

## THE CANADIAN FOREST PRODUCTS INDUSTRY

by

Roger Levasseur  
Director, Market Development  
Canadian Wood Council  
Ottawa, Ontario

Those, who have reviewed their program will have noticed that I am a replacement for Mr. J. Shaw, our executive director. In discussing how I should approach this presentation with Mr. Shaw, I was advised that I should touch on the following subjects:

The economic importance of the Canadian wood industry.

The importance of the forest as a resource.

Various activities undertaken by the Canadian Wood Council in North America in the area of codes and standards, in the area of structural design and in the area of market development.

If time permits, I would also like to discuss the supply situation of lumber, the 15 % export tax and possibly discuss free trade.

In terms of economic facts, how important is the forest industry in Canada? Let us consider first of all the importance in terms of total exports. Canada, in relation to other countries, is a leader in terms of exporting its forest products, accounting for close to 23 % of the world totals with a volume of \$ 18 billion. That \$ 18 billion can be divided into lumber products, wood pulp, paper and paper board products. The lumber represents over on quarter of that total, that is 28 % of the \$ 18 billion.

In terms of balance of payments, the importance of the forest products is very significant. Actually the sum of the positive balance of 11 exported products in the field of fisheries, agriculture, petroleum and natural gas and in metal ores combined, does not exceed the favorable balance of trade which is in proximity of \$ 16 billion.

In terms of employment, one in ten jobs in this country relates either directly or indirectly to the forest products industry. In view of these key economic facts, it is very important that we maintain our forest.

Let us consider a few facts in terms of availability of resources. First of all, Canada accounts for approximately 10 % of the world's forests. In comparison to 7 % in the United States. If we were to look at Canada in its entirety in terms of surface, we would be looking at 992 million hectares. Of that total, forest represents 44 % or 436 million hectares. Of that 436 million hectares, approximately 27 % is productive forest and 17 % is unproductive forest. Surprisingly, agricultural land represents only 6.6 % of Canada's land mass and water 7.6 %. From this perspective, one recognizes the importance of the forest industry as a resource in Canada. The productive forest is at various stages of development. 16 % of it is regenerating, 43 % is immature, 36 % is mature and 4 % is over mature. It is very important that the industry, in cooperation with the provinces and federal government, make use of the mature forest and exploit it to the benefit of Canadian consumers.

It is anticipated that over the next few decades there should be no difficulty in terms of availability of resources at the present rates of use and with the establishment of allowable cuts in the provinces. However, it is anticipated that within the next 20 to 30 years of waiting for the immature forest, to become mature, there may be a slight dip in terms of availability. But it is foreseen that the regenerating forest and the immature forest within the next 50 years should satisfy the requirements of North Americans and Canadians.

This resource needs our protection. We as an industry, in cooperation with the Federal Government and the Provincial Governments, need to protect our forests against fire, disease and insects. These are but a few facts on the importance of the forest industry in Canada as a resource.

Let us now consider some of the activities of the Canadian Wood Council. As an industry, we are competing with steel and concrete. We work in an environment of codes and standards, developing technical information pertaining to the use of wood as a structural material. In addition, we defend the interests of the wood industry in matters pertaining to the development of codes and standards. Like the steel and concrete industries, we must not only develop the technical information but we need to communicate that information to those designers and specifiers who are most apt to use our products: architects, engineers, educators, regulators and the public. So this is who we are at the Canadian Wood Council. We are the liaison between the wood industry and the target audience apt to use the wood manufactured by Canadian sawmills. CWC structural design

personnel is presently developing design aids that will be useful to engineers and to architects. This has already been done by the steel and the concrete industry. In terms of the market, the wood industry sees the potential for growth principally in the non-residential market. At the present time in Canada, the wood industry has successfully maintained the major share of the structural design for residential facilities. The potential for future growth, however, lies more in the non-residential market and that is where we are expending our efforts.

As illustrated in this slide, we have lost ground to the steel stud manufacturers. This slide is taken in a city where wood should dominate, it's in downtown Vancouver. A few years ago, a structure such as this one would have been designed and built entirely of wood.

The Canadian Wood Council, in view of what was happening in terms of the market, and what our competitors where doing, have given ourselves a mission which is to expand the demand of wood products in Canada. We feel we should be doing that by developing and communicating better technical information, by promoting that information to those who could influence the use and the design of non-residential construction with wood. To fulfill that mission we have given ourselves objectives which we hope to attain within the next four years. Those objectives deal with preventing the erosion of our share of the residential and non-residential market and to double the use of wood in the non-residential market. Presently, our share, in terms of dollar value of wood used in non-residential markets, is below 4 %. Another important objective that we have is to double the number of university wood courses. Presently in Canada, in many schools where structural design is taught, wood is not part of the curriculum. It is therefore important to teach university students the use of wood as a structural material. We will continue to develop better design aids for engineers, architects, keep our members, such as your association and other interested parties, informed about our activities. We will also negotiate equitable building codes.

The specific activities we have undertaken fall into four categories: codes and standards, structural design, market development and U.S. activities. In the field of codes and standards, there are two important activities. For example, in cooperation with the national building code officials we have succeeded in putting forth a recommendation that there be an increase from 3 to 4 storeys in allowable heights for buildings. In addition, we have put forth recommendation that partition walls in non-combustible

buildings be constructed of wood. In addition, we are on an on-going basis, updating and verifying our various datafiles for use by the professional designers. These activities, in the areas of codes and standards, should provide new market opportunities for the wood industry. In the area of structural design, over the last few years a significant amount of data has been generated pertaining to lumber properties showing the strength values of our species. On the basis of those data, we developed a standard. This new improved standard, will encourage engineers and architects to use wood in designing. We are also developing a commentary to facilitate the task of engineers and architects to design with wood. We are now in a position to develop a better design manual. A design manual where it will be as easy to design with wood as it is presently to design with concrete and steel using limit states design. Finally we are preparing a handbook, in which architects are going to find case studies, which they could use as examples in their own applications. That is what we are doing in the field of structural design.

In terms of market development, we will continue advertising in national magazines the use of wood, whether it be in preserved wood foundations or the use of framing techniques for non-residential as well as residential facilities. In addition, we will continue the publication of our Wood Post in four colours to show architects award winning projects constructed and built of wood showing the advantages of wood in terms of cost efficiency, in terms of aesthetics and in terms of availability. For the consumer, we have embarked on a new program this year called the Wood Home. The AWC have built approximately 15 per year for the past 20 years to show the beauty of wood in homes. On this particular home built outside of Ottawa, the home which is in a \$ 250,000 category is built on a wood foundation. What we are showing is that wood can be used as an alternative to existing products. Consumers should be aware of that, whether it be for foundations, whether it be for finishing exteriors, whether it be for windows or whether it be for interiors. In addition to the wood house we will also be involved in promoting the use of PWF, preserved wood foundations, in the select home catalog. Over 80,000 advertisements are appearing in these catalogues and are being distributed across the country to builders, consumers and those interested in building homes. To those who buy the select home plans, we intend to provide complete datafiles pertaining to the construction of a preserved wood foundation for that home. We will be continuing our awards program. Here are a few shots of entries in the 1988 program showing the use of wood in a school. A school not in western Canada but a school less than 20 miles north of here in King

City. As evidenced by these photos, it is a beautiful school. It makes extensive use of wood and has attracted the praise of our architectural jury.

These, ladies and gentlemen, are the activities undertaken in Canada in terms of structural design, codes and standards, market development to continue enhancing the demand for wood products in Canada.

We will also be continuing our activities in the United States with the American Wood Council idea home program in addition to activities with the National Forest Products Association.