

The Canadian Forestry Industry: A Change of Perception

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It is a common view that Canada is a pristine country, where the environment is an important aspect of its citizen's daily lives. Canada is geographically expansive, with natural resources around every corner. It contains "nearly 10% of the world's freshwater; 20% of the earth's natural areas, including an estimated 300,000 wildlife species; 25% of the world's wetlands; and practically 10% of the earth's forests."¹ With its abundance of natural resources, it is not hard to believe that Canada's economy depends greatly on the production of such resources. In 1998, Natural Resources Canada noted that the production of Canada's natural resources "generates \$95 billion, which represents 14% of Canada's Gross Domestic Product, and constitutes 38% of Canadian exports annually."² The natural beauty of Canada also contributes to rich cultures and heritages across the country. The First Nation peoples of Canada place a high regard and respect on the natural environment of this country. With its abundance of natural resources, the culture and heritage that comes with living in Canada, and the economic bounty that the production of products

¹ Margaret Scully Granzeier, "The Many Faces of Canadian Environmental Policy: Is Canada Moving Toward a Sustainable Society?" *Policy Studies Journal* 28 (2000): 155.

² Ibid.

using these resources creates, what is at stake is tremendous. Unsustainable practices can be seen everywhere in the country, but it is the forestry industry that is beginning to take a downward spiral. With the lowest amount of protected forest compared to other G8 countries (6.84%),³ Canada's forestry industry is facing serious threats to its continuation. Like past 'staple' economies, the forestry industry is now in a period of crisis; proposed solutions such as private ownership and national or provincial parks are not ideal. What is essential to create a sustainable forest industry is an entire change of perception.

The Staples Theory

Harold A. Innis, a famous Canadian economic historian, was responsible for the creation of the staples theory. The main argument of the staples theory is that "each stage of Canadian history [is] defined by a dominant staple and the technologies that [are] developed in order to exploit and transport it."⁴ These main staples help to shape the community and political beliefs of the people where the staple is being exploited.⁵ The forest resource, in many parts of the country, is still seen as a staple. "Eighty percent of Canadians live in or near the urban forest."⁶ British Columbia is a province that has based its economy on the forestry industry due to the expansive amount of forest coverage in that area and the habits, cultures and beliefs that have been formed from living in such an area.⁷

³ ForestEthics, "Canada's Forest Industry: Setting the Record Straight," ForestEthics, www.forestethics.com (accessed October 20, 2008).

⁴ Judith I. McKenzie, *Environmental Politics in Canada: Managing the Commons into the Twenty-First Century* (London: Oxford University Press, 2002), 129.

⁵ Ibid.

⁶ National Forest Strategy Coalition, "A Sustainable Forest: The Canadian Commitment," National Forest Strategy 2003 – 2008, <http://nfsc.forest.ca/strategies/strategy5.html> (accessed October 20, 2008).

⁷ There are many other examples of this type of society across Canada. Forestry is not just the only staple community. The Atlantic Provinces (Newfoundland, Nova Scotia, New Brunswick) are communities that have based their economies on the exploitation of fisheries. These staple economies are also unstable for two reasons: The overconsumption of fish will eventually lead to the extinction of species and the business itself is seasonal, causing workers during the winter months to search for employment elsewhere. The Prairie

Innis also posits that once the staple has reached its end or its exhaustion, it will leave an upheaval in its wake. This upheaval will include the loss of certain status for the social elite.⁸ As an example, it has been argued that once the recession hits the forestry industry, employment alternatives for laid-off workers will be minimal.⁹ It is important, when basing an economy on one staple, that the area also creates economic diversification. If this does not happen, foreign economic interests will also be able to exploit the resource and the Canadian government will be able to do little about it.¹⁰ There are many problems associated with basing an economy on one main staple. It leaves the area open to overconsumption and exploitation and little regard for the regeneration of the staple. When an economy is based solely on one resource, which is viewed as renewable, there is very little concern for the regeneration of what has been taken for economic purposes. In a single staple economy, competition and survival of the citizens of the area are the main concern and what will occur will be a “take all” situation. As Judith I. McKenzie so accurately stated in her work, *Environmental Politics in Canada: Managing the Commons into the Twenty-First Century*:

Over much of the twentieth century, Canada’s natural resources were considered as resource staples to be exploited and used in the creation of wealth. The thought that these resources – particularly so-called renewable ones – had limits has been relatively recent phenomenon largely associated with the works of deep ecologists.¹¹

Provinces (Alberta in particular) have placed a good portion of their economy on the exploitation of oil. The strong cultural and political beliefs of this area regarding their resource have led to a decentralization of the country, but relying on simply one main staple will also lead to future problems for Alberta.

⁸ Judith I. McKenzie, *Environmental Politics in Canada: Managing the Commons into the Twenty-First Century* (London: Oxford University Press, 2002), 130.

⁹ Ibid.

¹⁰ Ibid, 131.

¹¹ Judith I. McKenzie, *Environmental Politics in Canada: Managing the Commons into the Twenty-First Century* (London: Oxford University Press, 2002), 131.

But has this recent phenomenon of limited renewable resources come in time? Is it too late to begin regenerating what has been taken for the past fifty years? With regards to the forestry industry, it may be too late. A large area of the forest in Canada contains trees that are over 100 years old and “the planting of millions of young saplings will not restore and repair these damaged systems once the ancient forests are clearcut and harvested.”¹²

A Depleted Resource

The depletion and exploitation of the forests of Canada began over 200 years ago. In 1830, the Saint John and Miramichi valleys were treated like quarries and by 1840, the bulk of these areas were gone.¹³ This type of treatment was seen wherever the coveted resource could be found and by the 1930s, several forest inventories noted that many of the forests had been seriously depleted.¹⁴ In 1945, Royal Commissioner Chief Justice Gordon Sloan stated:

The short term view of motivating forest financing in the past has led us to the stage where the goose which lays the golden eggs is slowly dying of malnutrition and is largely responsible for the present unbalanced state of our forest resource. Public apathy and past Government inertia contribute to our present picture.¹⁵

As the year 2008 nears its end, the preservation of Canada’s forests is uncertain. It has been claimed that Canada still has 91% of its original forest cover and has more protected forest than any other country.¹⁶ As a counterclaim, the United Nations Food and Agriculture

¹² Ibid, 128.

¹³ Ibid, 175.

¹⁴ Jocelyn Thorpe and L.Anders Sanderg, “Knotty Tales: Canadian Staples and Post-Staples Forest Policy Narratives in an Era of Transition from Extractive to ‘Attractive’ Industries,” *Canadian Political Science Review*₁ (2007): 57.

¹⁵ John Walters, “The B.C. Forest Industry: Dying Goose or Dead Duck?” British Columbians for Private Forests, www.bcpf.org (accessed October 20, 2008).

¹⁶ ForestEthics, “Canada’s Forest Industry: Setting the Record Straight,” ForestEthics, www.forestethics.org (accessed October 20, 2008).

Organization released a notice that only 53.3% of the country's primary forest remains.¹⁷ As of March 1, 2006, the United Nations reported that Canada has the least amount of protected forest than any of the other G8 countries, a total of 6.84%.¹⁸ Canada is a country that takes pride in the fact that it is covered with natural habitat. That claim has leaked into our social beliefs and culture, allowing citizens to lean towards, what Robert Paehlke has called, more green attitudes.¹⁹ Unfortunately what is true throughout society is not always fact on paper. The degradation of Canada's forest has been great. As has already been demonstrated, Canada's green attitudes do not necessarily make it into policy and legislation regarding the forestry industry. A key issue regarding the forestry industry is the principle that most of the forest coverage in Canada is publicly owned. This creates a system, where the interests of the government and industry are first and foremost and where the forest, itself, is ignored for the purposes of economic development. The proposed "solutions" to this system are a privately owned forestry system and national and provincial parks. Each of these propositions have similar problems.

Publicly Owned, Privately Owned or "Protected" Parks?

Approximately 94% of Canadian forests are publicly owned, leaving approximately 6% of the forest privately owned.²⁰ Due to the 1867 *Constitution Act*, the provincial governments were given jurisdiction over the resources found within their boundaries.

¹⁷ Ibid.

¹⁸ Ibid.

¹⁹ Robert Paehlke, "Environmentalism in One Country: Canadian Environmental Policy in an Era of Globalization," *Policy Studies Journal* 28 (2000), 162.

²⁰ National Forest Strategy Coalition, "A Sustainable Forest: The Canadian Commitment," National Forest Strategy 2003 – 2008, <http://npsc.forest.ca/strategies/strategy5.html> (accessed October 20, 2008).

With this provincial ownership²¹ and jurisdiction over the forestland and the development of a staples-based economy, the relationship became an essential factor in the emergence of the forest industry in Canada. Unfortunately, what has been responsible for creating an important industry in Canada has resulted in the later effects of overconsumption and degradation.

A publicly owned forest creates the opportunity for provincial governments to generate substantial revenue by allowing industry to remove trees from Crown lands. It also saves the industries money because they do not have to pay for leases, as they would have to do with privately owned land. This system is based solely on the development of the economy.²² As technologies and methods become more advanced, the importance of the economy, revenues and a company's ability to use Crown land cheaply, provide for opportunities of overconsumption. Clearcutting²³ has become a popular method, leaving entire watersheds and areas emptied of trees.

Compared to public ownership, privately owned forest, which amounts for very little of the forest coverage in Canada, does not provide a better solution. Private forestry means that individuals or corporations have the deeds to the areas in question. As owners, individuals have the right to decide what will be done to the land. Privately owned forest

²¹ Provincial ownership encompasses approximately 71% of the total forest coverage in Canada. Environment Canada, "Forest Biological Diversity," Canadian Biodiversity Information Network, www.cbim.ec.gc.ca (accessed November 20, 2008).

²² It seems to be a pattern in Canadian industry to focus just on the economy. These industries did begin during a time when the environment was not an important issue, but it has become one now. As such, these industries need to adapt and evolve and understand that maybe their past practices can no longer work during this day and age. The forestry industry is not the only industry that has developed like this. Another good example where an industry was built upon a focus on the economy was the mining industry. The Mining Act preamble was written in order to promote the act of mining for economic purposes. At this point in time, the Mining Act is going under a review in order to modernize it and maybe it is time for this to occur within the forestry industry.

²³ Clearcutting now accounts for 90% of all forest harvest in Canada. ForestEthics, "Canada's Forest Industry: Setting the Record Straight," ForestEthics, www.forestethics.org (accessed October 20, 2008).

could result in a complete clearing of an area or a closed-off piece of land, for the personal purpose of logging and clearing.

A common “solution” to the issues raised by both publicly and privately owned forest is the creation of national and provincial parks. While this seems like an appropriate step in the preservation of Canada’s forestry, it has some unknown downfalls. The first downside is that not enough forest is marked as national or provincial parks. The protection of 13% of the forests on Vancouver Island was seen as a great step forward, but what was ignored was the fact that a remaining 87% was left for industry and development.²⁴ Another issue arises with the activities permitted on each type of park. While national parks do have a mandate ensuring the ecological integrity of each park, provincial parks do provide such a mandate.²⁵ Provincial parks still allow resource extraction to be conducted within the park boundaries.²⁶ The national and provincial park system is not a solution to the problem that the forestry industry is in right now it simply masks the problem. It provides areas for citizens to view Canada’s “natural beauty” while contributing to the economy through entrance fees. As is the case with a privately or publicly owned forest, the park system is focused on the economy. These conservation methods and others that have been adopted have also only exacerbated the wood supply crisis, with the volume and area of forest cut down increasing throughout the twentieth

²⁴ Jocelyn Thorpe and L.Anders Sanderg, “Knotty Tales: Canadian Staples and Post-Staples Forest Policy Narratives in an Era of Transition from Extractive to ‘Attractive’ Industries,” *Canadian Political Science Review*₁ (2007): 62.

²⁵ Jocelyn Thorpe and L.Anders Sanderg, “Knotty Tales: Canadian Staples and Post-Staples Forest Policy Narratives in an Era of Transition from Extractive to ‘Attractive’ Industries,” *Canadian Political Science Review*₁ (2007): 62.

²⁶ Ibid.

century.²⁷ Canada has learned throughout its history that the adoption of conservation methods do not work as planned. Before more conservation methods are implemented, what needs to happen in Canada is a complete change in the way resource-based industries are viewed.

The Future of the Forestry Industry

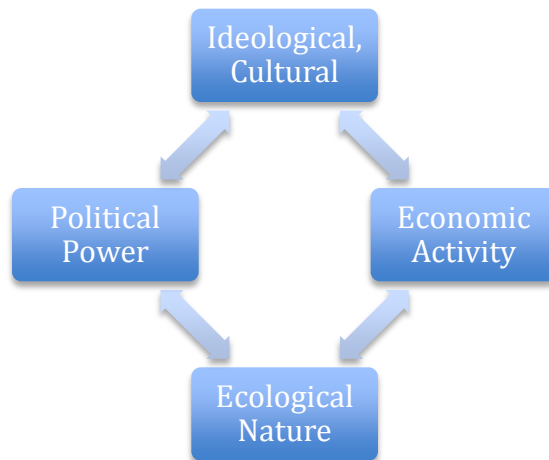
After years of overconsumption, degradation and neglect, what can be done in order to save the forestry industry? It is arguable that saplings will not replace 100-year-old trees that have been cut down. It is also possible that initiatives adopted to “replant” our depleted forests will change the overall makeup of such areas. As already discussed, publicly owned forestry allows for cheaply accessible, revenue gaining, harvesting areas. Privately owned areas provide similar downsides only with the potential for more revenue and national and provincial parks are used as way of convincing Canadian citizens that they are truly a ‘green country’. Similar to other staple-based industries, the focus has been on the economy and not the negative impacts that have been placed on the environment. More conservation policies will not solve the problem. What needs to happen is a complete change of how society views the overall system.

Figure 1 outlines a multi-level process, one that is important to understand how a sustainable systems works. This will provide for opportunities to better Canada’s individual policies. Involved in every aspect of Canada, there are four spheres: Political Power, Economic Activity, the Ecological Nature and the Ideological and Cultural. In every decision, policy and procedure that is implemented, these four spheres are important areas of concern. They are interdependent while still being relatively autonomous. What needs to be

²⁷ Ibid.

understood is that with every action taken within one of these four spheres, the result and impacts will be felt within the others. The key recognition is that if one of the spheres takes a direction that is too far out of that system, the rest of the spheres will feel the impacts.

Figure 1:



Using this model, and understanding that it will always be in motion, a dynamic balance is the ideal goal. With the ideological and cultural sphere guiding decisions²⁸, it is possible to use this model and a starting point for proper sustainable policy regarding the

²⁸ It can be seen that the ideological and cultural sphere is the most important of the four because it is ideas and beliefs that are behind every decision made in this country. Ideas matter because policies matter and as an individual gains experience, they will be able to use their knowledge and matured ideas to regulate the behaviour that leads to negative impacts on any of these four spheres.

forestry industry. An ideal balance would be one in which the political atmosphere was stable, the economy was at its maximum and the negative environmental impacts were at their minimum. As of right now, this goal is not being attained. The goal is maximum economic growth with little or no concern to the environmental aspects. So the question remains, which type of system encompasses this model? The answer to this question is the Eco-system Management initiative.

Eco-system management “represents a departure from traditional management approaches by addressing the interaction between biotic²⁹ and abiotic³⁰ components within a land or seascape, while at the same time incorporating human concerns through stakeholder collaboration.”³¹ According to the National Forest Strategy, the Eco-system Management approach:

maintains forest health, structure, functions, composition, and biodiversity, and includes, but is not limited to using integrated land-use planning; maintaining natural forested ecosystems; completing a system of representative protected areas; on a national basis, maintaining carbon reservoirs and managing the forest to a net carbon sink, over the long term; and conserving old-growth forests and threatened forest ecosystems.³²

The eco-system management approach appears to be one that incorporates not only the economy and stakeholders of the industry, but the natural environment as well. It is viewed as such an all-encompassing approach, that the United Nations Forum on Forests has identified it as a priority approach.³³ At this point in time, it is uncertain as to whether or not the Eco-system Management initiative will lead the forestry industry out of the crisis

²⁹ The term ‘biotic’ refers to living things in their ecological relations.

³⁰ The term ‘abiotic’ refers to the physical rather than the biological. These components are not derived from living things.

³¹ Samuel D. Brody, Sean B. Cash, Jennifer Dyke, and Sara Thornton, “Motivations for the forestry industry to participate in collaborative ecosystem management initiatives,” *Forest Policy and Economics* 8 (2006): 123.

³² National Forest Strategy Coalition, “A Sustainable Forest: The Canadian Commitment,” National Forest Strategy 2003 – 2008, <http://nfsc.forest.ca/strategies/strategy5.html> (accessed October 20, 2008).

³³ Ibid.

that it has placed itself in. What is for sure is that the type of initiative and approach is completely different from the traditional ways of looking at resource-based industries.

As has already been shown, the forestry industry, as a staples-based economy for many areas of Canada, has exploited a resource to the point where the industry is now in a crisis. Privately owned forest areas are not the answer and publicly owned forestry has led to overconsumption. National and provincial parks only provide a façade and in some ways, worsen the problem. The forestry industry, up until the 21st century, has been one of degradation and destruction. Changing the way in which individuals and societies think and view Canada's natural resources is essential in protecting what is left. An approach that incorporates all aspects of society and is able to provide balance is critical. The Eco-system Management approach is one that has the possibility of pulling the forestry industry out of its crisis, while protecting Canada's natural resource from further destruction.

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