of our research dollars is vital. And public awareness of the key role played by forestry in Canada, both economically and environmentally, is also vital.

The CFS is putting together an information and public awareness plan that is based on extensive consultation with other groups. They include the Canadian Pulp and Paper Association, the International Woodworkers of America, the Canadian Forestry Association, the Canadian Institute of Forestry, provincial departments of forestry and others across the country. Along with these outside groups, we have agreed on an approach that we believe will bring about greater public understanding of the need for forest renewal. In the past few months the CFS has been involved in the production of a National Film Board film on forest renewal that will be completed early in

the new year; and a CBC program on the past, present, and future of forestry in Canada. Senior CFS officials will be more available in the future for speaking engagements, conferences, and public consultation, in an effort to increase public involvement in resource management decisions.

The CFS is working much more closely now with the Environmental Protection Service, Parks Canada, and other components of the Department of the Environment to ensure maximum cooperation with respect to renewable resources. Forestry can do far more effective work in concert with other renewable resources elements in the Department than it can possibly do alone.

These are just a few examples of the kinds of initiatives we will be taking in the 1980's. We feel that if there is to be any progress in the area of forest management and renewal, increased cooperation among the federal and provincial governments is essential. We have already begun meetings with the provincial governments with respect to the joint agreements. Discussions have been held with officials in Quebec, Newfoundland, Alberta, Ontario and New Brunswick.

I should also emphasize that, as a federal department, we have to respond to our own federal forestry and environmental research priorities as well. We will continue to be concerned with and devote resources to issues such as energy from the forest, acid rain and the federal program on Long Range Transport of Airborne Pollutants as well as environment impact studies. As you may know, acid rain research projects are now under way at Turkey Lake north of Sault Ste. Marie, in Kejimikujik National Park in western Nova Scotia, and in Montmorency Forest north of Quebec City.

We have already begun discussions with the Department of Indian and Northern Affairs with respect to long-term management of the forest lands belonging to native peoples.

Now I would like to turn to matters of particular concern to Alberta. A program that has gained prominence in recent weeks is the mountain pine bark beetle infestation in B.C. and Alberta. The most serious local damage has been in the Kootenay region of B.C. where forest-based communities are already feeling the impact.

More recently, the beetle entered Waterton Lakes Park and the timber in the park has been devastated. We understand that the Alberta Forest Service is attempting to contain the beetle in the public forests below Highway 3 and to prevent it from spreading into the area immediately to the north. Expenditures of \$1 million by the Alberta Forest Service in 1980 indicate the seriousness of the situation. The very real danger is that the beetle will make inroads into Banff and Jasper parks as well as other nearby national parks. Without effective containment programs within the park boundaries, the entire timber supply on the eastern slope of the Rockies will be endangered.

Discussions have already been held with the Alberta Forest Service and Parks Canada and further consultations are planned. In the past, forest protection in the national parks has

not been directed to preventing insect epidemics from being carried to adjacent provincial forests. At the same time we are working toward a relationship with Parks Canada that would encourage it to draw on CFS expertise for management of the forests in the parks, from the point of view of protecting those forests from fire and insects. Pacific Forest Research Centre and Northern Forest Research Centre are cooperating with the Alberta Forest Service on past management problems.

A few minutes ago I spoke about the need to balance conservation and development for the maximum benefit to all. In fact, forestry policy, and all resource policy in the 80's, requires a balancing and integrating of needs --short-term and long-term, development and conservation, global and local. In the international sphere, the thrust of resource and economic planning is more and more toward planning on as large a canvas as possible, to ensure that short-term local goals are not self-defeating.

In Canada this crucial balancing act is very fresh in our minds.

At recent constitutional meetings, we have heard strong arguments from most of the provincial premiers for additional powers over the economy that would seem to lead us away from this global view, and toward a fragmentation of the Canadian marketplace. This fragmentation goes directly against the worldwide trend to take down barriers to allow freer trade, and make it possible to manage the world's dwindling resources on a continental and even global scale.

In Canada we don't have the protection against economic discrimination that exists in the European Common Market, or in the rules set up between sovereign nations by the General Agreement of Tariffs and Trade. It is to the benefit of us all that people in Canada can move, that capital can move, that services can move, and that goods can move without hindrance between one province and another, so that we can indeed be an economic union.

Under our Constitution, the provincial governments have the responsibility of developing and conserving their natural resources. These same resources, once they are taken from their original site, become commodities in trade. And when these commodities move beyond the boundaries of the province that produces them, they become subject to the federal government's power under the Constitution to regulate interprovincial and international trade. This federal power is in the Constitution to ensure that Canadians may have the advantages of a single large market in Canada, within which a higher level of prosperity is possible.

It would be difficult to dispute the fact that, under this complicated division of jurisdiction, we in Canada have derived enormous advantages from the natural resources we are so fortunate to possess.

If we allow each of the provincial governments to make its own laws about the movement of goods, could this not lead to the breakdown of the Canadian market into 10 mini-markets? The implications are far-reaching, for every sector of the Canadian economy and Canadian life. What would happen, for example, if you had 10 conflicting sets of

regulations for the forest industry? What would happen if you couldn't move goods freely from province to province?

The constitutional talks may be seen by many Canadians as simply good theatre, but the results of those talks will have serious impact on where Canadians live, and how they do business. More specifically, the results could seriously affect where their markets are and how they reach those markets.

Whether we like it or not, this constitutional effort may have a serious impact on the forest industry. While it is not a time to be partisan, it is even more emphatically not a time to be silent. It is a time to let your views be known so that the constitutional package that results is one that everyone can live with.

I would like to close by saying the federal government is committed to management of the forest resource for renewal, as well as for production. And we are committed to creating and maintaining an economic climate in which forestry can flourish in an increasingly competitive world.

FOREST INDUSTRY LECTURE SERIES

1. Industrial Forestry in a Changing Canada, by C. Ross Silversides. 17 November, 1977.
2. The Role of Integrated Forest Companies in Western Canada, by W. Gerald Burch. 15 March, 1978.
3. Premises of Energy Forestry in Sweden, by Gustaf Sirén. 7 March, 1979.
4. ¹Agro-forestry – Prospects and Problems, by K.F.S. King. 27 September, 1979.
5. The Role of the Federal Government in Forestry, by F.L.C. Reed. 5 March, 1980.
6. Breeding for Variable Environments, by Gene Namkoong. 14 August, 1980.
7. Federal Forestry Commitments in the 1980's, by Roger Simmons. 5 December, 1980.

Copies are available free on request to the Department of Forest Science, The University of Alberta, Edmonton, Alberta.

¹ Not yet available.