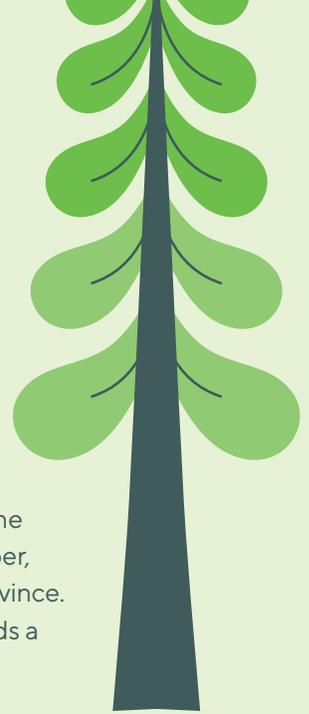


Contributing to a Better B.C.

2019 Forest Industry Economic Impact Study





About the Study

The *2019 Forest Industry Economic Impact Study* was conducted by the **BC Council of Forest Industries (COFI)**, which represents most lumber, pulp and paper, and manufactured wood producers from across the province. The lead author was Kurt Niquidet, Chief Economist at COFI. Kurt holds a Ph.D. in Resource Economics from the University of Groningen and is an Adjunct Professor in the Faculty of Forestry at the University of British Columbia.

PricewaterhouseCoopers conducted a review of the methodology used by COFI to undertake the study and reviewed the results. Based on its review, it concluded that the methodology is consistent with common practices and the calculations are accurate.

The study measured the economic impact of the B.C. forest industry's ongoing operations, employment and capital spending related to forestry and logging, wood product manufacturing, and pulp and paper manufacturing across the province in 2019, including by the following regions:

- **Vancouver Island/Coast**
- **Lower Mainland/Southwest**
- **Thompson/Okanagan**
- **Kootenay**
- **Cariboo**
- **North Coast**
- **Nechako**
- **Northeast**

A copy of the full Technical Report can be found at cofi.org.

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Big Economic Impact, Better Quality of Life for British Columbians

For over a century, British Columbia's forest industry has been foundational to the provincial economy, generating billions of dollars in government revenues, putting paychecks in people's pockets, helping small businesses pay their bills and supporting a better quality of life for British Columbians.

While B.C.'s economy is constantly evolving and diversifying, the *2019 Economic Impact Study* shows us that forestry's role in the economy remains very important to this day, and the future is bright.

What the Study Looked At

ECONOMIC INDICATORS

- 1. Output** – The total value (\$) of forest products sold and what consumers paid for those. For example, a mill purchases a log for \$400, produces lumber and sells the lumber for \$600. The output of the forest industry is \$1,000.
- 2. Gross Domestic Production (GDP) or Value Add** – Industry's contribution to the value (\$) of all final products made in B.C. For example, a mill purchases a log for \$100, produces lumber and sells it for \$300. The value add is \$200.
- 3. Labour Income** – The total amount (\$) of wages and salaries paid to forest industry workers, plus other employer contributions such as pensions.
- 4. Employment** – The number of people who work for forest companies, companies who supply the industry with goods and services and businesses like local restaurants who rely on forestry-related paychecks to stay in business.

IMPACTS

- 1. Direct Impacts** – The jobs, GDP and taxes attributed to the forest industry. Direct jobs, for example, would include mill workers, loggers, pulp and paper workers and others.
- 2. Indirect Impacts** – The economic activity attributed to companies that supply goods and services to the forest industry. For example, a company that does logging services for a forestry company has suppliers that provide it with goods and services. These suppliers also hire workers and pay taxes.
- 3. Induced Impacts** – The impacts to businesses like restaurants and shops that are not directly or indirectly involved in forestry but benefit from its activities because of the money it puts in the pockets of direct and indirect workers.

OTHER MEASUREMENTS

- 1. Capital Expenditures** – The money spent by the B.C. forest industry on equipment, new technologies, repair and maintenance.
- 2. Government Revenues** – The amount of taxes and fees collected from B.C. forest products companies, workers and suppliers by federal, provincial and municipal governments.

2019 Forest Industry Economic Impact Study

What We Found

SPEND

\$14 billion

invested in B.C. operations over 10 years

ECONOMIC IMPACT



\$13 billion

to B.C.'s GDP

100,000

good jobs for British Columbians



\$8 billion

in wages, salaries & benefits

\$4 billion

in government revenue to support health, education and more



B.C. Forest Products Industry Represents

1 in 25

of all B.C. jobs

- 14% of jobs in the Cariboo
- 7% of jobs in the Northeast
- 7% of jobs in the Kootenays
- nearly half of forestry jobs are in the Lower Mainland/Southwest

KEY FACTS

1 in 5

manufacturing jobs

More than **5,300 Indigenous people** directly employed

From Paper Packaging to Mass Timber – B.C. is Growing Low-Carbon Products for the World

British Columbia produces a broad array of forest products – from dimensional lumber and pulp and paper to a wide variety of value-added products including cross laminated mass timber, glulam and veneer.

Whether used in affordable housing, commercial buildings or recyclable packaging, these carbon-storing products – made from our renewable forest resource – are increasingly playing a role in the global fight against climate change.

As customers around the world continue to look for sustainably produced, low-carbon forest products – B.C. forest companies look for ways to continue to diversify their product offerings and build relationships with new global customers.



Investing in B.C.

Each year, forest product companies spend a lot of money on their operations to keep them in tip-top shape and make sure they are keeping up with the latest and greatest in high-tech tools.

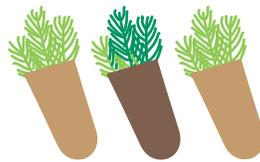
When they invest, companies are able to upgrade equipment to do things better and safer and add capacity to produce more of the sustainably produced, low-carbon products that are in demand around the world. They're also able to

adapt their operations and re-tool mills so that new products can be produced, adding value in the process.

Forest product companies also spend a significant amount of money to keep forests healthy, plant trees and keep our air clean. This includes investing in new technologies that help operations use less energy, fuel and water and reduce their carbon footprint.

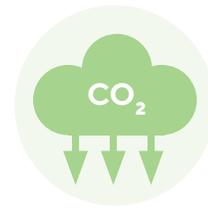


Between 2010 and 2019, B.C. forest product companies invested **\$14 billion** on their operations and in repair and maintenance activities.



B.C.'s forest industry planted a record-breaking over **300 million trees** in 2020.

* Source: Government of B.C.



The forest sector reduced carbon emissions by **40%** between 2007 – 2017.

* Source: 2020 NRCAN State of the Forest Report



Canfor spent approximately **\$100 million** between 2017 and 2019 to improve energy efficiency and reduce GHG emissions at its Taylor and Northwood mills.



In 2019, Paper Excellence announced **\$13 million** to be spent to upgrade Port Alberni mill to make fibre-based food packaging – products that are good for the planet.

SPOTLIGHT

Jobs to be Proud Of

Meet Kristal

Kristal Lukas works in Production at Western Forest Products' Cowichan Bay Sawmill on Vancouver Island. Kristal has been working at the sawmill for three years, after a one-year stint at Western's Chemainus Value Added Reman Operation. Her position provides opportunities to work in various jobs, as she continues learning the business.

A Family Affair

You could say the forest industry runs in Kristal Lukas' family. Two of her three brothers, including her twin, George, also work in the forest industry.



George and Kristal Lukas

It's a Good Industry

In fact, George encouraged Kristal to join the sector. "My brother works at another sawmill in town and told me it's a good industry and encouraged me to give it a try. I like it, it's a good union job. We both like being active and this industry offers a lot of hands-on jobs."

Active lifestyle

Born and raised on Vancouver Island, Kristal now calls Duncan home, making the short 10 km commute to nearby Cowichan Bay for work. "We've been active all our lives. George and I did judo for about 10 years and were on Team BC together, travelling all over competing at events across the country. Now we like to get out on Lake Cowichan or go fishing. It's really nice here and we like to be outdoors whenever we can."

A Bright Future

While Kristal is still relatively new to the industry, she thinks it has a bright future. "With the B.C. government and industry working together, planning and investing in the sector, I think I could have a life-long career."

“ The forest sector is critically important to B.C.'s economy, and most importantly to the close to 50,000 British Columbians, including 12,000 USW members, who work directly in the sector proudly producing renewable, low-carbon wood products for the world. ”



Jeff Bromley Chair, Wood Council Canada, United Steelworkers

DIRECT JOBS

What We Found

B.C. forest product companies hire people to work at their operations in all kinds of jobs from foresters, to millworkers to data analysts.

In 2019, B.C.'s forest product industry supported about **50,000** direct jobs.



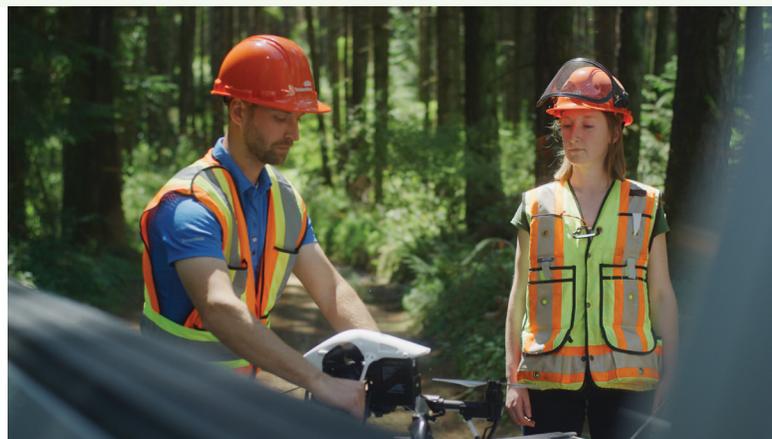
These are high-paying jobs, supporting people and families all across the province.

\$8 billion in wages, salaries & benefits were paid to forestry-related workers in 2019.



What kind of jobs are these? **Here are just a few:**

- | | | |
|---------------------|-----------------------------|----------------------------------|
| Biologist | Geomatic Technician | Lumber Grader |
| Computer Engineer | Harvesting Forester | Maintenance Director |
| Custodian | Health & Safety Coordinator | Marketing Agent |
| Crane Operator | Heavy Duty Mechanic | Occupational Health Nurse |
| Data Analyst | Human Resources Manager | Office Manager |
| Drone Operator | Industrial Electrician | Wood Processing Machine Operator |
| Forest Technologist | Log Buyer | Yard Supervisor |



SPOTLIGHT

Local Suppliers Growing Local Jobs

Forestry Supply Chain Connects Us All

What does a forester in Prince George, a drone maker in Vancouver and an environmental consultant in Victoria all have in common?

They all live and work in a forestry community. That's because, in addition to jobs directly tied to forestry operation, thousands of B.C.-based companies – small, medium and large – across the province are in the business of supplying goods and services to the forest industry.

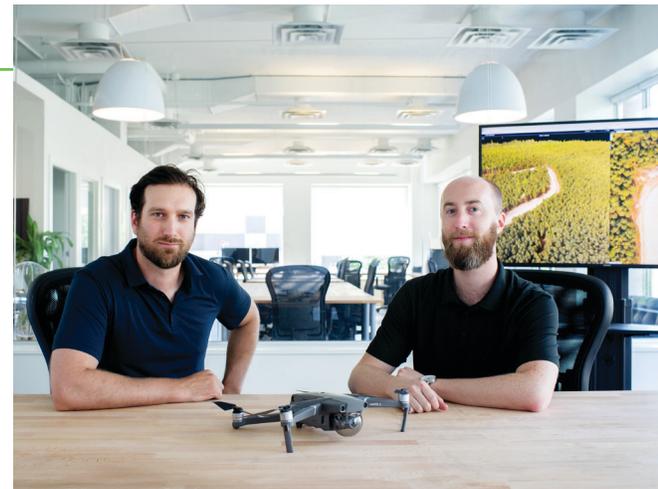
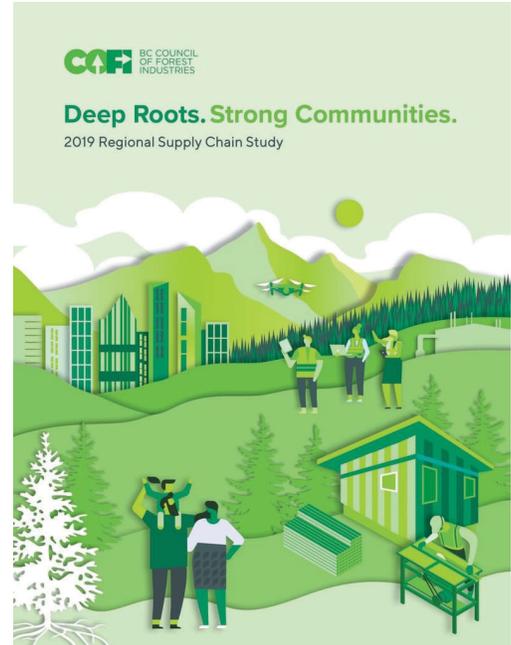
Deep Roots. Strong Communities.

According to a study commissioned by COFI – *Deep Roots. Strong Communities: 2019 Regional Supply Chain Study* – in 2019, its member companies purchased \$7 billion of goods and services from nearly 9,900 suppliers from more than 340 communities, and 120 Indigenous Nations.

Supporting Good Jobs for British Columbians

Suppliers range from manufacturers designing, producing and servicing parts for the equipment used in forestry operations to urban-based tech companies developing digital solutions to improve harvesting, tree planting and regeneration processes. They also include transportation, janitorial, catering and other services to name just a few.

If every one of these companies employs five, 10 or 100 people, that's a lot of British Columbians who also count on the forest industry each day to support their families, pay their bills and enjoy a great quality of life.



Mike Wilcox and Patrick Crawford,
founders of FYBR Solutions

“ Our forest industry partners rely on our drone technology to provide accurate information to make forest and mill operations more efficient and sustainable. Our solutions are being used by foresters and mill operators across North America as a direct result of the success here in B.C.

Mike Wilcox co-Founder
FYBR, Vancouver

”

INDIRECT JOBS

What We Found

Each year, forest product companies buy things – like equipment and high-tech tools – from thousands of local companies. They also hire people working for businesses big and small to provide a whole range of services from doing repairs, to moving their products to providing environmental consulting.

In 2019, B.C.'s forest product industry supported over **30,000** indirect jobs.



What kind of jobs are these? **Here are just a few:**

- | | | |
|---|---------------------------------|-------------------------------|
| Accountant | Fire Protection Technician | Marketer |
| Caterer | GIS Analyst | Office Supplies Provider |
| Clothing Provider | Health and Safety Consultant | Port Logistics Manager |
| Digital Solutions Consultant | Human Resources Consultant | Road Builder |
| Education and Training Provider | Information Technology Provider | Soil Management Consultant |
| Engineers | Laboratory Assistant | Surveyor |
| Environmental & Forest Management Planner | Lawyer | Technology Provider |
| | | Water and Wildlife Consultant |



SPOTLIGHT

Open For Business

The Ideal Café has been a local landmark in Campbell River since the 1940s.

Owned and run by the Bergen family – Lloyd, Audrey and their youngest daughter Stephanie – the restaurant is a popular eatery, not only with the many forest workers in the community, but with families too.

The Bergens purchased Ideal Café in 2011, says Stephanie, and “turned the old greasy spoon into one of Campbell River’s best breakfast-lunch places. But it still retains its retro vibe.”

It’s been serving up diner food favourites like big breakfasts, burgers, home-cut fries, milkshakes and, of course, pies. The last couple of years, the cafe won people’s choice awards for best breakfast and lunch in Campbell River and Best Burger in Campbell River this year.



Photos: Bluetree Photography/Destination Campbell River

“ The forest industry has not only been important to the Ideal Café, but to our family too. Forestry is what fed our family for many years. The Ideal Café will always be about the industry. ”

Stephanie Bergen
Ideal Café

Providing Good Family-Supporting Jobs



The café employs about a dozen people in the community – servers, cooks, prep staff and dishwashers. This doesn’t include Lloyd and Audrey who are semi-retired but haven’t gone too far and help out with the books and buying food among other things.

There’s another connection the two have with the café – Audrey was a server there at age 16, and it’s where she met Lloyd, 17 at the time, who worked across the street at a lumber yard, and used to come in for coffee with his brothers. They started dating a few years later.

Forestry Keeps the Lights On

The Bergen’s connection to the forest industry runs deep, says Stephanie. Audrey worked at the Elk Falls pulp and paper mill for 30 years before it shut down in 2010, and Lloyd drove a logging truck for more than 10 years.

INDUCED JOBS

What We Found

Restaurants, corner stores and farmers' markets are among the many businesses that also rely on a healthy forest sector. That's because workers employed by forest product companies and industry suppliers spend their paychecks in their local communities - helping the local deli, coffee shop, car wash and clothing boutique-owners support their families and staff too.

In 2019, B.C.'s forest product industry supported about **23,000** induced jobs.



What kind of jobs are these? Here are just a few:

Bartender

Book Store Owner

Cashier

Clothing Boutique Clerk

Concert Hall Bouncer

Corner Store Owner

Dishwasher

Florist

Food Truck Worker

Grocery Store Clerk

Gym Trainer

Hotel Concierge

Home Designer

Ice Cream Scooper

Museum Security Guard

Restaurant Owner

Server

Shelf Stacker

Shopping Mall Janitor

Theatre Usher

Tour Guide



SPOTLIGHT

Forestry and the Social Services British Columbians Count On

Keeping British Columbians Healthy

Each year the B.C. Government counts on a steady stream of tax revenues from forestry and other industries to help plan and pay for things like new hospitals, primary care centres, doctors and nurses to keep people safe and healthy.

Between 2020 and 2023, for instance, the Ministry of Health plans to spend over \$6 billion to upgrade health facilities, medical and diagnostic equipment and more.



Educating the Next Generation

Similarly, making sure kids and youth all over B.C. have access to quality education and skills training requires significant amounts of government spending, financed by the taxes and fees they collect. Over that same time period, for example, the provincial government plans to spend nearly \$3 billion to maintain, replace, renovate and expand facilities for kindergarten to grade 12 students. They are also looking to spend over \$3 billion to make sure colleges and universities are equipped to meet future workforce needs in key sectors like health, science, trade and technology.

Creating More Affordable Housing

Taxes and fees collected from forest product companies are also helping support the people and families who need it most. This includes building more affordable housing across B.C. Over a 10-year period, the Government of B.C. plans to spend over \$6 billion to build 114,000 affordable housing units.

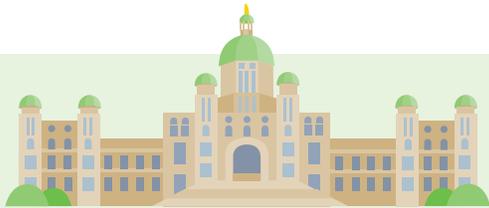
Sources: B.C. Budget 2020, Homes for BC (2018)

Revenues from B.C.'s forest industry help make these things happen.

GOVERNMENT REVENUES

What We Found

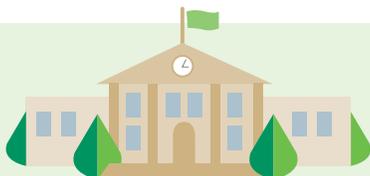
A lot of the money generated because of the forest sector is used to pay taxes and fees to all levels of government. In 2019, this amount totalled over \$4 billion. Governments use this money to pay for schools, hospitals and helping people who need it the most.



Nearly **\$2.5 billion** in taxes/fees to B.C. Government



\$1.5 billion in taxes/fees to Canadian Government



Over \$245 million in taxes/fees to local governments



What does \$4 billion pay for?

To put this in perspective, this is the equivalent of:

- **53,300** elementary and kindergarten teacher annual salaries
- **47,600** nurse salaries

*Source: 2019 annual BC media salary, WorkBC

SPOTLIGHT

Partnering for Success

Partners for a Sustainable Future

On the west coast of Vancouver Island, the Huu-ay-aht First Nations and Western Forest Products are collaborating to help advance reconciliation, support forestry revitalization and create new economic opportunities for Huu-ay-aht citizens and other TFL 44-area First Nations. Both strongly believe that working together will benefit the community, region and forestry sector.

Forestry and Reconciliation in Action

In 2018, the Huu-ay-aht and Western signed a Reconciliation Protocol Agreement, providing a shared vision and including a framework for reconciliation and revitalization of the Alberni Valley forest sector. The framework includes increased participation of area First Nations through tenure ownership, employment and business opportunities, sustained domestic manufacturing, increased training and jobs, effective marketing and valued-added product innovation, and strong environmental stewardship.

Enhanced Decision-Making Supports Stewardship and Economic Opportunities

The Reconciliation Protocol has since led to a historic agreement between Western and the Huu-ay-aht owned, Huumiis Ventures Limited Partnership for the purchase of a majority share in TFL 44 Limited Partnership, the entity that owns Tree Farm Licence 44, and a stake in Western's Port Alberni sawmill over time.

Once complete, the transaction is intended to provide enhanced decision-making to help meet stewardship goals, increased revenue streams for Huumiis with the Huu-ay-aht people directly benefiting from forestry activities, and increased job and training opportunities for community members.



“ This agreement will enable Huu-ay-aht to have more jurisdiction over our ahuuʔi (traditional territory), strengthen the long-term sustainability of the forest sector in the Alberni Region, provide strong environmental stewardship that aligns with Huu-ay-aht's forestry guiding principles, and create more opportunities for First Nations, including our citizens.

Robert J. Dennis Sr.

Chief Councillor,
Huu-ay-aht First Nations

”

INDIGENOUS PARTICIPATION

In B.C.'s Forest Industry

Indigenous communities are vital to B.C.'s forest products industry – as owners, business and stewardship partners and employees.



Members of the Homalco First Nation and Interfor employees paddle together to enhance cultural awareness and understanding.

Over 5,300 Indigenous people directly employed in the forest industry, more than any other resource sector in B.C.



Close to 120 Indigenous Nations or affiliated businesses were active participants in B.C.'s forest industry in 2019.



In 2019, business agreements and stewardship partnerships were equivalent to close to **\$250 million**, with economic benefits flowing to Indigenous communities.

Source: 2016 Census, COFI 2019 Regional Supply Chain Study

Forestry's Economic Reach



Whether in **downtown Vancouver**, **Campbell River** or **Prince George**, people and businesses big and small across B.C. depend on B.C.'s forest industry to support their families and enjoy a great quality of life.

Benefits all British Columbians

NORTHEAST

70% of B.C.'s oriented strand board production capacity is here; **over 2,700 jobs supported.**

CARIBOO

#1 lumber producing region, accounting for 29% of B.C.'s production capacity; **14% of jobs** here are forest industry-related.

NECHAKO

Home to 11 lumber mills, accounting for nearly **20% of B.C.'s lumber production capacity**; supports 3,650 jobs.

THOMPSON/OKANAGAN

Almost 20% of the province's lumber mills located here, along with **14,000 jobs.**

NORTH COAST

Logging and lumber production are the major forestry activities; **nearly 1,500 jobs are supported by the forest sector.**

VANCOUVER ISLAND/COAST

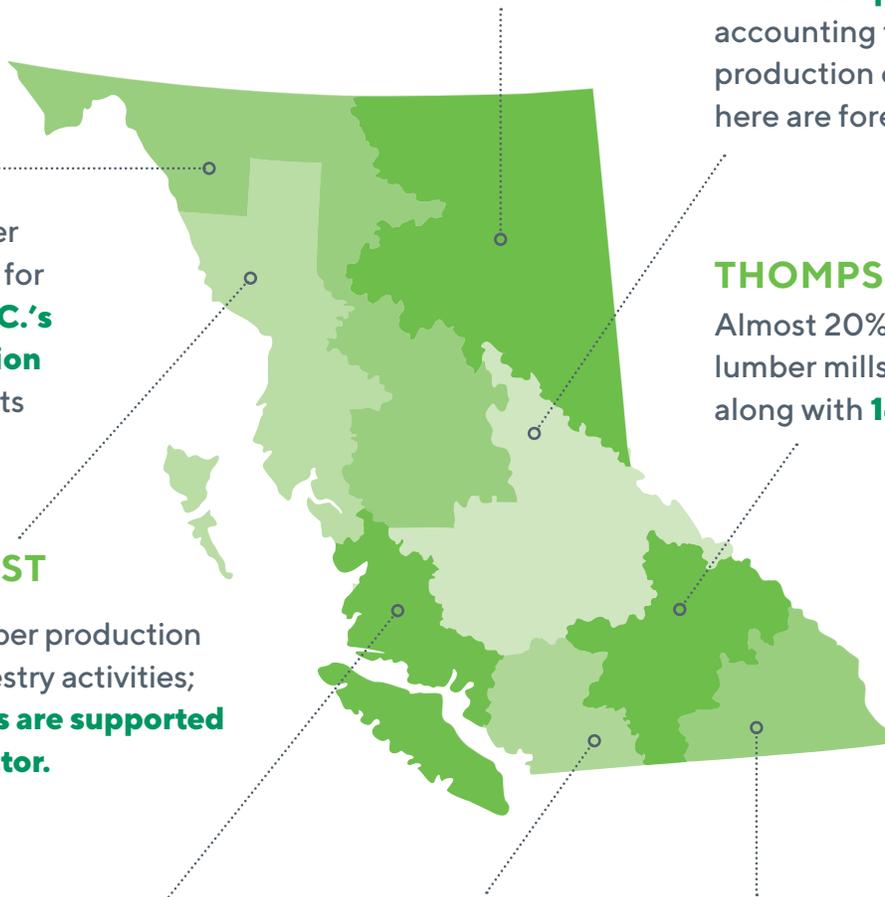
#1 paper producing region, at 81% of B.C.'s total; **15,800 local jobs.**

LOWER MAINLAND/SOUTHWEST

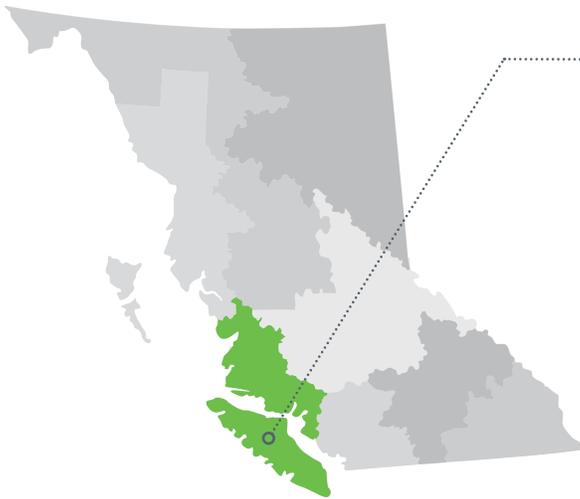
Home to 82% of B.C.'s value-added shake and shingle production capacity; **nearly 50% of forestry supported jobs located here.**

KOOTENAYS

Home to nearly 1/3 of B.C.'s post and utility pole production capacity; **7% of jobs in the region are supported by the forest sector.**



Vancouver Island/Coast

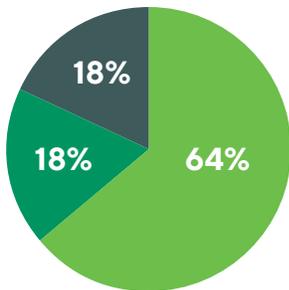


#1 paper producing region,
at 81% of B.C.'s total;
15,800 local jobs.

Did you know – Paper Excellence’s Port Alberni paper mill uses over 95% renewable energy to make its paper products and has reduced its carbon footprint by 83% since 1990?*

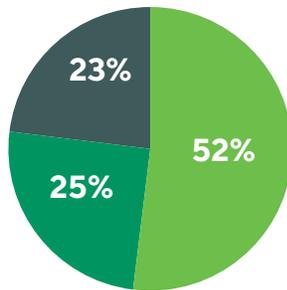
*Source: Catalyst Port Alberni Mill Fact Sheet

The Vancouver Island/Coast region is home to 22 lumber manufacturing mills, 13 shake and shingle production facilities, seven pulp and paper mills, two utility pole producers and one veneer plant.



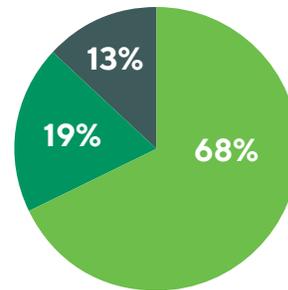
GDP

Generates \$2.16 billion in GDP.



Employment

Employs 15, 864 British Columbians.



Labour Income

Provides \$1.36 Billion in wages.

● DIRECT
● INDIRECT
● INDUCED

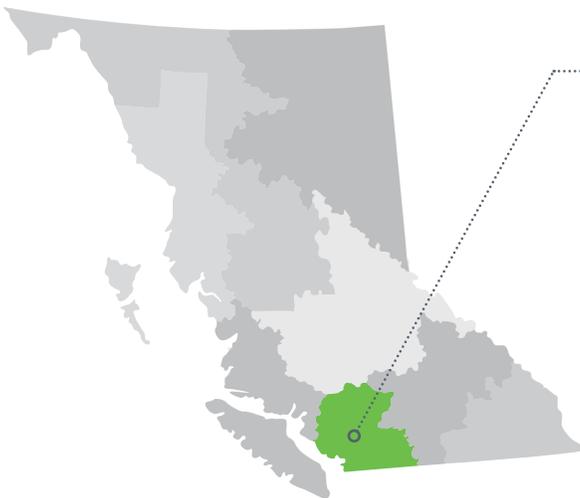


“ The forest industry has long been an important part of our community and region.

It contributes to our economy, provides well-paying jobs that support families and adds to the fabric and well-being of our community.

Mayor Gaby Wickstrom, Port McNeil ”

Lower Mainland/Southwest

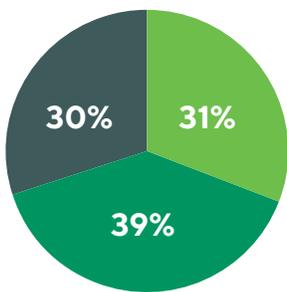


Home to 82% of B.C.'s value-added shake and shingle production capacity; **nearly 50% of forestry supported jobs located here.**

Did you know – In 2019, COFI member companies spent \$2 billion purchasing goods and services from 2,100 Metro Vancouver businesses?*

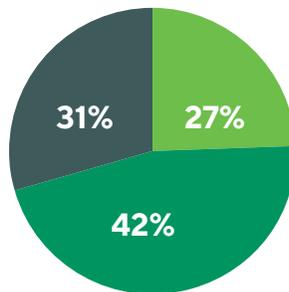
*Source: COFI 2019 Regional Supply Chain Study

Lower Mainland/Southwest is home to 20 shake and shingle producers, 16 lumber mills, six veneer and plywood plants, three log home producers, two pulp and paper mills and two utility pole producers.



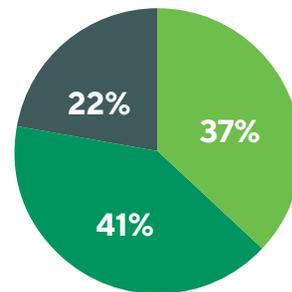
GDP

Generates \$5.65 Billion in GDP.



Employment

Employs 47,829 British Columbians.



Labour Income

Provides \$3.43 Billion in wages.

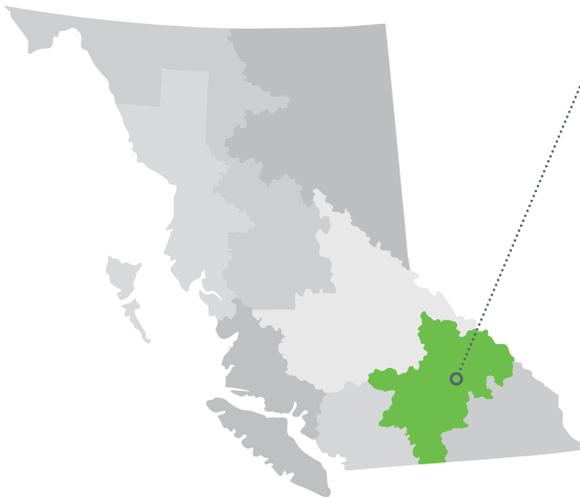
● DIRECT
● INDIRECT
● INDUCED



“ As a Vancouver City Councillor, I take pride in showcasing how natural resource sectors, such as forestry, play a key role in urban living and our local economy. Nearly half the employees in the forest industry work in Metro Vancouver and Vancouver has the highest industry spend of nearly \$1 billion. Forestry is an important part of B.C.'s economy and also right here in Vancouver. ”

Councillor Lisa Dominato, Vancouver

Thompson/Okanagan

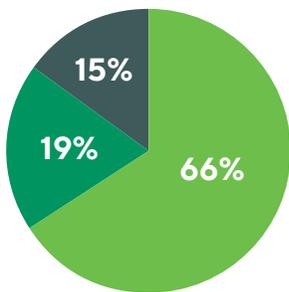


Almost 20% of the province's lumber mills located here, along with **14,000 jobs**

Did you know – Each year, Gorman Bros. Lumber plants between 800,000 and 1.4 million trees?*

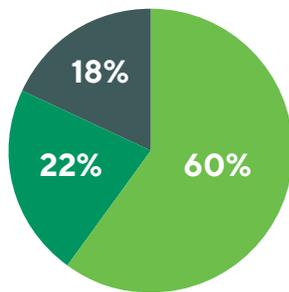
*Source: Gorman Bros. website

Thompson/Okanagan is home to 24 lumber mills, 11 veneer and plywood plants, eight log home producers, seven utility pole and post producers, three pellet producers and one pulp producer.



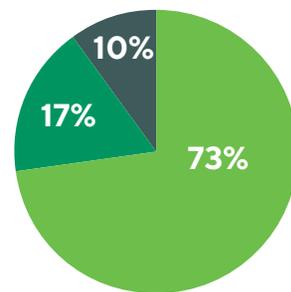
GDP

Generates \$1.87 billion in GDP.



Employment

Employs 14,055 British Columbians.



Labour Income

Provides \$1.23 Billion in wages.

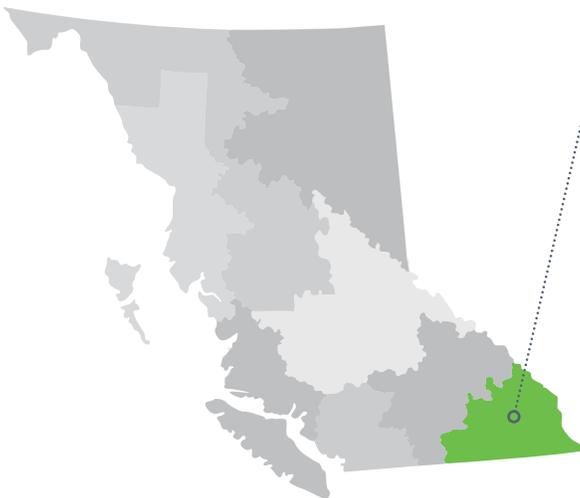
● DIRECT
● INDIRECT
● INDUCED



“Kamloops has been, and continues to be, a hub for regional forestry operations. From equipment supply to pulp manufacturing, forestry is a significant contributor to our GDP and provides millions of dollars annually to support Kamloops families.”

Mayor Ken Christian, Kamloops

Kootenay

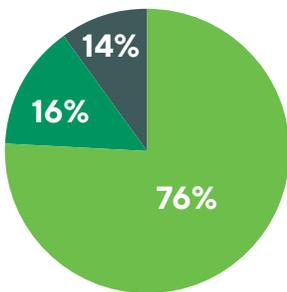


Home to nearly 1/3 of B.C.'s post and utility pole production capacity; **7% of jobs in the region are supported by the forest sector.**

Did you know – The Celgar Mercer pulp and paper mill in Castlegar produces enough eco-certified green energy to supply its own needs and up to an additional 20,000 homes?*

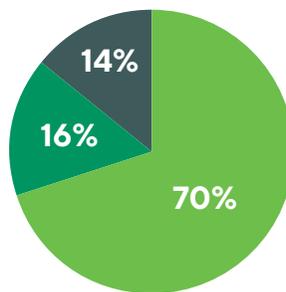
*Source: Mercer website

Kootenay is home to 15 lumber mills, six pole, utility pole and post producers, two pulp mills, two chip mills, one veneer plant and one log home producer.



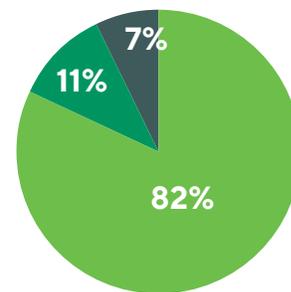
GDP

Generates \$704.5 million in GDP.



Employment

Employs 4,821 British Columbians.



Labour Income

Provides \$460.1 million in wages.

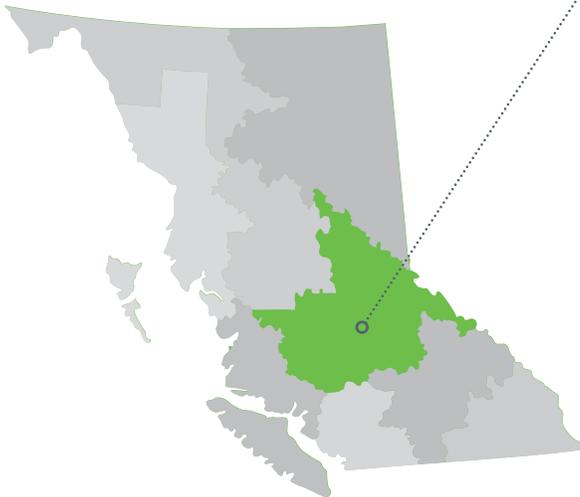
● DIRECT
● INDIRECT
● INDUCED



“ The forest industry has been part of the Kootenay economy for well over a century. It is an important part of our heritage and will continue to be a part of our economy well into the future, providing jobs and contributing to healthy communities. ”

Mayor Lee Pratt, Cranbrook

Cariboo

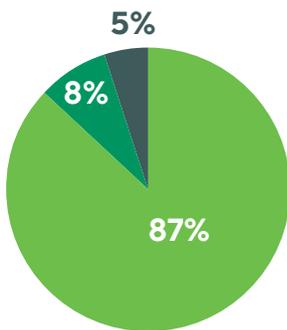


#1 lumber producing region, accounting for 29% of B.C.'s production capacity; **14% of jobs** here are forest industry-related.

Did you know – Steam generated by the pulping process at Canfor's mills in Prince George is captured and used to create electricity that powers the manufacturing process and contributes to B.C.'s electricity grid?*

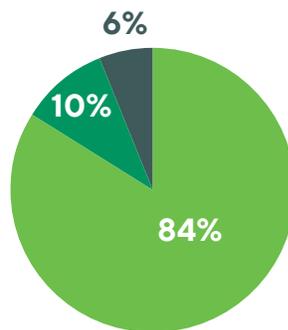
*Canfor 2019 Sustainability Report

Cariboo is home to 21 lumber mills, seven pulp and paper mills, six OSB, plywood, veneer and panel plants, five chip mills, three pole and utility producers, three pellet producers and two shake and shingle producers.



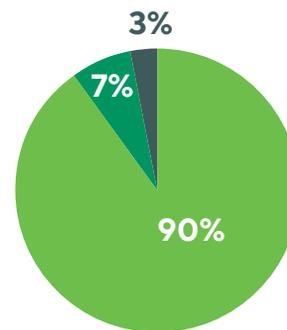
GDP

Generates \$1.65 billion in GDP.



Employment

Employs 10,956 British Columbians.



Labour Income

Provides \$1.12 Billion in wages.

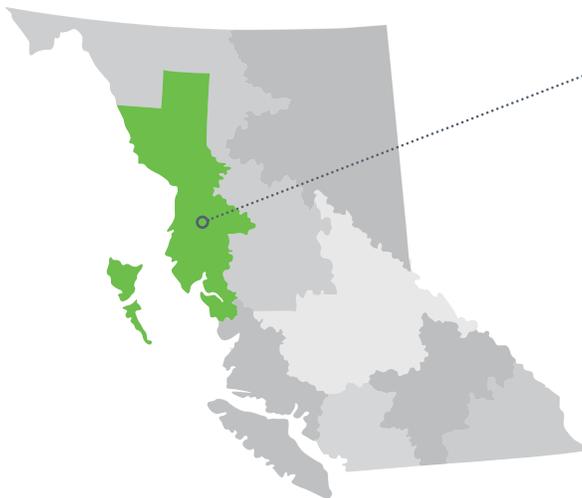
● DIRECT
● INDIRECT
● INDUCED



“ Prince George and other communities across the Cariboo region have long recognized just how important the forest industry is to our economy. This industry provides jobs throughout its operations, and it supports many local businesses who rely on the forest sector for their economic prosperity. As such, the City of Prince George has ensured that the forest industry is prioritized in our Economic Development Strategy. ”

Mayor Lyn Hall, Prince George

North Coast

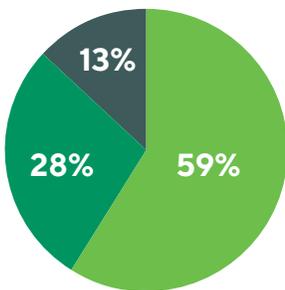


Logging and lumber production are the major forestry activities; **nearly 1,500 jobs are supported by the forest sector.**

Did you know – B.C. forest products account for 46% of container traffic through Port of Prince Rupert?*

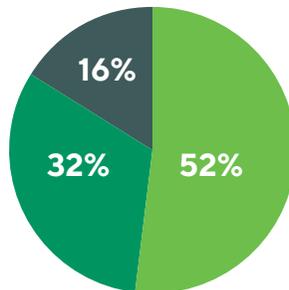
*Source: Port of Prince Rupert Authority

North Coast is home to nine lumber mills, one chip mill and one shake and shingle producer.



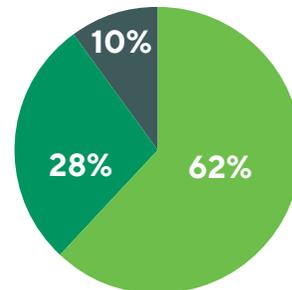
GDP

Generates **\$221.2 million in GDP.**



Employment

Employs **1,484 British Columbians.**



Labour Income

Provides **\$127 million in wages.**

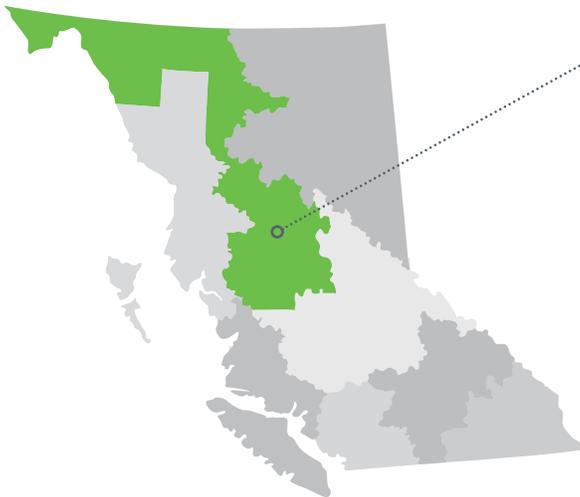
● DIRECT
● INDIRECT
● INDUCED



“ The natural resources sectors, including forestry, are providing job opportunities across our region. These jobs support families, communities, and a good quality of life for the people who live and work here. ”

Mayor Carol Leclerc, Terrace

Nechako

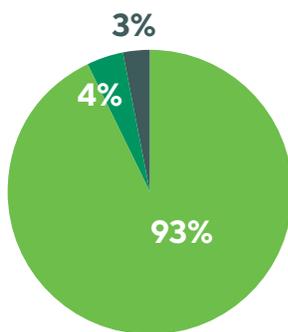


Home to 11 lumber mills, accounting for nearly **20% of B.C.'s lumber production capacity**; supports 3,650 jobs.

Did you know – Nearly 60% of forestry's economic output in the Nechako region is related to value added wood products manufacturing?*

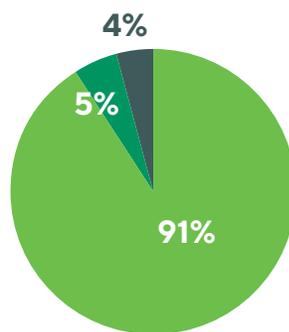
*Source: 2019 Economic Impact Study

Nechako is home to 11 lumber mills, five pellet plants and one utility pole producer.



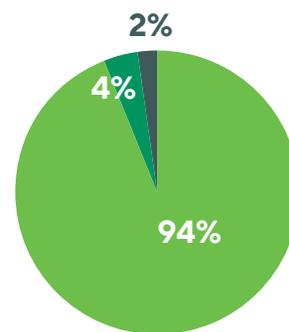
GDP

Generates \$557.1 million in GDP.



Employment

Employs 3,650 British Columbians.



Labour Income

Provides \$375.7 million in wages.

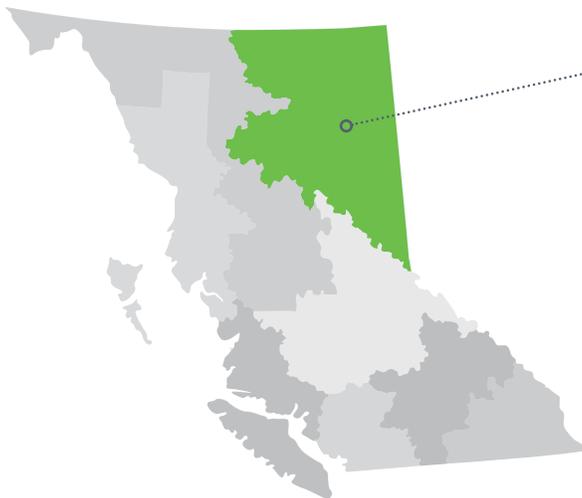
● DIRECT
● INDIRECT
● INDUCED



“Forestry has been the backbone of our community for the last 80 years. Forestry supports our families and has provided great opportunities for young adults in their careers. Truly the forest industry has been our past, present and will be our future.”

Mayor Gerry Thiessen, District of Vanderhoof

Northeast

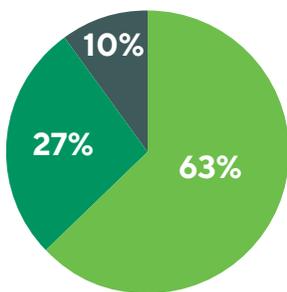


70% of B.C.'s oriented strand board production capacity is here; **over 2,700 jobs supported.**

Did you know – The RCMP's new detachment in Fort St. John is being built using mass timber, and is planned to be the city's first municipal building built to a net zero energy efficiency standard?*

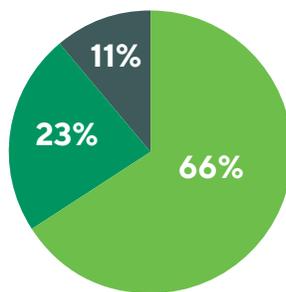
*Source: KMBR Architects

B.C.'s Northeast is home to three lumber mills, two OSB plants, two pellet plants, one pulp producer and one log home producer.



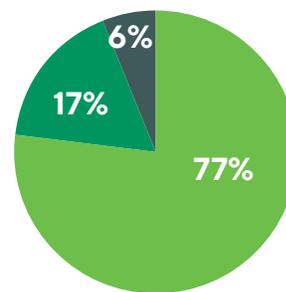
GDP

Generates \$448.8 million in GDP.



Employment

Employs 2,706 British Columbians.



Labour Income

Provides \$263.8 million in wages.

● DIRECT
● INDIRECT
● INDUCED



“Most British Columbians probably associate the Northeast with the oil and gas sector, but forestry is a key contributor to Dawson Creek and the broader region's economy.”

Mayor Dale Bumstead, Dawson Creek

10 Steps to Help Create a Better B.C.



\$14 Billion
invested in B.C. between
2010 and 2019.

1

Each year, forest product companies spend lots of money on their operations, keeping them in tip top shape and adopting the newest high-tech tools.

They also spend a significant amount to keep forests healthy, plant tons of trees and keep our air clean.

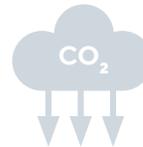
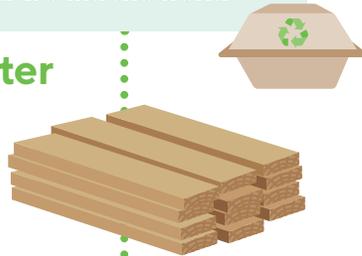


Over **300 million**
trees planted in 2020.

2

These operations make low-carbon lumber, packaging and other products that are good for the planet and sold around the world.

#1 B.C. exporter
accounting for nearly
30% of all exports.



40%
Percentage of
emissions reduced
by industry between
2007 – 2017.

3

The money made selling these products has a big economic impact across B.C.

\$13 billion
contributed
to B.C.'s
economy.



5,300
Indigenous people
directly employed
by forestry.



5

A lot of those workers are Indigenous, and many more Indigenous people are owners and important partners in the forest sector.



4

Forest product companies use that money to hire people in all kinds of jobs from foresters, to millworkers to data analysts.

100,000
Number of jobs supported
by forest sector.





Those investments create new benefits for all British Columbians.

10

As customers continue to look for sustainably produced, low-carbon forest products, companies look for new ways to invest in B.C.



Governments use this money to pay for schools, hospitals, and helping people who need it the most.

9

A lot of the money generated because of the forest sector is used to pay taxes and fees to all levels of government.



Over **\$4 billion** in taxes and fees paid to all levels of government

8

When they buy things, workers are helping restaurants and shop owners support their staff and family too.



7

Together, all these workers get paycheques to help support their families, pay their bills and enjoy a good quality of life.



Over **\$8 billion** in wages and salaries paid.

6

They also buy things, like equipment, from thousands of local companies and hire people to do repairs, move products and plant seedlings.



B.C.'s Forest Industry: Foundational to Creating a Better Province

Today – people and communities across the province depend on the forest products industry for their livelihoods, to support their families and enjoy a good quality of life.

Workers around B.C. are producing the low carbon forest products the world wants, employing new technologies and ensuring we have healthy forests.

Thousands of others working for small, medium and Indigenous-affiliated businesses also rely on the forest industry for their livelihoods – like repair shop owners, port workers and environmental consultants who sell their goods and services. And when forestry workers and industry suppliers are successful, so are the local restaurants and retail shops that count on them.

Together, this economic activity creates jobs for many and revenues for governments that help pay for healthcare, education and other critical services that British Columbians rely on.

The forest industry has been “**Contributing to a Better B.C.**” for decades. And, as consumers around the world continue to look for low carbon products made from sustainably harvested forest fibre – products that are a better choice for the planet – there will be new opportunities ahead.

By capturing new opportunities and building on our strong foundation, the forest industry can continue to help create a better province for all British Columbians for decades to come.



More About the Study

A technical report was prepared by the following COFI staff:

- Kurt Niquidet, Ph.D., Vice President and Chief Economist
- Jonathan Kan, RPF., Analyst

COFI would like to thank the Economic Services Branch of the B.C. Ministry of Forests, Lands, Natural Resource Operations and Rural Development for their extensive collaboration on study design and development. COFI would also like to thank members within the Industry Accounts Division from Statistics Canada for their help with identifying data sources.

The purpose of the study was to assess and quantify the total economic footprint of the forest sector on the provincial economy in 2019.

Statistics Canada's Interprovincial Input-Output model was used to obtain the direct, indirect and induced economic effects of forest sector operations for four key economic metrics:

- 1. Employment**
- 2. Output**
- 3. Gross Domestic Product (GDP)**
- 4. Labour income**

These economic metrics were summarized at the provincial level and regionalized according to B.C.'s eight Economic Development Regions. The study also quantified tax and other government revenues attributed to forest sector activity; estimates are provided for provincial, federal and municipal levels of government.

Finally, in addition to forest sector operations, the economic footprint associated with capital expenditures in the forest sector were measured.

PricewaterhouseCoopers conducted a review of the methodology used by COFI to undertake the study and reviewed the results. Based on its review, it concluded that the methodology is consistent with common practices and the calculations are accurate.

The Technical Report can be found at cofi.org

