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> Forestry as an Essential Service





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FROM THE EDITORIAL BOARD DESK...

Welcome to the summer issue of *Truck LoggerBC* magazine, and my first issue as the new editorial board chair. Firstly, I'd like to express my best wishes to everyone and hope that you, your families and employees are all safe and healthy during these unprecedented times.

There is somewhat of a COVID-19 theme in this issue, as many of the articles address its impact on the forest industry. Business Matters provides cash flow strategies and information about federal government funding programs that provide emergency aid to support businesses and may help to retain your workforce. The Safety Report addresses protecting forestry workers and controls for employers to consider when operating their business with new protocols.

In the "Forestry as an Essential Service" article, we explore some of the issues that contractors are experiencing due to COVID-19 as well as how the forestry sector plays an integral role in providing jobs, keeping the economy from collapsing and providing essential materials.

In the "Forest Community—Ucluelet" article, Mayor Mayco Noel shares his pride about the Barkley Community Forest Corporation, which is a partnership between the District of Ucluelet and the Toquaht Nation.

Following government's recent announcement that it is moving forward on changes to the Manufactured Forest Products Regulation, we spoke to independent manufacturers in the "The Holy Grail of Job Creation in BC's Forest Sector" article to get their perspectives on its potential impact on their businesses.

> TLA Trades Award

Also in this issue, you'll meet TLA's new Executive Director Bob Brash, and learn more about his distinguished career in the forest industry over the past 30 years.

You'll notice that this issue is a few less pages and a few articles shorter than what we've come to enjoy in the past, which is also a result of COVID-19. We understand and respect that our regular advertisers need to make difficult decisions these days about where to spend their advertising budgets, and would like to express our appreciation to those who have continued to support *Truck LoggerBC* magazine and the TLA.

I would like to acknowledge that in the Spring 2020 issue we were remiss to credit Canadian Forest Industries as the original publisher of the "Vision 2020: The TLA's Annual Convention + Trade Show" article. And finally, I'd like to acknowledge and thank Allan Barr and the staff at West-Barr Contracting for allowing us to take photos at his log sort in Squamish.

As always, I trust you will find this issue insightful and

informative. If you have any feedback or comments, please contact our Director of Communications Jennifer Kramer, by email at jennifer@tla.ca.



Sig Kemmler Editorial Board Chair

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AN INTERCONNECTED INDUSTRY



I hope this message finds you, your family members and employees healthy and well.

Our world has certainly continued to present challenges. The interconnectedness of the forest sector locally, domestically and globally has been highlighted by the COVID-19 crisis. A four-month, worldwide downturn has had many different effects that along with the challenges of returning to work after the strike, dealing with snow, and suffering downtime due to export and blocking issues, has made for a rocky first half of 2020 for many contractors. It cannot be overstated how interconnected the industry is. It reminds us that solutions need to be universal and for the betterment of the industry as a whole.

On the bright side, forestry was deemed an essential service in British Columbia and no doubt will be leading the province towards economic recovery. As world markets begin to open up, those that are prepared and adaptive will have the best chance of capitalizing on the demand.

It is ironic that before COVID-19 there had been mounting pressure on all resources—or "first dollar" industries. It seems that this crisis puts into perspective the importance of our resource industries not just for economic reasons, but also for the products they provide, such as from the forest sector, including surgical and safety masks, and toilet paper. Resource businesses that create tangible products that provide safety, or build or manufacture, are the businesses that will need to lead the way out of this worldwide downturn.

Logging contractors have spent a lot of time defending our resource industries; it's possible we could be entering a time when the people of BC can look at "first dollar" industries for what they are—the economic backbone of the province.

In an effort to support the forest industry during COVID-19, the provincial government has provided a three-month stumpage deferral to help get the industry back up and running. Stumpage will still need to be paid but the deferral should help free up capital in the short term for start-up. It remains to be seen how this will work on the ground.

One of the highest priorities from the TLA's latest strategic plan was contractor

could, the Provincial Health Officer's restrictions wouldn't have allowed us to hold the same tournament that we have come to expect and enjoy. We hope to see everyone again next year.

Additionally, the TLA staff have been working from home and we've been hosting our board meetings virtually. I have to admit I am not personally a fan of

It cannot be overstated how interconnected the industry is. It reminds us that solutions need to be universal and for the betterment of the industry as a whole.

sustainability. It was a big undertaking and has been underway for more than five years; and was the primary focus for former TLA executive director, David Elstone. Over the years, it involved government conducting the Contractor Sustainability Review followed by their 13 recommendations and culminating with joint recommendations from the logging associations representing licensees and contractors, which were presented to government in early April 2020. Government is expected to move forward with the recommendations being written into legislative draft, which are to be read and (hopefully) passed into law in the fall sitting.

I'd like to thank all those who put their many hours of time and energy into this work. Its outcome should see a level playing field for licensee and contractor relations where both sides share the incentive to reach a negotiated conclusion. If an arbitrated conclusion is required, it should be an equally fair and uncomfortable process for both sides. A fairly-negotiated conclusion is the best conclusion.

On the subject of safety in the world of COVID-19, we made the difficult decision to cancel the TLA golf tournament this past June. While we would have been able to golf at a social distance, and Ron Coulson and the Crown Isle crew were prepared to host us as best they video conferencing but it's getting the job done and keeping people safe and right now that's what is most important.

As you'll no doubt notice, this issue of Truck LoggerBC magazine is a few pages less than normal; this is also a reflection of the times we are experiencing. I know businesses are making tough decisions right now about where to allocate their advertising dollars, so on behalf of the TLA I want to thank those who have stepped up and continued their support of the magazine. For many people it is a must-read cover to cover and it continues be an excellent source of knowledge and advocacy. It doesn't happen without support though, and we all owe thanks to those who continue to back the publication.

Looking ahead to later this summer, the executive, board directors and TLA staff are looking forward to developing and updating the next strategic plan, and sharing it with you in the fall.

Stay safe at work and home.

Bill Nelson, President, TLA Tel: 250-287-0045 Email: bill.nelson@hdlogging.com



TENURE REFORM: REALITY OR FANTASY?

A term that is mentioned all too frequently these days is "tenure reform." Can you define what it means? Can you provide any clarity as to what you would specifically do to accomplish it? While many groups and individuals have chosen to make it a mantra of the day and trumpet its necessity, any attempt to find specific and actionable recommendations to achieve the goal of tenure reform would be difficult at best.

Obviously, anything to do with tenure reform in BC's forests lies predominantly with the Province and ultimately with us, the voters. Achieving any substantive changes in the current allocation of timber will be a task requiring leadership and political will. Why? Consider the many hands asking for a piece of the pie and asking for it under totally divergent agendas.

If you are an existing licensee and secure in your current rights, tenure reform is likely not on your priority list. In fact, your efforts are probably directed towards maintaining the status quo or further expansion and consolidation to deal with BC's very high cost structures.

If you are a smaller player in the sector, you're always looking at ways to increase your supply of wood to help your business, to expand, and provide steadier jobs for your employees. For you, tenure reform could, if done right, be something very tangible and beneficial.

If you are a community, you may already have some community forest tenure or want one. For those communities experiencing success, you're likely looking for additional volumes in order to work on decreasing your fixed costs and improving the potential for increased community dividends and job creation.

If you are decidedly on the green side of the equation, perhaps you see tenure reform as a surrogate for increased outright protected areas and adoption of practices on the remaining land base that reduce overall harvesting levels to achieve your perceptions of what's required to address climate change.

cussion, some of the factors that should be considered in any change would be:

Obviously, anything to do with tenure reform in BC's forests lies predominantly with the Province and ultimately with us, the voters. Achieving any substantive changes in the current allocation of timber will be a task requiring leadership and political will.

If you are First Nations in BC, you're looking at any change and tenure reform to enable a more progressive path towards constructive reconciliation and enhanced benefits from the resource that's been your backyard forever.

If you currently work within and derive your living from the forest resource, you've likely heard this sort of talk for many years now. What you want, is to know you have a future in the industry, can continue to provide for your family, and contribute to your communities. Your message to all involved may be to ask that folks just don't mess it up with whatever is done.

So, you are the government and you get to sort out all of these competing agendas at play. Is it realistic for us to expect anyone can accomplish real change in our tenure system or is it merely a fantasy?

The fact is that there is likely a high degree of agreement on what needs to be done out there to make our industry a better and more prosperous one. Pick some topics such as intensive silviculture, protection of the working forest, utilization standards, innovative logging practices, improved investment climates, or reconciliation; you'll probably find a lot of us nodding our heads in approval for what needs to be done. Other points such as diversifying current forest tenures, log exports, climate change strategies, and transition strategies to increase value added may cause more heated discussions.

From our perspective, real discussions should happen on these fundamentals in order for us to collectively make our sector even stronger. As a suggestion for dis-

- Are the proposed changes going to strengthen the overall forest industry?
- Will the changes enable businesses to be more prosperous?
- Will the investment climate be such that it promotes real and sustainable investment in our forest resource?
- Will the investment climate improve to such that value-added businesses will prosper?
- Are the needs of First Nations and communities better addressed?
- Are the needs of current tenure holders addressed?
- Are we factoring climate change into the changes?
- Has more certainty been brought to the working forest land base?

Since many interests are at play, it is with certainty these suggestions will be incomplete in the minds of many. However, this should not detract from the need to begin to tackle the task.

From the TLA's viewpoint, we feel it is time to start tackling these broader issues. Hopefully all can agree on that as a principle. If there is ever a time for increased cooperation and coordination amongst all of us, this is it.

Towards that objective, we welcome any ideas from both our members and others on what needs to be done to ensure the improved prosperity of our industry. We look forward to talking to you about them.

Bob Brash, RPF, MBA, Executive Director, TLA Tel: 604-684-4291 ext. 1 Email: bob@tla.ca



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INDUSTRY GENEROSITY

Usually in this issue, it would be the time when I thank all of the suppliers, sponsors, exhibitors, guest speakers, Nancy Hesketh and her team for all of the effort that they have put into making our annual convention and trade show a great success. I would also be extending my gratitude to you, our members, who continue to support us by your attendance and wishing you all a safe and prosperous year. your behalf; COVID-19 has just made it a little more interesting.

All that being said, we would be remiss if we did not recognize all the hard work and effort that has and is currently being carried out by our first responders, front line workers, grocery store employees and everyone else who, like us, are deemed essential. The sacrifices that are being made by these men and women so that we are able to carry on with our

It is important that the citizens of British Columbia are reminded of the sacrifices that this industry continually makes to ensure that the economy of this province remains strong.

But in the world today, the "new normal" has made such events as ours not possible and we are learning to adjust to a more virtual world of doing our business. However, I would still like to extend my thanks to all those mentioned above. The effort and support that was put forward up until the official cancellation of the show was overwhelming.

Even though our Board of Directors and I were unable to see everyone this year, we are still here for our membership, even if it is just by phone or email. As we all navigate through these trying times the ILA is now, more than ever, committed to ensuring that the safety and well-being of our membership is first and foremost as we move forward together.

When the pandemic was first recognized for what it was, our governments made the decision to distinguish our industry as an essential service. Because of this designation it has now made the advocacy role of associations like ours more important than ever. It has also made it more challenging given the rules of social distancing and the restrictions on travelling. However, the ILA staff and directors are still actively working on day-to-day activities is unfathomable. So, on behalf of the ILA Board of Directors, membership, and staff, thank you.

By now, our hope is that many of you are back to work and while there are still new challenges as a result of COVID-19, many thanks also go out to you, your employees and all of your families. It is important that the citizens of British Columbia are reminded of the sacrifices that this industry continually makes to ensure that the economy of this province remains strong. The ILA believes that it is important to always recognize the contributions that our industry and our members continue to make. People like Greg Munden of Kamloops, who with his team made sure that long haul truck drivers continued to have access to meals during this unprecedented time of business closures. Thanks to companies like Arrow Transportation and Kal Tire who offered either financial assistance or places for programs like this to happen.

Additionally, as our way of giving back to our communities, there is still time to apply for ILA scholarships for those who are planning on a post-secondary education. A total of \$5,000 in scholarship funding is available, including: a \$2,000 Forestry Scholarship, \$1,000 Member Scholarship, \$1,000 Member Trades School Scholarship, and \$1,000 Associates Scholarship. For more information or to apply, please visit our website to download the scholarship application.

I am looking forward to when we will be allowed to travel a little more freely throughout the province. The time spent with members discussing all the issues that affect them and their communities has been critical in assisting the ILA with all of our advocacy efforts. For now, we will continue to update you through our website, newsletter, social media, email or even with a phone call, but I look forward to sitting down over a cup of coffee to talk about what concerns you. For now, if I haven't already talked with you or if there is an issue that you would like to see addressed, please don't hesitate to contact me.

On behalf of our Board of Directors, myself and Nancy, thanks for everything that you are doing and please continue to keep yourself and your families safe.

Todd Chamberlain, RFT, General Manager, ILA Tel: 250-503-2199 Email: todd@interiorlogging.org



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FORESTRY AS AN ECONOMIC SOLUTION





Well, it's certainly been interesting times, as the proverb goes. Over these past several months, the CO-VID-19 pandemic has impacted us all in many different ways. I hope you all have been able to stay safe and healthy.

Some northwest loggers and road builders have been able to continue operations, others have not been so lucky. But, where contractors have a market and control of their costs, they generally have been able to operate, even during COVID-19 because fallers, machine operators and truck drivers are naturally "distanced." It's pretty clear to me that keeping the contractor workforce going during COVID-19 was good for communities and the province.

Just before COVID-19 happened, the BC government started a cost driver process to address the growing economic crisis in the forest industry. Our members were told "everything is on the table." There was good interest and momentum seemed to be building. However, since the pandemic, it feels like we have lost focus. We need to get back to moving on the cost drivers, especially considering how important economic activity is going to be after the lockdown.

One of the good things that has resulted from COVID-19 is that we have seen that when government wants something to happen, they can actually make it happen. The decision to take action on this health crisis was simple. As soon as that decision was made, the speed and cooperation and support that occurred between our leaders and within and across government departments was inspiring. It also proved that many of the concerns or obstacles raised by bureaucracies, whether government or corporate, are not true barriers-instead, they are perceptions and inertia. So, if keeping forest communities and the economy viable in BC is truly important to our leaders, we

now know the decision to address the rural crisis, and to take action to make it happen, can be just as simple. So, we need our leaders to look at our forests and forestry contractors as part of the solution to address the economic

...we need our leaders to look at our forests and forestry contractors as part of the solution to address the economic and community devastation of the pandemic.

I mention forest communities because while the COVID-19 pandemic is global, our well-being and social survival is local. It's within our communities that our spirit and generosity show through, with friends and neighbours helping out when the chips are down. The fact that we can't easily gather together shows how much we need to gather, and the places where we need to do that, such as the ball diamond, soccer pitch, coffee shop, in a store, or on the street in the downtown core. Without those places, we lose our sense of community and our sense of ourselves. Our contractors and the small businesses they support are critical to the make-up of our communities, and COVID-19 has shown how fragile our small businesses can be. The struggles of local stores and restaurants, and the personal or financial devastation from the loss of months' worth of income is becoming a story that is too-often repeated. In BC, we need to leverage what we already have-our forests. This is an industry that is, as stated earlier, naturally distanced, so it's almost COVID-19 resistant. Road builders and loggers provide good employment and those workers live, and will spend their money, within the community.

A few local sawmills in our region have been able to keep running (at least at time of writing). Kudos to them as they work hard to turn logs into saleable and profitable products; they too will benefit if we are able to address cost drivers and contractor sustainability. and community devastation of the pandemic. Support contractor sustainability, implement the actions from the cost driver process, increase utilization from the forests, and support products that make use of the forest profile.

Our members will also do their part; they will provide good, safe jobs, invest in their equipment, constantly look to innovate so that they can be more efficient, and they will support local businesses.

If we do that, then our province, our people, and the communities where we all work and live, will prosper.

On a final note, I'd like to welcome John Nester, the NWLA's new general manager. He's not new to the organization though, having been involved for many years as a director as well as a pastpresident. His experience as an owner of a trucking company, and in financial advice and investments, means he is well suited to advocate for our membership and contractor sustainability. Watch for his messages here in future issues.

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Paul Schuetz > Northern Interior **PERSPECTIVE**

Our strenath is in our roots.



TLA REMOTE INDUSTRIAL THE TRUCK LOGGERS CAMPS POST-COVID-19

On March 26, 2020 the BC government announced forestry as one of many essential services during the COVID-19 pandemic. For this reason, many forestry companies in BC continued to operate as best they could despite the challenging economic climate and the necessity to rapidly adopt new safety protocols based on provincial health recommendations. The question is whether these recommended safety protocols are being effectively applied to the remote wilderness areas where much of the forestry work takes place.

With the COVID-19 virus being added to the list of hazards on a forestry worksite, companies are challenged to find ways to increase the protection of their employees by providing higher safety standards, especially with regard to personal hygiene, general cleanliness, and social distancing.

Implementing new safety measures to control the spread of viruses in remote camps and field operations can be a very difficult endeavour. While social distancing on cutblocks should not be a problem given the nature of the work, fresh water supply, handwashing stations and general cleanliness are issues that will need to improve on worksites that are located in rough and rugged terrain. Requiring the greatest consideration are remote accommodations, such as logging camps, where over-crowdedness, close living quarters, shared bathrooms, and often dilapidated conditions have, in my own experience, made them ideal sites for the spread of seasonal colds and flus.

Licensee-owned logging camps in BC operate under the *Industrial Camps Regulation*, which states they must "respond to health hazards as they arise, including mitigating their harmful effects." On April 23, 2020, an *Order of the Provincial Health Officer* relating to industrial camps was released and includes such measures as:

- Clean and disinfect regularly.
- Maintain social distancing of 2-metres, even at mealtime.
- Limiting gatherings (such as in the mess hall) to less than 50.
- Having sufficient infection control supplies, such as handwash stations.
- Raising awareness for workers to stay home when they are feeling ill.

on improved conditions, and invested in attracting the workforce required to keep the industry moving forward.

Forestry companies, on the other hand, survive on much tighter operating margins. Footing the bill for camp improvements is costly, and the logistics involved in maintaining proper safety standards in far remote areas is under-

With the amount of money that the federal government has been promising in aid across the country, a significant amount should be directed towards forestry and their remote operations.

Through recent discussions with BC Northern Health's environmental health officers, I learned that they are charged with conducting annual inspections of industrial camps, focusing primarily on "general set up, sanitation, water systems and food." However, larger and busier camps are given higher scrutiny and are inspected more often. Smaller camps, especially older sites in remote locations, seem to operate on bare-minimum standards and often remain in a rundown, aged state.

Since the COVID-19 outbreak, northern health inspectors are now being overwhelmed with an increased workload, and have since enlisted the help of conservation officers, compliance and enforcement officers, and other Ministry of Forests officials, to ensure compliance of the new standards.

Improving the living conditions of camps in the BC Interior is an expensive endeavour. Comparatively, oil and gas camps, such as those found in BC's Peace River District, have rooms with their own bathrooms, showers and TV's that enable workers to better meet standards of good hygiene, cleanliness and social distancing. However, the oil and gas industry (prior to the recent recession) had the money and resources to spend standably challenging. However, this is an investment that needs to be made if the industry is to survive and thrive.

With the introduction of the new industrial camp standards, the onus of implementation has been placed solely on the contractor and the licensee. Government subsidies exist through potential breaks during the appraisal process; however, the financial offset in stumpage being sufficient to meet the additional cost of safety protocols is by no means guaranteed. With the amount of money that the federal government has been promising in aid across the country, a significant amount should be directed towards forestry and their remote operations. This will help to ensure necessary safety standards are being met, and allow for the survival of the industry in a post-COVID-19 era. Such benefits would create a more attractive work environment for a new, younger generation of forestry workers, and would help to be proactive in alleviating the risk of spreading the current virus, and others that will inevitably be faced in the future.

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Chris Duncan > Business MATTERS



CASH FLOW STRATEGIES AND COVID-19 ASSISTANCE

The forest industry, like many others, is having to balance the safety of their employees and families with the struggle of maintaining their businesses through the COVID-19 pandemic. From reducing on-site teams, curtailing processing operations, to holding virtual meetings, the industry has evolved to meet the new reality.

However, external pressures continue. Sales of timber and lumber to export markets hit hard by COVID-19 have slowed to a trickle and new harvest plans are delayed due to the slow down in the supply chain. Financial institutions are bracing for a rise in defaults and many suggest lending rates may increase rather than decrease as a result of COVID-19.

Now is the time to adjust your business strategies going forward in ways that will meet your customers' needs, keep your employees safe and help preserve your business. The following are practical steps you can take and programs you can access to help position yourself to emerge and recover from this crisis.

Stretch cash flow

A full understanding of your cash flow situation is critical to determine the funding needs of your business.

Reassess your vendor and customer engagement strategies to identify which customers and vendors are critical accounts. Specific procedures can then be created to deal with strategic versus non-strategic partners to optimize payment schedules. • The federal Canada Emergency Business Account (CEBA) guarantees interest-free loans up to \$40,000 for small businesses to

Now is the time to adjust your business strategies going forward in ways that will meet your customers' needs, keep your employees safe and help preserve your business.

To further free up cash flow, consult with your tax advisors on the need to pay corporate income tax instalments for the balance of the year, given income and profitability is projected to be significantly lower than 2019. The federal government has announced many programs allowing payment deferral of corporate income taxes, corporate income tax instalments and GST/HST payments.

These deferral mechanisms may help with resolving temporary cash flow needs of business owners. However, be aware the debt is still owed at the end of the day.

To further help with temporary cash flow needs, the Business Development Bank of Canada (BDC) and Export Development Canada (EDC) have launched new smalland medium-sized enterprise loan and guarantee programs that will provide up to \$40 billion in additional lending. The programs are as follows:



help cover operating costs during a period where revenues have been temporarily reduced. To be eligible for this program, businesses need to demonstrate they paid between \$20,000 and \$1.5 million in total payroll in 2019. If the loan is repaid by December 31, 2022, up to 25 percent of the loan may be forgiven, to a maximum of \$10,000. Application for the CEBA is made through financial institutions.

- A new program partners the BDC with financial institutions to colend term loans to small- and medium-sized businesses for their operational cash flow requirements. Eligible businesses may obtain incremental credit amounts up to \$6.25 million, with the BDC providing 80 per cent and the financial institution providing the remaining 20 per cent.
- As part of a new domestic mandate enhancing their role in supporting Canadian businesses through the COVID-19 crisis, the EDC will provide guarantees to financial institutions issuing new operating credit and cash flow term loans of up to \$6.25 million to small- and medium-sized businesses. These loans will be 80 per cent guaranteed by EDC and are to be repaid within one year.

Preserve your workforce

Businesses need to stay focused on profitability and revenue targets; considering alternative ways to optimize performance in the short term can help meet new goals.

Reassess your labour requirements and staffing levels. The following federal programs provide emergency aid to support businesses and may help retain your workforce—make sure to meet their deadlines to qualify:

- The Canada Emergency Wage Subsidy (CEWS) provides eligible entities with a subsidy of 75 per cent of employee wages for a 12-week period, from March 15 to June 6.
- The subsidy is payable on the first \$58,700 normally earned by an eligible employee, representing a benefit of up to \$847 per week.
- Eligible entities would include employers of all sizes and across all sectors of the economy; however, public sector entities are specifically excluded from the subsidy.
- Eligible entities must demonstrate a decline in revenues of at least 15 per cent in March 2020 and 30 per cent in April or May 2020, when compared to the same month in 2019; alternatively, employers may compare revenue using an average of revenue earned in January and February 2020, provided they had a payroll number on March 15, 2020.
- Eligible entities can elect to calculate revenue using either the accrual method or cash method; however, the same method must be used for all periods.
- An eligible employee is an individual employed in Canada by an eligible entity, who has not been without remuneration for 14 or more consecutive days in the qualifying period.
- Eligible employers may access the CEWS by applying online through the Canada Revenue Agency (CRA) *My Business Account* or the new application portal. Entities may also have their accountant apply on their behalf through the CRA *Represent a Client*.
- The deadline to apply for the CEWS is September 30, 2020. See your accountant for assistance in the application process.
- The Temporary Wage Subsidy for Employers is also available to businesses; however, any amounts eligible to be received under this program will reduce the amount that can be claimed under the CEWS. This subsidy is equal to 10 per cent of remuneration paid from March 18 to June 20, 2020, up to a maximum of \$1,375 per employee and \$25,000 per employer.

In addition, contractors who must temporarily layoff staff due to the COVID-19 impact on their business may refer their employees to other programs for financial assistance. The Canada Emergency Response Benefit (CERB) is a support program for individuals who have stopped working due to reasons related to COVID-19.

The CERB is a temporary program providing \$500 per week for a maximum of 16 weeks. Applications can be made through the CRA, online or by telephone. Payments received under the CERB will be included in the recipient's taxable income.

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Tim Pryde > Safety **REPORT**



HEALTH AND SAFETY WHILE CONTINUING OR RESUMING FORESTRY OPERATIONS

Even during the best of times, the forestry sector shoulders a heavy load of uncertainty due to changing conditions—whether it be volatile economic markets or seasonal factors such as spring flooding or wildfires. Over the past year, the industry has been hit especially hard. Then this spring, as many operations were starting up, along came COVID-19.

Deemed an essential service early on in the COVID-19 pandemic, many forestry operations responded quickly to the crisis, developing safety protocols and modifying procedures to keep things running. In May, after the Province began lifting restrictions, other industries rejoined the economy. All employers in BC—whether they resumed their operations or they never stopped were required to develop a COVID-19 Safety Plan and post it in their workplace. Work-SafeBC safety officers actively conducted inspections and spoke with you about how you've assessed the risk of COVID-19 exposure at your workplace and what steps you've taken to keep workers safe.

You may have noticed that the step-bystep process to create your COVID-19 safety plan was similar to the process you'd go through to develop your worksite safe work procedures. It should have involved your workers, joint health and safety committee, and supervisors, and followed these steps:

- 1. Identify hazards and assess the risks at your workplace.
- 2. Implement measures to reduce the risk.
- 3. Develop policies.
- 4. Develop communication plans and provide training.
- 5. Monitor your workplace and update your plans as needed.

The risk assessment and mitigation processes you've used to keep your crews safe from COVID-19 are similar in principle to what you'd do to identify and mitigate all the other "everyday" health and safety risks in your operations.

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Preventing COVID-19 transmission has to be top-of-mind since we appear to be in this for the long haul. But we also have to be mindful of the need to assess and address risks that may arise from resuming operations after being paused due to the pandemic, seasonal factors, or other reasons. Make sure you provide safety orientation for new staff or refresher training for returning staff. It's important to consider the impact of restarting machinery, tools, and equipment that may have been stopped when your operations paused.

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Now is a good time to take it slow and give everyone enough time to adjust physically and mentally so they can do their jobs safely and properly. Supervisors should gauge how workers are adjusting to new routines and see whether they need any skills upgrades, or if they require more support and closer supervision. Quality supervision of workers is key to ensuring safety at your operations, but is particularly critical when restarting or when there's been a significant change. Ensure that effective communications are established early on and keep those communication lines open. Make sure everyone feels comfortable raising safety concerns.

Health and safety is a shared responsibility

Resuming operations is a good opportunity to remind everyone that workplace health and safety is a shared responsibility and all parties have an important role to play.

As an employer, you're responsible for the health and safety of your workers, and all other workers at your workplace. This involves having a system in place to identify hazards, control risks, and monitor the effectiveness of controls you've implemented. You're also responsible for ensuring workers and others at the workplace are properly trained and understand safe work procedures.

Workers are responsible for protecting their own health and safety as well as the health and safety of others. This involves being alert to hazards and reporting them to their supervisor or to you, following safe work procedures, and using protective equipment and clothing properly. They're also responsible for not working while impaired or overly tired.

Forestry operations are often complex worksites involving work at various phases with multiple employers. Owners and/or prime contractors are responsible for the overall coordination of health and safety at the worksite. This includes proper planning and conducting the operations to avoid the development of dangerous conditions such as phase congestion and ensuring all the work can be done safely.

Without a doubt these are challenging times and we've all been affected in different ways. Let's all do our part to prevent the spread of COVID-19 while maintaining a healthy and safe workplace.

Learn more

Learn more about assessing and controlling potential hazards and how to create a pandemic contingency plan at worksafebc.com. For resources on conducting forestry operations safely, visit worksafebc.com/forestry. Forestry is also the focus of one of WorkSafeBC's High Risk Strategies, which target industries with a high risk of serious workplace injury.

During this time, employers and workers are also expected to follow direction from the Public Health Officer. The BC Centre for Disease Control has collected essential information for employers and businesses on their website covid-19.bccdc.ca.

Tim Pryde, OHS Consultant WorkSafeBC worksafebc.com

Have you reviewed your health and safety plans?

Whether you're continuing or resuming your forestry operations, identify hazards, assess the risks and implement suitable controls.

Find out more at worksafebc.com/forestry





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Jim Girvan 📎 Market **REPORT**

WILL DEMAND FOR FOREST PRODUCTS RETURN?



As of May 1, the SPF random lumber price was \$US354/mbf (after dipping to a low of \$US282 in early March) which compares to \$US442 in late February and \$US655 at the peak of the lumber market in June of 2018.

The break-even lumber price for BC Interior sawmills is in the \$US375 range, giving consideration for the current 20 per cent US import tax. As a result, ongoing periodic downtime at many BC Interior sawmills can be expected until lumber prices improve. When the reduced US import taxes come into effect sometime in August after the US Commerce Department issues its final ruling, break-even Western SPF lumber prices in the \$US325 range are possible. However, recovery of the North American lumber market has several challenges ahead, says Russ Taylor of FEA Canada (Wood Markets).

Almost daily, in the new world of CO-VID-19, there are emerging issues as buyers and sellers adapt to a new world order. Conducting business is complicated by volatile markets, with some operations closing and others starting to open.

In the US, housing starts are expected to plunge from near 1.6 million units annually on a seasonally adjusted basis in the first quarter of this year, to closer to 0.8 million units by the summer months. This demand shock is a key reason why about 25 per cent of North American lumber production capacity has already curtailed, with the most likely scenario that more curtailments will have to occur until a rebound in demand eventually occurs. North American markets are on a wild ride this year, from strong to weak in the first half of the year and perhaps a repeat in the second half.

For BC sawmills, the challenges are more difficult since timber supply is

tight and wood costs are high, despite the deferral of stumpage fees for up to three months, especially in the BC Interior. While the rest of the world has the same challenges with COVID-19, they also have some distinct advantages. For example, Germany, Czech Republic, and Austria have a massive spruce bark beetle epidemic that is providing a surplus of sawlogs to sawmills at prices that are 50 per cent lower than only 18-months ago. This is allowing European mills to be competitive in almost all export markets, including the US. Some German mills have the lowest delivered costs to the US East Coast and are comparable to mills in the southern US, which has traditionally had the lowest costs.

Spruce log exports have also disrupted the Chinese market as Europe has now become the second largest log supplier to China, more than doubling the volumes they receive from North America. One of the reasons BC coast logging operations have been curtailed is they cannot not compete with European exports.

BC lumber suppliers are now at the high end of the cost curve and are reeling further from the challenges around COVID-19. As a result, many lumber producing companies in BC have recently announced periodic, week-toweek downtime. Notables include Canfor, Western Forest Products, Conifex and West Fraser at time of writing, and on the Coast, Coastland and Richmond Plywood also closed operations. Others are expected to follow suit as the pandemic progresses.

Brian McClay & Associates Inc., a pulp and related end-uses market intelligence consultancy, is seeing structural change coming to the global pulp market that is being accelerated by COVID-19. "Demand in the NBSK market is not too bad today with global spot prices rising, but it is likely near a peak," notes McClay. This demand is fundamentally being driven by tissue and hygienic papers following the hoarding and increased use of tissue as people are forced to stay home. This trend is likely to last into summer when we may be on a "slippery slope downward" with a modest correction in prices as we return to pre-COVID-19 societal norms.

That said, "pulp supply is risky" for some producers as a result of reduced fibre availability, cost and ongoing CO-VID-19 management issues on the sawmill side. While some pulp mills in Chile have closed following workers contracting COVID-19, other mills are delaying downtime and maintenance due to CO-VID-19 and the difficulty of managing workers. However, this increased spring production of pulp, is feeding the new growth in global tissue demand.

For the longer term, COVID-19 is accelerating a change in recovered paper. One third of global tissue production uses recovered paper as its raw material, the availability of which is plummeting due to the stay-at-home policy causing less workers using paper in the office, and with less major events, the related advertising flyer production is down significantly. With less recovered paper, and the potential for a structural change in how people work coming out of COVID-19 such as increased e-commerce, it may further impact the pulp market positively since for tissue producers, the purchase of pulp is the alternative.

Jim Girvan RPF, MBA MDT Ltd. Tel: 250-714-4481

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Many rural mayors rightfully pride themselves on being heavily involved in the community. But long-time logger, entrepreneur, and Ucluelet Mayor Mayco Noel brought new meaning to the term during the height of the coronavirus lockdowns in April, when he talked to *Truck LoggerBC* while driving a garbage truck.

Like so many civic leaders of relatively small towns, Noel was determined that life in Ucluelet would continue as normally as possible in the wake of government closing the economy—and driving a garbage truck was just one of several services he provided via his company, Ucluelet Rent-It-Center Ltd.

His dedication is understandable, considering the gains Ucluelet has achieved. He speaks with unabashed pride about the Barkley Community Forest Corporation, a partnership between the District of Ucluelet and the Toquaht Nation: about 27,000 cubic metres is harvested annually within its 6,760 hectares, and Noel refers to it as "One way we've been able to maintain our forestry roots, even though we've diversified our economy by focusing on tourism."

As garbage cans clang in the background, he adds, "Small communities are especially vulnerable to economic downturns, and I honestly believe that community forests if maintained properly are a fantastic asset to our annual budgets. In good times they allow us to thrive and grow, and during emergencies like the lockdowns the money generated helps keep us operational."

There's no mistaking Noel's logging background: he doesn't waste words (including the four-letter ones) and is blunt, and by necessity he views every challenge as an opportunity. And just as you can't separate the logger from his persona, you also can't separate him emotionally from Ucluelet, the town of 1,800 residents in which he was born and raised. "I've lived elsewhere in my 50 years, but this is the only place that feels like home," he says.

Located on the western edge of Barkley Sound on the outer west coast of Vancouver Island, Ucluelet enjoyed a colourful history as a fishing mecca, a home for a whaling station, and even a base for seaplanes (during World War Two) before becoming incorporated in 1952 and later a district in 1977.

When mechanized logging replaced traditional methods in the 1950s Ucluelet also became a logging hub, but regional activity over the decades was said to have destroyed or degraded significant amounts of salmonid habitat crucial to the town's economy. This prompted loggers, First Nations, biologists, and forestry professionals to form the Central Westcoast Forest Society in 1995, which today aids and supports the conservation of wild fish populations through habitat restoration, research, and monitoring.

Like its neighbour Tofino, Ucluelet eventually made the transition from a resource-dependent economy to one of year-round tourism, and today its Pacific Rim Visitor Centre is the second most visited tourism facility after Victoria. In addition to fishing, attractions include surfing, whale watching, kayaking, camping, and biking.

As a youth, Noel studied criminal law and worked for the ambulance service before being asked by a logging crew that was staying in his family's hotel if he wanted to assist in their heli-logging operations. "I was 21, I said yes, and I almost blew my chance at a career by waking up late for work the next morning," he recalls.

What followed was twenty-five years of Noel employed by the Coulson Group of Companies: first on the ground under hovering Sikorsky S-61s, and subsequently as a logging manager responsible



for teams of up to 100 unionized and contractor staff. Under his supervision over two million cubic metres of timber was harvested over a 16-year period, and when Coulson diversified to include firefighting in its range of activities in the early 2000s, Noel became project manager of aviation.

Understandably, while Noel is proud of Ucluelet's skill in developing a viable tourism industry, he becomes especially animated when discussing the Barkley Community Forest Corporation, which was formed five years ago. "For starters, it's been an incredible experience partnering with the Toquaht Nation, a very small group that was seeking business opportunities," he says. "They could have easily undertaken the forestry themselves, but they were gung-ho about partnering for the betterment of the overall community."

He adds that five years ago the corporation "had a negative bank balance, but in the last three years we've split \$3 million apiece in profits. That may not sound like much until you consider that Ucluelet's average annual budget is in the range of \$6-\$7 million."

The corporation's profitability first made headlines in December of 2018, when Noel and his council accepted a cheque for \$1 million from Barkley Board Chair Terry Smith. "We had one contract of 20,000 cubic metres that netted us almost \$4 million: that's pretty spectacular," said Noel, adding that nobody expected the market for cedar to be so good.

District Chief Administrative Officer Mark Boysen noted that when the first dividend was paid earlier that year, council launched a survey asking residents what they thought would be the best use of the community forest's funds—and affordable housing proved to be the number one priority.

Noah Plonka, manager of business operations at the Toquaht Nation, points out that the development of the community forest was years in the making. "Our late Chief, Bert Mack, spent ten years working to get it started by laying the ground work with a succession of mayors. We've always enjoyed a good working relationship with the Ucluelet community and its civic leaders, so it made sense to partner on this initiative."

Plonka adds that, "As a group very much involved in logging but small in size, us working together in a partnership makes things go very smoothly. As for Mayco, I've known him for years he's a great guy. I dealt with Coulson at their mills and was a salvager when he was working for that company."

Today, while affordable housing is still needed, the main goal of residents is the same as everyone's around the world: to get back to normal, or at least back to a degree of economic prosperity. And on that score, even when easement of the global lockdowns seemed a long way off in April, Noel could see ahead to Ucluelet's recovery. "It will be a challenge for the charter fishing business and others to maintain social distancing, for example, but where there's a will there's a way," he said.

"Business models will change, in many cases I'm sure for the better. And I think we'll see an influx of urbanites to many rural areas, including ours, after the pandemic is over—and this means new investment opportunities. Whatever happens, initiatives such as our community forest will continue to thrive, and we'll work together to ensure that Ucluelet remains a desirable place to live with a rich heritage to draw from."

FORESTRY AS AN ESSENTIAL SERVICE By Ian MacNeill

A the end of March when the pandemic alarm bells started ringing and workers were starting to get sent home for quarantine, the provincial government hurriedly drew up a list of "essential" services and industries. Services and industries that were deemed essential to "preserving life, health, public safety and basic societal functioning," basically the kinds of things British Columbians come to rely on in their daily lives. They included forestry-related activities, which came as good news to Bill Nelson of Holbrook Dyson Logging on Vancouver Island.

"We need to go to work," said Nelson, who is also currently president of the Truck Loggers Association. "After an eight-month strike, we couldn't afford to not be working." He adds that for the most part he and other contractors are not interested in "handouts from government" that many of them might have to pay back anyway because of the size and scope of their operations.

Still, it is anything but business as usual, along with all the costs and inconveniences associated with "social distancing" at work, contractors are facing supply-chain issues as well as a variety of unique challenges. There are minor irritants, such as ensuring that everyone who might need the use of a pen carries their own, to big ones. For example, when the first wave of panic hit, there were concerns that helicopter evacuation services would not be available. This is obviously problematic in remote locations where your team needs assurances that if one of them gets injured no effort will be spared in getting them timely access to appropriate medical care, and there's no substitute for a heli-vac. In time, protocols were established for evacuation procedures and Nelson is now expecting the choppers to arrive when and if they are needed.

Added costs of adapting to this new normal are quite obviously having an impact on the bottom line. Transportation has been a real bugbear. Where in the past a crummy or pick-up might have had three to five individuals travelling in it, it is now down to one or two. That means more trucks, more fuel, and more difficulties in finding space for them all at busy worksites.

Fortunately, isolated logging camps are a good thing in the pandemic environment. Employees coming in to get their temperatures tested and are then grilled about their recent travel and domestic activities, and if deemed clean, enter a community where everyone is presumed to be safe. However, town-based employees present a different problem. Pretty much everyone in the forest is safely social distanced while on the job, but you never know what kind of contacts your people are going to have when they go home at night, so you have to have strict protocols on-site and ensure they're respected. The good news is that employees have been good about buying-in to the new world order.

Supply chain issues have also been a problem. Instead of going to suppliers with a truck, loading up and driving away, all ordering has to be done in advance, with consultations taking place over the phone, or online; fortunately, modern technology makes this a lot easier. Also, some town-based suppliers have lost employees to quarantine and are working with reduced staff. "What used to take a day to get now takes two or three," says Nelson.

There is also anxiety about the future. All these new protocols are adding costs, costs that can only be vaguely estimated now, and Nelson says he and other contractors he has spoken to are concerned these costs could put them out of business. However, there is hope that the provincial government will balance cost with need and find a middle ground everyone can live with. Time will tell.

On other fronts, forestry-related activities are not just providing jobs and keeping the economy from collapsing, they are providing essential materials in the fight against COVID-19. Paul Sadler is general manager and CEO of Harmac Pacific, a Northern Bleached Softwood Kraft (NBSK) pulp mill near Nanaimo. Although it only represents about 5 per cent of the company's annual output, Harmac produces a spun-cedar lace product that is used to make protective clothing needed by the medical community. He describes the finished fabric as similar in function to Gore-Tex; it is tough, breathable, comfortable to wear, and most importantly, it stops liquids. "Demand is definitely up," he says, because in addition to higher usage rates, buyers are stocking up for uncertain futures.



In addition to helping in the fight against the disease, this unique and important product also underscores how important it is to maintain some degree of industry access to old-growth cedar, which is essential to the process. "We've been very careful to protect our cedar supply chain," he says. "We've worked very hard to be a good customer."

So far, Harmac has not experienced supply chain issues. However, with the general downturn in the economy and the expected downturn of housing starts in the United States, there is concern about the future. There were fibre-access issues pre-COVID-19, and fears now that they might worsen later in the summer. He and others in the pulp industry are doing everything they can "to alert our colleagues in Victoria that we need help finding solutions to sourcing affordable fibre."

There is another forestry-related product that has been thrust into the limelight thanks to COVID-19, toilet paper. Thanks to a combination of greed on the part of would-be entrepreneurs stocking up in the hopes of gouging their neighbours with inflated prices, as well as fear on the part of many consumers that they would simply run out, toilet paper disappeared from store shelves in the early days of the pandemic. It did not help that videos were popping up on the internet of people fighting in shopping aisles over dwindling supplies.

As a result, it didn't take long for the media to show up at the doors of Kruger Products, located on the banks of the Fraser River in New Westminster, and the producer of 40 per cent of all the toilet paper sold in Western Canada. When the cameras got turned on, General Manager Mark Evans's words and demeanor conveyed a central message: "Relax, there is going to be lots of toilet paper." And there was. The company rapidly instituted social distancing measures and put the pedal to the metal, and the great toilet paper fiasco of 2020 ended with a whimper. Although the company is limited in its ability to increase output, which this year will hit an estimated 60,000 metric tonnes, it did make changes in order to get the product out the door and on the shelves faster. They included reducing the product line to five or six "flavours" until the pipeline was re-established. Distributors and retailers were fine with that; they just wanted product on the shelves.

Although it operates more in the consumer-products space, Kruger is inextricably linked to forestry, says Evans. It needs a steady stream of both soft and hardwood Kraft to spin out the rolls. Like Harmac, Kruger has not experienced supply chain issues in terms of fibre, so far. There are some concerns about future fibre access because of the recent spate of sawmill closures, but the company's suppliers know that it produces a product that is important to consumers. "There are no guarantees ever," says Evans. "But they'll do everything they can to keep us in fibre." The company also benefits from having access to a large inventory within a radius of 25 kilometres.

Large and small, remote and urban, the current pandemic is underlining the importance of forestry to individuals and communities alike. It is, and will remain for many years to come, an essential industry in British Columbia.

The Kiwi Conundrum

It is possible that future forestry classes at schools for young people entering the industry will include a discussion of how quickly interrupting forestry operations can interrupt a supply chain and affect a wide range of industries and consumers alike. Of course, on one level you can hardly blame the government of New Zealand for slamming the economy shut when COVID-19 hit the Land of the Long White Cloud. Who knew how bad it was going to get? Like other countries, it drew up a list of essential services and industries, and forestry was not among them. There were almost immediate repercussions, says Tyson Lambert of T-Mar Industries on Vancouver Island, which designs and manufactures steep-slope logging equipment, about half of which is sold into New Zealand, so Lambert is familiar with the Kiwi forest economy.

About a third of New Zealand's export economy revolves around one product, radiata pine, which is grown plantation-style, and when the shutdown hit, exports ground to a halt. Buyers in China, who typically absorb as much as half of the export crop, hit the panic button. In addition to its own ports being shut down because of the disease, it could not turn to the United States for alternatives because of the ongoing trade war. "So, you have all these ships full of logs floating around with nowhere to go," says Lambert.

Eventually Chinese ports reopened, and the logs that had been piled up at ports like Tauranga on The Bay of Plenty started flying off the dock and into the steady stream of ships coming to haul them away. However, there were no logs in the pipeline to replenish them because of the cessation of forestry operations upstream. When *Truck LoggerBC* magazine spoke to Lambert in mid-April he reported that forest companies in New Zealand were "pleading" for a reopening of the industry so they could replenish the depleted docks. "Impatience is starting to set in," he says.

The industry finally reopened April 28, but by then a significant amount of downstream damage had already been done.

COVID-19 has made life difficult, expensive, and often problematic for those operating in the forestry sector in BC, but as the example of New Zealand illustrates, it could have been worse if the industry had not been deemed essential.





DELAY IN TREE PLANTING SEASON ARE OUR FORESTS AT RISK? By Jim Girvan

A lthough the coastal tree planting season started in February, when the news of the COVID-19 pandemic hit the airwaves, its impacts on the BC Interior tree planting season had yet to be fully embraced.

The 2019 planting season was typical of those in the past, which saw about 275 million trees planted. But beyond the licensee obligations to plant trees after harvest, several issues and opportunities caused the 2020 planting season to be one of the biggest on record with an estimated 310 million trees in the queue to be planted across BC. An increase in trees came from Forests for Tomorrow, a BC government funded program to increase the timber supply; the BC government funded Forest Carbon Initiative; reforestation of recent wildfire areas; replacing of plantations lost to drought; and reforestation of severely impacted mountain pine beetle areas.

During 2018 and 2019, government, industry, and the Western Forestry Contractors' Association (WFCA) worked diligently to ensure that there was enough nursery capacity to meet seedling targets for 2020 as the demand grew.

Things were looking good, until the letter issued on March 24 by BC's Chief Forester, Diane Nicholls stated, "The COVID-19 pandemic is creating huge uncertainty for everyone involved in making the Interior planting...season a success... As Chief Forester for the Province of BC and with the support of BCTS and the WFCA, I am recommending that any planting not yet initiated, be deferred until the beginning of May to provide additional time to allow the preparation of a proper response to...the COVID-19 pandemic...This deferral will allow companies and contractors to develop a proper response to all the factors that need to be considered..."

The tree planting season can see up to 5,000 tree planters from across Canada arrive in rural communities throughout the BC Interior, and planning was needed to protect both workers and residents. Many communities had already voiced concerns about "outsiders" coming into their towns and potentially bringing COVID-19 with them, but given that the Provincial Health Officer designated forestry and silviculture as essential services, the designation legitimized the sector's work during the pandemic. It is, in effect, a mandate from government for contractors to operationalize the public's important investments in our forests.

Gerry Thiessen, mayor of Vanderhoof is sensitive to the issue of tree planters

coming into town. "We can't just say yes come to our town and we can't just say no. We need a solution that will keep the community safe and at the same time address the need to get trees in the ground. But we can't be put in a situation where we decide, are we going to plant a tree or save a life?"

Rural BC communities have done well when addressing the virus given their populations are relatively dispersed and people recognize the need for caution. But missing a single year of planting will make it difficult to ever catch up given the number of trees planned for 2020. Sustainability of the forests in the region may be at risk.

However, from Thiessen's perspective, tree planting contractors with the support of the WFCA have embraced innovation over the years and continue to do so with COVID-19.

While the season was delayed, the pause was used by contractors and clients to equip and implement the new extra measures required to keep crews and communities safe from spreading the virus.

That work was led by a strategic consortium comprised of the Office of the Chief Forester, WFCA, and licensee representatives. Contractor task teams along with



safety advocates worked on the details. The hold on the season allowed stakeholders to watch where the pandemic was headed and plan appropriately.

There were three key areas of concern that needed to be addressed: The need for approval from the Public Health Office (PHO) to actually start planting trees; a social licence from the rural communities of BC to have planters come into their communities and of course, an agreement on just who will pay the cost experienced by contractors in accommodating COVID-19 concerns.

The first step was the development of the practice document, COVID-19 Pandemic Draft Guidelines for Motels and Remote Accommodations, a general synopsis of information and recommendations developed by Dr. Jordan Tesluk of the BC SAFE Forestry Program's Forestry Safety Advocate. The document provided guidelines for staff screening, transportation of workers, remote site isolation protocols, accommodation requirements and, of course, social distancing while planting.

This plan allowed Thiessen, who also acts as the chair of the Regional District of Bulkley-Nechako, to have all other regional mayors agree to work with WFCA as a leap of faith to find solutions necessary to keep everyone safe. "Contractors have agreed to isolate workers where needed, their transportation is structured, and needed camp supplies will be ordered in advance so that local businesses can continue to support them. Things may have to be adapted, but they will be addressed as we go," says Thiessen.

With a plan in place, can all the trees get planted?

In a March 26 interview with CBC Radio, John Betts, executive director of WFCA, said meeting targets with a shortened season would be tough. "It's remotely possible...if the season's weather cooperates and we end up pushing the season into July, but I think a few million seedlings are at risk."

Mike Trepanier of Industrial Forestry Service Ltd. (IFS) in Prince George oversees their tree nursery that produces about 20 million trees annually. "There is no question that tree planting contractors are in a difficult spot," notes Trepanier.

As a result of COVID-19, IFS implemented many internal measures to secure employee safety. But for IFS, the 75,000 boxes of seedlings (or about 24 million trees) currently being held in cold storage for the spring plant are at risk. They normally start shipping late April with a target planting completion date of June 21. Most shipments are now delayed into early May. If further delays happen, or if all the shipping requests come at once, it will be difficult to thaw and ship simultaneously while keeping employees safe. Trees in cold storage cannot be held for a later plant as they continue to consume carbohydrates while dormant and eventually, they die. That, and most cold storage units are not designed to hold trees in the warmer summer months. In the end, the tree planting contractor's ability to address issues and meet demand will dictate the nursery's ability to ship.

Additionally, since January, IFS has invested over a million dollars in a crop that is to be planted in the summer of 2020 and they must keep it growing until summer planting starts. "If the spring plant gets delayed further or if planting capacity does not materialize due to CO-VID-19, then the summer plant may also be at risk," cautions Trepanier.

Rob Miller of PRT Growing Services Ltd. agrees and notes that the delay may jeopardize getting all the trees that are ready for 2020 in the ground. If the planting delay is too long, the nurseries may have no choice but to compost trees.

Ultimately the licensees who have invested in growing the trees have to decide the likely course of action based on the situation that unfolds. Everyone wants to get the trees in the ground, but there are limits to what can be done as the warmer summer weather approaches. That said, licensees still have the liability to reforest and they have already made the financial investment in this year's trees.

Can we catch up if some trees do not get planted? "Not likely in one year," suggests Miller. On the other hand, reduced harvests in 2019 and so far in 2020 and the need to reforest less area harvested in those years may provide needed room to catch up on planting over the next few years. Every year the industry has to readjust and make new plans.

Loggers will agree that changes to the circumstances surrounding operations after bids have been made and accepted inevitably causes problems and can cost money, and tree planting contractors are no different. Most planting contracts are negotiated during the winter and spring, but given that the PHO did not approve the order related to industrial camps until April 23, which included tree planting camps, a lot of changes had to be made before the contractors could commence work.

The PHO Industrial Camps Order and related guidance document, Protecting Employees, Contractors, and Employers

Working in the Silviculture Sector During the COVID-19 Pandemic, details what employers, camp coordinators and workers are required to do in industrial camps. It covers everything from having sanitation stations at worksites, clean vehicles to transport staff from housing to work locations, physical distancing on the job and best practices for handling tools and equipment. It also stresses the importance of workers taking physical distancing steps when accessing the local community to purchase goods and access services. Infection Prevention and Control Plans must be developed and reviewed by the ministry. Ministry staff will visit camps to ensure plans are being followed. Should a violation of the PHO order or adherence of the guidelines be observed, a health official will be assigned to enforce the order.

Jim Logan of Folklore Contracting Ltd. in Prince George and veteran of the tree planting industry sees 2020 as the most challenging he has ever experienced. "We have invested a lot of money in order to make this year's season happen. If we stop, we are broke, but if we go ahead, we might go broke because of the risk. It is a tough situation."

PRIVATE WEALTH

MANAGEMENT

The biggest risk to a contractor is if a camp has a COVID-19 outbreak. "If workers get any symptoms, they have to be quarantined, whereas in any other year, symptomatic workers normally will work anyway," notes Logan. In these cases, man-day rates would have to be paid to those quarantined. With too many symptomatic workers, it could bankrupt a contractor quickly. But, notes Logan, "if we practice what we have put in place, [requiring workers to have health logs and record temperatures, manage the crews working in "pods" of trucks, no buffet meals, separate quarantine areas, and specifically following the PHO order], we should be OK."

Gaining the social licence to take big crews to small remote communities was another significant challenge for planting contractors. On April 24, a government press release reassured communities that all reasonable steps were being taken to ensure worker and community safety while allowing tree planting to proceed. "BC continues to be a leader in the fight against COVID-19, and now is the time to reinforce our efforts to keep people safe and healthy," said Doug Donaldson, Minister of Forests, Lands,

CIBC WOOD GUNDY

Natural Resource Operations and Rural Development. "Tree planting is crucial to the health of our forests, and we are instituting strict measures based on the PHO's expert direction to make sure that it is done in a way that protects workers and the people of British Columbia."

"Recent planting completed on the Coast shows that when workers and contractors take appropriate steps to make sure health and safety measures are followed, tree planting can safely take place," said John Betts. "Our members began implementing additional steps to protect workers and the public very early on, and it is working."

As for the increased costs that will be realized by contractors to ensure worker and community safety, government, licensees and contractors will all have to share the increased costs and for the most part, new planting contracts are being signed with the new guidelines being addressed. But in the event of a significant COVID-19 outbreak, as Logan points out, "the contractors may still be at risk."



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OPTIMISM AND OPPORTUNITY: TLA'S NEW EXECUTIVE DIRECTOR BOB BRASH By Adrienne Tanner

Three days after Bob Brash assumed L his new role as executive director of the Truck Loggers Association, all nonessential businesses in BC were ordered to close if they couldn't meet social distancing restrictions. Starting a new job during an unprecedented world pandemic would be a daunting prospect for anyone, and Brash doesn't minimize the economic challenges posed by COVID-19. But after more than 30 years spent working in the forest industry, he has weathered a lot of ups and downs. "None of us has faced a challenge quite like COVID in our careers," he says. "So, it's different, but as an industry, we've faced similar challenges in our careers before."

BC's forest industry was already confronting huge challenges before the pandemic struck. In 2019, high stumpage fees and low lumber prices caused many lumber mills across the province to scale back production or shutter completely, throwing contractors out of work. In October, logging contractors organized a massive protest to drive home the severity of the situation. A cavalcade of logging trucks from forestry towns spanning BC descended on downtown Vancouver to coincide with politicians gathered at the annual Union of BC Municipalities convention. This spring, BC's strategic review of old-growth logging is due for release, and its resulting recommendations may potentially impact the industry's future. COVID-19 presents yet more challenges as all workplaces struggle to find safe ways to continue production. Through all of this, it will be up to Brash to represent the TLA and ensure its members' voices are heard.

Those who have worked with Brash in the past say he is ideally suited to the task. Dr. Roslyn Kunin, an economist, first met Brash when she served as board chair of HaiCo, the Haida-owned enterprise corporation in Haida Gwaii. Brash started with the corporation's forestry arm, Taan Forest, and rose through the ranks to become CEO. "He's a very good businessperson, with very good business sense," Kunin says. "But secondly, and more importantly, he has superb people skills and could deal with diverse people," she says. "This was important when we were running a Haida company and the company's owners were the Haida people."

Brash, 60, grew up immersed in the world of forestry. His father worked for the BC Forest Service and the family moved between forestry towns, small and large, across the province. His family lived in Fort St. James, Prince George, Prince Rupert and Brash graduated from high school in Nelson. Brash's father fell into forestry by chance; he had started out wanting to be a butcher but found he didn't have the stomach for it.

Brash hadn't planned on entering forestry either, at least not at first. He had worked a couple of summers with the Forest Service when his father was there. "At the time, nepotism was just fine," Brash recalls with a chuckle. But after graduation he headed to university planning to do an arts degree. After one year, he realized forestry was a better fit and left to enroll in Selkirk College's two-year forestry technology program. After graduation, Brash continued with the Forest Service. He enjoyed the work: "There was all the outdoors, the challenges of the job, and the esprit de corps within the Forest Service." He got contract after contract but couldn't get on full-time so after two years switched to private industry and took a job with Kootenay Forest Products. That lasted two years until the company went under, taking Brash's job with it.

The general economy was sluggish and Brash assumed it would take considerable time to land a new position, so he enrolled in a correspondence program to become a registered professional forester. Somewhat to his own surprise, Brash also got a full-time job with the Forest Service. "It was a very busy time in my life between schoolwork, my first child, and a full-time job." Like his father before him, Brash lived in a string of forestry communities, including Campbell River, Golden, Port McNeill, Dawson Creek, Haida Gwaii, and Chilliwack.

One year after leaving Haida Gwaii, Dave Husby, then owner of Husby Forest Products in Haida Gwaii, offered Brash a job, which he couldn't resist (after two weeks of reflection). It was a total role reversal. "Before I was the guy approving harvests, and now I'm the guy asking for permission." He enjoyed meeting the challenges that come with private industry. "In private industry, it's a lot more dynamic and there's a lot more freedom," Brash says. "In business, you control your own destiny to a larger extent."

While working at Husby, Brash once again went back to school, this time to earn an executive Master of Business Administration from Queen's University. While at Husby, Brash's time was split between Haida Gwaii and his acreage home in Langley where he lives with his wife Natasha, a horse trainer. Between them, they have five children.

After a decade with Husby, Brash left for another challenge; starting a forest company from the ground up for the Haida Nation in Haida Gwaii. Before Taan Forest was created, the Haida didn't own a forest company. "On my first business card for those folks, the address for my office was my kitchen table, working from a double-wide trailer," Brash says. Brash led negotiations for completing the purchase of a forest tenure and put a management team in place. It was exciting, interesting work, he says. "But more importantly, when you're in Haida Gwaii the desire to make good for the local Haida Nation can't help but rub off on you." Brash was happy to help the Haida reap benefits from their resources which they hadn't collected on in the past.

Richard Jones, in his previous role as general manager of Taan Forest and member of the Ts'aahl clan, joined Taan in 2011 as contract supervisor. Brash was president at the time and Jones says he appreciated his boss's efforts to get the company up and running. HaiCo was formed to boost economic development and job creation in Haida Gwaii in a way that separated business interests from local politics, Jones says. Brash was adept at navigating both. "The politics within the Haida Nation is always a funny thing to try to understand and grasp and Bob always did a really good job," says Jones. "Brash's strong knowledge base and forest industry experience will give him huge credibility when representing the TLA."

Brash is a past TLA director and understands the organization well. As executive director his role will now be to advocate for and protect the interests of contractors against a backdrop of competing interests. When it comes to the balance between economic interests, environmental and cultural considerations and climate change, everyone wants a say in how BC's forests are managed, he says. "I don't see that diminishing in any way in the future."

Kunin believes Brash's thoughtful approach will help the TLA. "He will not go off the deep end and make rash decisions that people sometimes make under stressful circumstances." Jones agrees. Market shifts often broadside the forest industry and when they hit Taan, Brash was a calming influence. "He's seen these ups and downs and we were able to draw on his knowledge of past fluctuations," Jones says. "He was always able to keep the troops calm and walking in a straight line."



THE IMBALANCE OF FORESTRY TEACHINGS By Robin Brunet

For logging families, one of the more frustrating aspects of the public school system has been the perceived imbalance of forestry teachings, often leading to the tendency of students to decide that logging is bad for the environment—an opinion that green groups sometimes use to advance their antilogging campaigns.

That happened earlier this year when David Hoy Elementary students in Fort St. James were asked by their teacher to participate in the BC government's Old Growth Strategic Review. Seventy-five drawings were submitted to Victoria, but 14 of them wound up on the Sierra Club of BC's website accompanied by the title "Students Are Standing Up For Old-Growth."

The drawings, which contained messages from the students such as "Stop cuting [sic] down the trees!" and "The earth needs trees for oxygen!" were also published on the Sierra Club's Facebook page and the organization was promptly criticized for manipulating children. "Someone should be teaching children real facts and not your propaganda," one Facebook member wrote.

Predictable questions were asked: How did Sierra Club obtain the artwork? Was the teacher, Gail Hiebert, affiliated with the club? Also, were all of the 75 drawings biased against logging?

But at least one parent was inspired to ask the broader question: Can the same processes that enable BC's public education system to accommodate environmentalists' teachings allow loggers to deliver their message with the same degree of influence?



Rob Ubleis, a TLA member and president of Ubleis Logging Ltd. whose six-year-old daughter attends David Hoy Elementary, believes so—at least in theory. "When I found out about the drawings I was angry that the Sierra Club had obtained them and exploited them, so I had a healthy conversation with the school principal," he says. "She told me that David Hoy and the school system in general is committed to exposing children to a wide variety of perspectives. She acknowledged that the exercise behind the drawings was to view old growth for values other than economic—and that I was more than welcome to come to the school and express my views under certain circumstances and approvals."

Ubleis declined, as he would have been an army of one unable to approximate the influence of well-funded and organized green groups such as the Sierra Club. "Plus, I couldn't help but think that as troubling as it is for elementary-age children to be biased against industry, the mindset will intensify as their education progresses—despite schools maintaining that they strive to tell both sides of the story," he says.

Sandy McKellar, founder of Tree Frog Creative Communications and a forest industry recruitment and communications specialist for over 20 years, sympathizes with Ubleis. In her role of promoting the University of BC's Faculty of Forestry to school kids throughout the province in the late 1990s, she encountered substantial resistance to any initiative promoting logging. "Ironically, it was harder for me to get my message across in outlying schools," she says. "I suspect it was because a lot of the teachers in those rural areas were from the big city and brought their big city perspective with them.

"On one occasion I was even told by a principal that 'our kids don't have any interest in forestry,' then he lamented about Douglas fir going extinct in his neck of the woods—even though Douglas fir didn't grow in the region."

But McKellar thinks the "us versus them" mindset that once made her job so difficult has abated. "By the time I visited high schools on behalf of UBC in 2010 the students exhibited a degree of sophistication about the industry that was previously lacking," she says. "I remember several of them agreeing with me that more wood use was needed in the province because of wood's positive impact on climate change."

So, what caused the shift in attitude? McKellar theorizes, "Maybe a lot of industry groups with outreach programs kept hammering home their message. The provincial government's advocacy of wood use certainly helped. Maybe enough noise was generated by our side that it counterbalanced the negative—at least somewhat."

BC teachers are not allowed to talk directly to media, but School District 91 Assistant Superintendent Mike Skinner says of the circumstances that led to the David Hoy antilogging drawings, "I've been here 27 years and we're a logging community, and yes, our goal is to expose children to different opinions. However, while I'm aware of the BC government's Old Growth Strategic Review, I wasn't aware of the Sierra Club's involvement." When asked if the Sierra Club was involved in the review, forester and Triangle Resources Incorporated President Al Gorley, who conducted the review with RPF Gary Merkel, told *Truck LoggerBC* via email, "Sierra Club had the same opportunity for input as TLA and many other organizations and individuals. Individuals or organizations that made submissions to us may have also shared them with others. We would not necessarily be aware of that."

It fell upon Tim Pearson, communications director of Sierra Club BC, to shed light on the matter and explain how his organization becomes involved in school activity in general. "As with any government process seeking input, we encouraged people to get involved with the Old Growth Strategic Review," he says. "We sent emails to about 30,000 supporters and emailed people from our educational list, with Gail Hiebert being one recipient."

Pearson adds that Hiebert sent the club 20 drawings, "But only 14 scanned well, so we used these." He could not say if all 75 drawings were anti-logging.

While admitting that his organization is opposed to oldgrowth logging "but not against sustainable harvesting," Pearson says it's up to the provincial government to set school curriculum, "and teachers must deliver. But they have latitude in how competencies are developed, so we help teachers deliver by providing workshops facilitated by educators who share a passion for local natural environments." Nearly 150,000 K-8 students in BC have participated in these outdoor workshops since the club's education programs were launched in 1998.

Content aside, McKellar believes the methods by which the Sierra Club gets its message across are effective. "I found that the only way I could get kids to buy into what I was saying was to reach them when they were as young as possible, before they were exposed to other influencers," she says. "The best classes for me were grades three and four, when kids were hungry for information and could digest a surprising amount of science content."

By contrast, McKellar says of older students, "Too many of them were determined to save the world and not willing to process further information."

McKellar also believes the messengers may be as important as the message. "I currently work with Canadian Women in Timber, and they have great success presenting in rural schools possibly because they present a slightly softer image than your traditional logger," she says.

For his part, Ubleis accepts the school system's mantra that it welcomes a spectrum of educational perspectives. "But although groups such as the TLA have great educational programs, trying to match the influence of green groups—who really got the jump on us with their educational programs—will take a concentrated effort on our part. That is, if we're still fired up enough about the topic to do something meaningful about it."





THE HOLY GRAIL OF JOB CREATION IN BC'S FOREST SECTOR? By Ian MacNeill

Long-time readers of *Truck LoggerBC* Longazine will recall that it has published numerous stories about the challenges independent manufacturers face when it comes to accessing affordable fibre for their operations.

At one time, BC had competitive open markets for timber, logs, and lumber,

and the independents had access, using it to produce high-quality finished products, and jobs. Lots of jobs. Over the last couple of decades, the markets were transformed in such a way that, from their perspectives, the independents faced increasingly high prices and more limited access. They watched a slow erosion of available fibre, and inevitably, independents started going out of business, taking with them the jobs they provided. The proof is in the numbers. In 2002 the Independent Wood Processors Association (IWPA) had 107 members, it is now down to 52.

"It's been going on for a long time, and it's still a problem now," says IWPA President Russ Cameron.

The issue is further complicated by the Softwood Lumber dispute. The complexity of the issues, and the financial penalties that are imposed on the export of finished products into the United States has led to a situation where those with access to most of the fibre-the major licensees-ship it across the border and add the value there, in some cases at sawmills they own themselves. Last year, Western Forest Products finalized the purchase of Columbia Vista Corporation, which owned a sawmill in Washington State. Interfor, one of the world's largest lumber producers, has sawmills in Georgia, Arkansas and South Carolina, while Canfor has a mill in South Carolina.

"While Interfor and other tenured companies already have Washington State facilities doing their value-added work on BC's unfinished lumber, the straw that broke the camel's back was Western Forest Products' acquisition of a remanufacturing plant in Arlington, Washington," says Cameron. "Their stated intention is to ship another 110,000,000 bf a year of BC's western red cedar, and the jobs that go with it, to their new facility for value-added processing. Unless we figure out a way to reverse that flow, more will follow."

You cannot blame a publicly traded company for designing a business model that works to its benefit; it's what business does. But another question is worth asking. The timber resources that are located on public lands belong to all British Columbians; shouldn't all British Columbians be the ones to derive the most benefit from them? The jobs, whenever possible, should be in Quesnel and Houston, not Washington and South Carolina.

However, there is increasing pressures on many fronts to change this trend, at least incrementally. Many groups and politicians want changes made that ensure more accessibility to fibre for local manufacturers, supports and creates local employment, and gets more value for British Columbians from public resources. However, there is a debate as to how such a transition will happen and the timelines needed to make it happen. On June 11, government announced it is moving forward on the following changes to the Manufactured Forest Products Regulation (MFPR).

Introduced in 2003, the MFPR defines the criteria that products must meet to be considered manufactured under the Forest Act. Under the current regulation, logs that are squared off up to a maximum dimension of 43 by 43 centimetres (17 by 17 inches) are categorized as a sawn-wood product and may be exported without further manufacture. As of September 30, the amended regulation will change the maximum dimension of lumber to be considered a sawn-wood product to 30.5 by 30.5 centimetres (12 by 12 inches), requiring further domestic processing of lumber prior to being eligible for export.

Additionally, and due to come into effect in December, the regulation amendments will require that in the Coastal area, lumber that is made from Western red cedar or cypress must be fully manufactured to be eligible for export, or the seller or exporter must obtain an exemption from the manufacturing requirement and pay a new fee-in-lieu of manufacture to the Province.

While some are cynical that government, any government, will wave a magic

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wand and reverse years of continental drift into consolidation and market control, others are cautiously optimistic that the new regulations will level the playing the field, or at least reduce the tilt.

"What we want, in general, is for the smaller family-owned value-added firms to have access to a share of the public's resource," says Cameron. "The big primaries' motivations are understandable, but the current system does not lend itself to getting the most socio-economic benefit per cubic metre from a public resource." He cautions that any new directions must be carefully crafted to ensure they do not lead to further problems with the US Lumber Coalition.

Brian Hawrysh of BC Wood says he's supportive of any initiative to increase manufacturing in BC, but the main issue for his group revolves around what kind of definitions the government will eventually come up with for what constitutes a finished product in Western red cedar and yellow cedar. The concern, he says, is that if what you are making does not meet the definition of a manufactured forest product, it will attract a fee in lieu before you can export it.

"Everything we have seen so far is the stick," he says. "Where are the carrots? More thought seems to have been put into penalizing players when they do not do things, why not spend an equal amount of time finding ways to reward companies who do the right thing?"

It is a fair question to ask. At the 2019 TLA convention in Vancouver, Premier John Horgan promised both "carrots and sticks," to create incentives for mills in BC.

Hawrysh adds that the devil will be in the details, and that it will be impossible to "sign-on" until those details are revealed. Some of these devilish aspects include having a better understanding of how punitive fees would be calculated, and what kinds of products qualify for exemptions. ("Yes it is," argued the exasperated manufacturer. "No it isn't," argued the government inspector. Etc.)

He worries that if the fee is small, it will just become another cost of doing business that will be passed on to customers.

"And how are they going to enforce it," he wonders. "That's what we're concerned about."

Jim Fenton of Central Cedar in Surrey frames the arguments differently. "I've never had a problem buying lumber," he says. "I've had a problem buying lumber and making money."

He can't compete with the price of labour in Japan or Vietnam, he says, but he'd like to see every contractor on the coast working and making "a tremendous amount of money, either buying or selling logs, because that would mean more wood being cut, and that will provide us with an opportunity to make money."

He worries that much of what is going on has as much to do with politics than it does in fixing a broken system. The NDP ran on promises to cut log exports and create more jobs in BC, or at least stanch the bleeding. These are policy initiatives that resonated with voters, but most voters don't understand the complexity of the business and are easily convinced that there are magic-bullet solutions.

"Walk up to 10 people on the street and ask them if they think we should be making more products here and they're going to say, hell yes, we should be making our doors and windows here," says Fenton. "But the tenth guy says, but wait a minute, we can't make any money doing it. But all 10 of those people have 10 votes, and the government now has nine of them."

Jim Tyrer of Trans-Pacific Trading (Trapa), says he would welcome changes that reduced uncertainty. "It's hard to go out and buy logs and take on materials when you don't know what's coming. Will the border be blocked? Will we have to pay punitive tax for shipping material over the border? It's to the point where it's getting a little bit scary."

He too believes much of what is wrong about fibre-access issues can be traced back to "the majors setting up shop across the border in order to skirt around duties."

In terms of policy, he suggests having a quota system. "Perhaps there should be a certain percentage that is required to stick around," he says. "But again, until we know what the volumes and percentages are that are going over the border unprocessed that could be processed here, it's too difficult to say."

Brian Brown, manager of fibre and log supply at Riverside Forest Products in Surrey, says that any regulatory changes that encourages remanufacturing in BC are indeed welcome, but he's concerned that conflict is inevitable because "what we would like to see is somewhat opposed to what the licensees want."

Fibre-supply access problems are further exacerbated by a shrinking AAC and "a dramatic rise in log exports."

Like other people we spoke to, Brown was reluctant to go into details about the kinds of solutions the reman community is looking for. "We put up a proposal, but we can't say anything until we hear back from government. It would be totally unfair to either ourselves or government to discuss it."

The Interior Lumber Manufacturers Association (ILMA), which has 13 primary members and as many as 100 associate members, is also welcoming change, says President Dan Battistella.

"Our members are starving for fibre," he says. "We'd much rather see logging trucks delivering logs to local mills, extracting the value here, and providing the jobs that keep our communities alive, so we see the overall direction the ministry is taking to increase BC manufacturing as a step in that direction."

He describes his membership as small to medium-sized family owned sawmills that produce a final product here in BC. "Our members take a log and extract the most value out of it," he explains, including high-value cedar products, appearance-grade lumber, veneer and soon, cross-laminated timber. "They're trying to extract as much value from a log as possible, because they have to."

He too worries about the shrinking land base. "We're fighting tooth and nail now to protect our operating land base, but a vocal minority are coming at us from many directions trying to reduce it." There is also the ongoing pressure from targeted, ideological organizations, "many of which believe we shouldn't be harvesting at all. Quite simply, British Columbia's forest land management approach, which includes locking up our forests in static reserves, and ignores the fact that forests are dynamic, needs to be uprooted."

British Columbians deserve to derive the most benefits from a publicly owned resource. Let's hope that any new provincial policies and regulations, whenever they are unveiled, are a step in the right direction. Then maybe we can focus on the elephant in the room, tenure reform.

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