

MANITOBA FORESTRY

GROWING OPPORTUNITIES FOR A SUSTAINABLE, INCLUSIVE FOREST INDUSTRY



The Sustainable Forestry Unit

Manitoba's Sustainable Forestry Unit (SFU) works to develop a sustainable, diversified strategy for Manitoba's forests while promoting:

- meaningful participation in forestry development by Aboriginal people
- value-added processing of both timber and non-timber forest products
- interaction between primary and secondary industries

Manitoba formed the SFU in 2003 to help promote forest industry based economic development. SFU works closely with Manitoba Conservation's Forestry Branch, which administers *The Forest Act*.

While the SFU is housed within Manitoba Conservation, it receives strategic direction and approvals from an inter-departmental steering committee of deputy ministers.

The SFU operates through negotiation, partnership and collaboration. The SFU provides service to industry and is a source of information and contacts.

Manitoba Conservation supports forestry development in our province. The SFU can help you consider options and discover new opportunities.

First Nations Forestry Limited Partnership and Ainsworth Lumber Co. Ltd. are considering co-development of an engineered wood processing plant to produce oriented strand board (OSB) and oriented strand lumber (OSL) in southern Manitoba.

Forestry is Important to Manitoba's Economy



- Forest covers about half of Manitoba's 54.8 million hectare land surface. Known as a Prairie province, we are also a province of Precambrian shield woodlands and waters.
- Aboriginal people have always depended on Manitoba forests for food, shelter and spiritual well-being.
- When European settlers arrived in this land, many viewed forests as a barrier to agriculture, but they also depended on it for building materials and fuel.
- Over the past century, Manitobans developed a successful forest industry that produces a variety of wood products for local use and export.
- For more than 75 years, primary forest products have played a key role in Manitoba's economic development.
- Today, our forest industry is part of Manitoba's fifth largest manufacturing sector.
- In 1997, forestry contributed \$418 million in gross domestic product to Manitoba's economy.
- The province owns about 94 per cent of Manitoba's forested land. The federal government owns one per cent and a remaining five per cent is owned privately.
- The allowable harvest limit for hardwood and softwood timber on Manitoba's open Crown lands is about 9.0 million cubic metres annually.
- About half of the allowable harvest, or 4.5 million cubic metres, are currently committed to industry.
- The actual harvest has averaged about 2.2 million cubic metres over the past five years, meaning there is plenty of timber we could use to expand our forest industry in Manitoba.

Primary Forest Products

Manitoba's primary forest products industry includes:

- softwood and hardwood lumber
- plywood
- particleboard
- oriented strand board (OSB)
- fibreboard
- medium density fibreboard (MDF)
- pulp and paper

More than 210 forest industry ventures directly employ more than 3,400 plant and woodland workers. These workers harvest and produce primary forest products in Manitoba, with shipments valued in the range of \$550 million per year.

Secondary Forest Products

Manitoba's secondary forest products industry produces value added wood products such as:

- kitchen cabinets
- windows
- doors
- manufactured housing
- architectural millwork
- remanufactured dimensional wood
- furniture

Almost 300 businesses in Manitoba produce value added wood products and employ about 8,700 people. There are 35 furniture producers in Manitoba employing 4,300 people.



Manitoba's Strategic Advantages

Investors in our forest industry enjoy a competitive business environment – an environment built on a unique combination of factors we call the Manitoba Advantage:

- a productive, well-educated, multilingual labour force
- extremely favourable business costs, including competitive office and land costs, low construction costs and affordable taxes
- one of North America's lowest electricity costs with highly reliable, renewable, environmentally responsible hydro-electricity
- extensive, modern communications infrastructure
- a growing network of highly competent research and development facilities that support and share technological innovation
- a convenient mid-continent location in the North American central time zone
- cost-effective transportation links and intermodal facilities providing shipping by road, rail, air and sea
- an extremely favourable cost of living, including affordable housing and the lowest auto insurance rates in Canada
- reliable, accessible public services, including quality universal public health care and education
- a dynamic cultural and artistic community and an attractive natural environment – all of which contribute to an unsurpassed quality of life

Rich in Opportunities

Manitoba at a Glance

- Population: 1,177,800 (2005)
- Area: 649,947 square kilometres (250,946 square miles)
- Productive Forest Area: 14.3 million hectares (March 2001)
- Capital City: Winnipeg
- Political System: Parliamentary Democracy
- Political Leader: Premier
- Official Languages: English and French
- Unemployment Rate: 4.8 per cent (2005)
- Real GDP growth in 2005: 2.9 per cent
- Exports (2005): \$9.8 billion.

Responsive Policy

Next Steps

In March 2002, Manitoba Conservation released *Next Steps: Priorities for Sustaining Manitoba's Forests*. That strategy outlined five priorities for sustaining Manitoba's forests:

1. Increase scientific and traditional knowledge of Manitoba's forests.
2. Enhance forest stewardship.
3. Increase co-management, employment and economic development opportunities for Aboriginal communities.
4. Promote a sustainable forest economy.
5. Update and improve legislation and guidelines.

View the strategy document on the Internet at www.manitoba.ca/conservation/forestry/reports/prioritiesdoc.pdf or call Manitoba Conservation, Forestry Branch at 204-945-7989 to obtain a copy.

Northern Development Strategy: A Vision for the North

Manitoba is committed to creating change that benefits northern Manitoba. This strategy seeks to:

- improve quality of life
- increase economic opportunities
- expand education and employment opportunities
- co-ordinate services and investment in northern Manitoba

At the heart of the strategy is the belief that the priorities, strengths and experience of northern Manitobans must guide northern development.

View Manitoba's *Northern Development Strategy* on the Internet at www.manitoba.ca/ana/info/nds.html.

A Vision that Includes Aboriginal People

Manitoba's Aboriginal population is young, dynamic and growing rapidly. While they represent the majority of people in boreal-forested areas of the province, Aboriginal people are still under-represented in the forestry-related economy. It is a Manitoba government priority to include Aboriginal people in forestry, wherever possible.

The SFU plays an important role in making connections between Aboriginal people and the forest industry. It promotes training and incentives to help people become involved in forestry related businesses. It helps bridge cultural barriers that have often made communication difficult between First Nations and non-Aboriginal communities. The SFU helps develop government policy aimed at recognizing and removing obstacles and challenges in order to encourage Aboriginal participation in Manitoba's forest industry.



Forest Management in Manitoba Today

Manitoba maintains a forest management licensing system that provides sustainable supplies of timber. A forest management licence describes the land where trees may be cut, the volume of wood that may be harvested and other specific terms and conditions. Granted for a period of not more than 20 years, licences can be renewed.

There are currently three major companies holding Manitoba forest management licences:

■ **Tembec Industries Inc.**
Pine Falls Operations
PO Box 10
Pine Falls, Manitoba
R0E 1M0

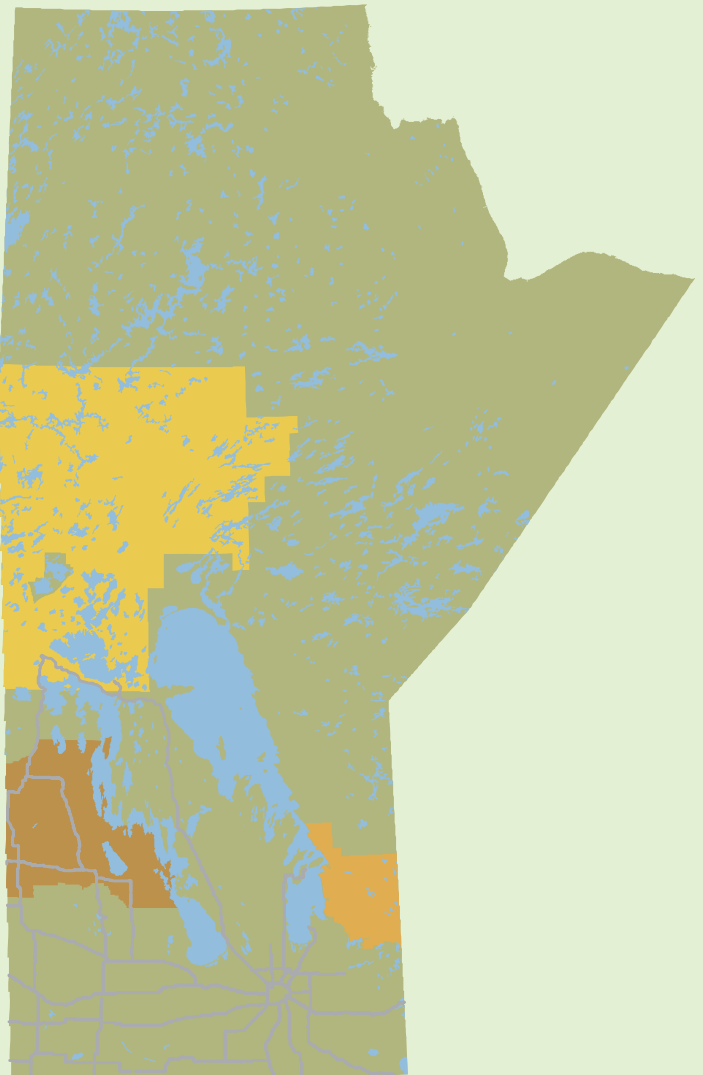
Tel.: 204-367-5223
Fax: 204-367-2442
www.tembec.com

■ **Tolko Industries Ltd.**
PO Box 1590
The Pas, Manitoba
R9A 1L4

Tel.: 204-623-8541
Fax: 204-623-4560
www.tolko.com

■ **LP Canada Ltd.**
Swan River, Manitoba
R0L 1Z0

Tel.: 204-734-4102
Fax: 204-734-3646
www.lpcorp.com



Internet directories of primary and secondary wood-using industries in Manitoba are at:
http://nofc.cfs.nrcan.gc.ca/mbprimary/en/index_e.php
http://nofc.cfs.nrcan.gc.ca/mbsecondary/en/index_e.php



Technology Transfer through Partnerships

The Forest Engineering Research Institute of Canada (FERIC)

FERIC is a non-profit research and development organization aimed at improving sustainability of Canadian forestry operations in areas such as harvest, transportation and reforestation. FERIC is funded by a growing partnership between federal, provincial and territorial governments and leading forestry companies representing more than 70 per cent of Canada's wood industry.

FERIC provides members and partners with knowledge and technology to run cost-competitive, quality operations that respect the forest environment. FERIC research benefiting Manitoba forest industries includes:

- harvesting and regeneration systems
- partial-cutting systems
- stand tending
- environmental effects of forestry operations
- value recovery from forest operations
- forest bioenergy generation
- transportation systems
- road construction and maintenance

Forintek

Forintek Canada Corp. is a not-for-profit wood products research organization. Forintek and Natural Resources Canada deliver a new technology transfer initiative called the Value to Wood program. It features a national network of industry advisors.

A three-year Manitoba-Forintek agreement shares the cost as Value to Wood program advisors help the provincial industry grow. Forintek's partnership with the province supports the mandate and goals of the Sustainable Forestry Unit.

Northern Forest Diversification Centre (NFDC)

NFDC is a non-profit agency working in northern Manitoba communities to build a non-timber forest products industry based on sustainable harvest and use. The centre has identified realistic, practical, income generating opportunities that can be developed by building on local skills and knowledge. NFDC provides research, training, marketing, sales and service to help this industry grow.



Forestry Organizations

Forest Industry Association of Manitoba (FIAM)

FIAM is an association of Manitoba forest industry companies that advances issues of interest to their membership and works with Manitoba Conservation and the SFU whenever possible.

Canadian Institute of Forestry (CIF)

CIF is a national organization of foresters, forest technicians and technologists, educators, scientists and others with an interest in forestry. Members work in government, industry, research, education and consulting. They represent one of the largest professional voices for forestry in Canada.

The CIF was established in 1908 to:

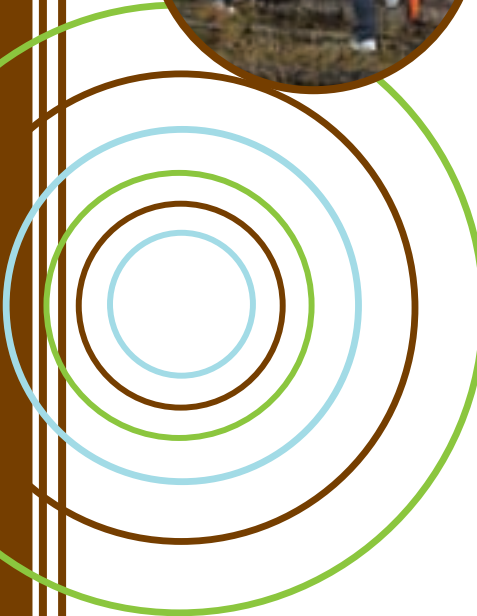
- advance stewardship of Canada's forest resources
- provide national leadership in forestry
- promote competence among forestry professionals
- foster public awareness of Canadian and international forestry issues.

Manitoba Forestry Association (MFA)

MFA is a non-profit forest education organization that provides information and education to a variety of audiences. It also administers a woodlot management program for private landowners in eastern Manitoba.

Manitoba Model Forest

The Manitoba Model Forest is one of 11 similar organizations across Canada committed to demonstrating how different social, environmental, cultural and economic interests can practise sustainable forestry together. Model forests bring together science, technology and traditional knowledge to generate new ideas and develop practical approaches to forest management challenges. The Canadian Forest Service and interested organizations and individuals from across Manitoba fund the Manitoba Model Forest.



Forestry Development Opportunities

Manitoba Conservation supports responsible, sustainable forestry development in our province and supports SFU objectives to:

- increase the employment and capacity of established forestry business
- encourage new forest industry and develop the secondary industry in our province
- increase value-added processing
- create new opportunities for employment and ownership by Aboriginal people
- maximize harvest to increase industry income, tax revenue and forestry investment
- promote development of non-timber forest products industries
- increase awareness of forestry as a major economic player with expansion potential
- develop government policy that helps increase industry competitiveness

Let's Talk Forestry

We can help you consider forestry business options and discover new opportunities in Manitoba. Contact us:

Sustainable Forestry Unit

Manitoba Conservation
Box 70, 200 Saulteaux Crescent
Winnipeg, Manitoba R3J 3W3
Phone: 204-945-7989
Fax: 204-948-2671

For more information about Manitoba's forest industry and Internet links to useful information sources, visit www.manitoba.ca/conservation/forestry/index.html.



Access to Data via Internet

Manitoba Land Initiative

The Manitoba Land Initiative (MLI) is a free, one stop Internet service that makes comprehensive land and geographic information from many areas of government available to the public. The aim is to encourage investment in Manitoba by providing information for decision makers in areas like resource management, environmental impact analysis, public safety and sustainable development. Find out how you can register for *free* MLI access. Visit: web2.gov.mb.ca/mli/.

Forestry Legislation and Policies

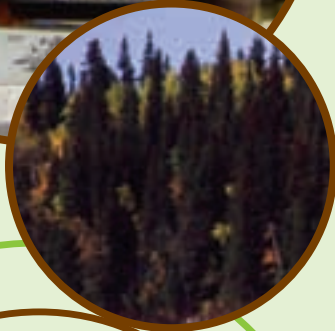
Legislation directly applicable to forestry in Manitoba includes:

- *The Forest Act*
- Forest Use and Management Regulation
- *The Sustainable Development Act*

Manitoba legislation and regulations are available on the Internet at www.manitoba.ca/chc/statpub or by contacting:

Queen's Printer – Statutory Publications Office
200 Vaughan Street • Winnipeg MB R3C 1T5

Phone: 204-945-3101 or 1-800-321-1203 toll free in Manitoba
Fax: 204-945-7172 • E-mail: statpub@gov.mb.ca







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