THE NORTHERN PERSPECTIVE: CONTRACTOR SUSTAINABILITY AND MARKET DIVERSIFICATION





will start out my winter report by drawing your attention to the Truck Loggers Association's 74th Annual Convention and Trade Show running from January 18 to 20 in Vancouver. The TLA always puts on a top notch show with plenty of informative talks and seminars as well as displaying the latest in equipment and technology. By attending these sorts of events you support the effort the logging associations put into improving the forest sector and highlighting the joint interests of the organizations. See you there.

An issue that pertains to us all is contractor sustainability. The TLA, the ILA and the NWLA are actively trying to find new methods to stabilize the sector and are looking for new approaches to the issue that will have a positive effect on contractor/licensee/log purchaser relationships. With this in mind, I'm pleased to acknowledge the provincial government's commitment to move forward with a contractor competitiveness review as described by Minister Thomson in his message (page 24). Forestry contractors and sub-contractors are based in our communities so their financial health is important to our communities. I look forward to hearing more about this four-phase contractor competitiveness review during the Minister of Forests Breakfast at the TLA convention.

In the Fall 2016 issue of the magazine I included a section regarding Skeena Sawmills receiving a cash injection for mill improvements. One of the technologies being investigated for the mill is a CT scanner developed to view the inside of a log. The scanner can detect defect, knots and rot. The image produced is analyzed to maximize the value from the log. Much of the fibre in the area is low quality but has some high value portions. If you have the ability to see the defect in a log you can saw to maximize the value extracted from it. It's exciting to see new technology making forestry more efficient.

In this issue, pay particular attention to the article titled "Calling All Forestry Workers: Be An Ambassador for Forestry in Your Community." It was with some concern that I learned of the UBCM resolution that "old-growth forest on provincial Crown land on Vancouver Island be protected from logging." My concern is with the resolution itself. Who was consulted, how much knowledge was the resolution based on, and what is the UBCM's understanding

a sawmiller, has made a substantial investment in new equipment and is now purchasing the highest quality logs to produce high quality lumber. The lumber produced is used to manufacture items such as pianos, guitars and aircraft. Larger milling operations can't produce these types of products due to the rigid quality control needed to satisfy the customers. The logs the mill uses would normally go to the export market or to a domestic sawmill for dimension lumber. This small mill is truly adding value to a log. It is important for all levels of government to take note of these

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of what old growth is? If this type of resolution were enacted in the northwest it would be devastating. Harvesting timber in the Northwest never reached any kind of volume until the late 1950s and early 60s. Consequently, the second growth volumes available for harvest are quite small. I have walked several stands of timber on the north coast and Haida Gwaii. The only way I could tell if they were previously harvested was faint evidence of old roads and trails. The stands themselves were of mixed age and species, indistinguishable from stands not previously harvested.

Our small sawmilling sector continues to produce product. As reported in the last issue, cedar round log markets are extremely high. The result has been less local appetite for cedar products due to the increase in finished product pricing and customers are electing instead to purchase less expensive alternatives. The flexibility of these operations allows them to switch products rapidly. Some are now sawing bridge material, beams and timbers, and a variety of other products. One NWLA member,

kinds of enterprises and do what it can to ensure fibre is available and that regulations and policies do not unduly inhibit the growth of innovations like this example but help promote their success.

These small operations' ability to access fibre in the northwest is likely a result of the licensees in the area being predominantly small and local with small annual cuts. They are willing to sort smaller volumes for the local log market and value added market. In contrast, the rest of the provincial licensee community is made up of very large corporations holding the majority of timber rights. These companies are unwilling to interrupt the flow of timber to support the smaller local operations. BC's northwest may be a model to look at to solve some of the fibre supply problems for smaller operators in other areas of the province. It is important that the forest industry be as diverse as possible and the smaller licensees and manufacturers play an important role in accomplishing that goal.