

AMO ANNUAL CONFERENCE August 14, 2017

Session: Globalization Meets Main Street

Your Worships

Members of Municipal Government

Delegates

For over 150 years, forestry has played a pivotal role in building our province.

Ontario's forest sector is deeply rooted in every region – every main street of Ontario supporting over 170,000 hardworking people.

For generations, OFIA's members have been growing local economies by harvesting and planting trees. The forest sector has been putting Ontario's wood to work responsibly – sustainably.

And it has been our sector's ability to adapt – to innovate and yes, to compete in today's global marketplace that has allowed us to survive 2 World Wars, a great depression and recently a great recession.

Can Forestry Be Ontario's Greatest Opportunity?

Absolutely!

There are two reasons.

First the world wants wood.

Wood is experiencing a renaissance. Today's architects and engineers are choosing wood and building tall wood buildings.

We're very proud that Canada currently holds the title for the tallest wood building at 18 storeys. That's innovation. And couple this with the bio-economy opportunities and you understand how this is our time.

And smart consumers can choose Ontario forest products with confidence knowing that our sector operates under one of the world's most rigorous environmental regulations. Our forests are regenerated after harvest and practices must maintain the long-term health of the forest. It is the law.

Second – trees grow. At a NOMA convention, former Minister Glen Murray commented that “actually solving an environmental crisis, climate change, may create amazing economic opportunity for much more wide use of forestry products”. He's right.

So how do we work together to ensure Ontario benefits from this renewable resource?

It's going to take 4 measures.

First – we need wood to run our mills. We need reliable consistent access to an affordable wood supply. Wood that has been allocated for industrial purposes needs to stay allocated.

And some of you may be asking when will Ontario harvest its last tree – never! Ontario is blessed with an abundance of healthy forests.

Our sector harvests less than half of one percent annually. That little blue dot.

We harvest so little. And the benefits are so great – 57,000 direct jobs and 15.5 billion dollars in economic activity.

To put this in perspective. Ontario is 3 times bigger than Finland. In 2013, Finland harvested 65 million cubic meters of wood. Same year, Ontario harvested just 13.5 million cubic meters. So Ontario is 3 times bigger but harvests 80% less than Finland.

Finland has developed a National Forestry Strategy with a goal of increasing their harvesting to 80 million cubic meters by 2025.

In Ontario, there is no strategy to grow our renewable resource – quite the opposite – new provincial policy threatens to shrink Ontario’s wood supply. That represents missed opportunity for our main streets and just this morning, Minister McGarry indicated that she wants work together to change this.

Second Measure, Ontario’s public policy must provide business certainty and it must be developed hand in hand with practitioners and stakeholders. If government’s public policy creates uncertainty and the system becomes unworkable, it will end investment in Ontario’s renewable resource. This is why OFIA works so closely with our municipal leaders because we know the awesome potential of this sector and we want to do everything we can to grow it and support Ontario’s main streets not just for today but for future generations.

Thirdly, we need customers. And we need anti-forestry groups – fulltime panic merchants - to stop harassing our customers and spreading misinformation - fake news.

These special interest groups want you to think that harvesting destroys forests and causes deforestation. This is just not true. They want you to think that using less than half on one percent of our Crown Forests is too much. And they are willing to go to lengths that you and I would never ever dream of.

In December 2014, Greenpeace was targeting Best Buy and pressuring them to stop buying paper from Canada's Boreal Forest. Greenpeace sent a cyber alert to their volunteers asking them to "write a false product review on Best Buy's website. Be creative and make sure to weave in the campaign issues!"

I don't know about you, but if I ever sent an email asking people to lie, I would be held accountable and I'd be looking for a new job.

We appreciate that MNRF has been actively meeting with our customers to counter this misinformation.

Mayors are saying enough is enough and are standing up to these professional bullies. Convenient hyperbole/fake news should not be allowed to threaten the livelihood of hardworking men and women in Ontario.

Lastly, we need a Softwood Lumber outcome that works for all of Canada and not just BC. Our sector is highly integrated so a bad softwood lumber deal impacts the whole forest products sector not just sawmills.

This is the 5th round in a 35-year history of US lumber disputes. The US alleges our lumber is subsidized and imposes punishing unlawful duties. Canada appeals. The US loses and unlawful duties have never survived. But the final result has always been the same – bad negotiated settlements to the detriment of Ontario companies, workers and communities.

After 35 years, let's not repeat history. This time we need a deal that keeps people working in Kenora, Thunder Bay, Hearst, Kapuskasing, Timmins, Pembroke, okay I will stop but you get my point.

In closing, with these four measures in place, Ontario's forest sector can compete globally and can continue to support Ontario's main streets.

Remember. People matter. Jobs matter. Main streets matter.