

Preserve the Environment *and Jobs*

---by making more with less

Quesnel's leader in value-added manufacturing

There are ways to preserve large expanses of untouched wilderness and have a healthy forest industry. But it requires hard work, dedication and sacrifice, exactly the qualities that Joe Cerasa has in abundance.

At a time when B.C.'s sawmills and pulp and paper mills are churning through 20 per cent more wood fibre than they can hope to in the long run, Cerasa is showing it's possible to do more with less.

Cerasa owns and operates a value added wood products plant in

Futures office at P.O. Box 4706 in Quesnel.) The report chronicles how an excessively high cut in the region's forests has led to a situation where the annual tree harvest in the region must now be scaled back 1.5 million cubic metres a year.

Trouble is, the big sawmills in town are used to churning through more logs than the local forests can continue to supply. Clearly, the report indicates, current industrial activity is out of whack with sustainability and as a result, Quesnel is "entering a period of difficult transition."

problems not only to forest industry workers in B.C., but to the mainstream environmental movement that wants to preserve large representative samples of old-growth forests throughout the province and complete the park systems so that all the province's diverse ecosystems are protected.

But people like Joe Cerasa are showing the way: there is middle ground where perhaps all can meet.

Cerasa's company, C & C Wood Products, uses small diameter lodgepole pine trees almost exclusively, trees that until

down the edge-gluing operation after it became apparent that it could not get enough wood to sustain both operations.

That changed last year, however, when the company was awarded a five-year supply of 79,000 cubic metres of wood a year under the MOF's small business forest enterprise program.

C & C received a second two-year temporary forest licence allowing it to cut an additional 30,000 cubic metres of wood a year, meaning for the next two years at least it will have 110,000

Quesnel specializing in panelling and edge-glued furniture components. He currently employs 56 people, small by the standards of the giant sawmills in town.

But Cerasa has ambitious plans. He wants to expand his workforce by 140. And, if all goes according to plan, he will employ 200 workers in the next two years. And each job in his newly-expanded plant will require only 550 cubic metres of logs per year.

Contrast that with the big mills in town where huge amounts of commodity lumber are produced at dizzying speeds. Those companies need 6.5 times the amount of logs Cerasa needs to employ one sawmill worker.

In other words, Cerasa will be able to maintain one job for every 15 logging truckloads of wood he processes while big, conventional sawmills require 102 truckloads of logs to keep one worker employed.

Doing more with less is Joe Cerasa's creed, says Paul George, a director with the Western Canada Wilderness Committee. And it's a creed others in the industry should be looking at.

"He's making a good quality product, and it's a step beyond our (two-by-four) mills, a big step. We must do more of this here in B.C. and reduce the amount of wood going through the big robot-run mills," George says.

There is a looming timber shortage in Quesnel, as clearly demonstrated, in a special report entitled A Review of Major Trends Affecting Forest Industry Employment in the Quesnel Forest District. (Copies can be obtained by writing the North Community

Elsewhere in B.C., only the numbers change.

Today, the province's sawmills, pulpmills, panelboard and plywood mills, are consuming a staggering 90 million cubic metres of logs a year, 20 per cent more wood than the 75 million cubic metres B.C.'s ministry of forests says should be coming out of our forests. What's more, University of B.C. professor and industry spokesperson Les Reed estimates, those same mills now have the ability to consume 100 million cubic metres a year.

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Any wonder, then, that B.C.'s forest industry says, in an industry-wide position paper to B.C.'s Forest Resources Commission, that it needs a dedicated land base of 30 million hectares of commercial forest land on which to base its operations, an amount that exceeds even the ministry of forests' own estimates of what is currently economically accessible and available to industry by 4 million hectares?

An industry-built "overcapacity" poses clear

by the big forest companies in town - Weldwood of Canada Ltd., West Fraser Mills, and Slocan Forest Products Ltd.

About 15 years ago, Cerasa decided he could do something with the smaller trees if he could dry them to a point where their lumber could be used for interior panelling and furniture.

"At 19 per cent moisture content, pine's not suitable for interior use. So, we decided to dry it to 12 per cent and below and of course then that would open up new doors - it would mean it could

work with.

While good in providing new jobs, this increase in the annual harvest involves additional non-sustainable clearcutting logging practices. Environmentalists want a rapid change-over to sustainable, partial cutting systems to accompany a switch-over to higher value-added manufacturing.

Cerasa says his company hopes to employ a lot more workers in edge-gluing given its new security of wood supply.

"Initially, we were only making boards. Now we want to get into more finished products, providing furniture makers with their needs, giving them pre-cut components," he says.

If Cerasa is able to pull it off - bring his total workforce to 200 - he will be employing one in 12 forest industry workers in Quesnel. And doing an awful lot for the local economy without using a huge whack of wood.

Cerasa says those kinds of numbers highlight the benefit of value-added production - more jobs with less wood. But he stresses it would be imprudent to conclude on the basis of C & C's experience that some big primary mills aren't needed.

The secondary manufacturing business is a niche industry," he says. You can't take a business (like a sawmill) that has existed for many years and say you've done this, now you're going to do that. Secondly, we can't all do the same thing. The secondary manufacturer is not going to solve all of the problems we have. But it will expand because everyone realizes we need to do more with the wood."

be classified as a finishing-type lumber," Cerasa says.

From that simple idea, a business was born. C & C began making interior tongue-and-groove pine panelling, selling it in shrink-wrapped packages to large retailers like Beaver Lumber and others.

In 1985, the company opened a new \$3-million facility, and a year later began making edge-glued boards of various widths and thickness for shelving.

But in 1988 the company shut

Hewers of wood

by Paul George

For over a century, the world has rightly called us "hewers of wood", as we've cut the great, old-growth stands of Douglas fir, western red cedar, hemlock and spruce, and loaded it onto ships travelling the world.

Craftsmen in Japan, Holland and Britain milled our wood and, in some cases, sold it back to us as fine, finished goods.

It's no accident that B.C. wood is in great demand. We are the caretakers -- careful or not -- of a magnificent forest resource. But too often we take it for granted. Other countries don't. They know the real value of B.C. lumber -- they buy it, process it, to get the most from it.

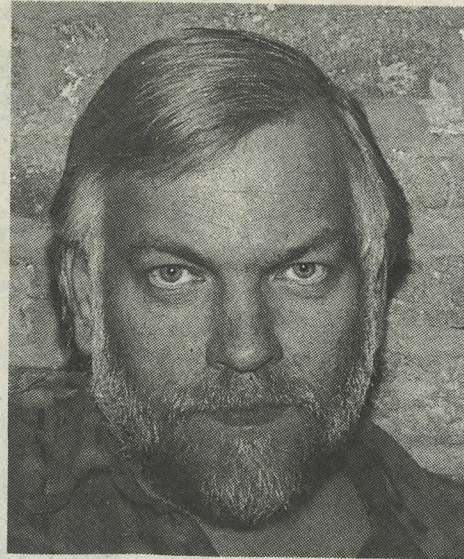
That's called value-added. It is also called smart.

Some B.C. companies are on the right track. Finding innovative ways to get a higher dollar for the wood they mill. Woodworkers take pride in window and door frames now being shipped from B.C., in the pre-fab log homes we build and dismantle for shipping overseas, and in the fine paper products we ship to happy customers in the southern U.S.

But far, far more needs to be done. Because every time we ship two-by-fours--and we ship an awful lot of them--we are not only losing potential jobs, we are putting existing jobs at risk.

Skeptical? Consider what the president of one of B.C.'s biggest forest companies said recently.

"It is a sign of the times that lumber commodities such as the stalwart two-by-four that helped establish the industry as B.C.'s dominant economic contributor are now sold for less than it costs to produce them," said Fletcher's president Ian Donald.



WCWC director Paul George

Photo: Nancy Bleck

Study after study confirms the same: the longer we delay in diversifying in what we do with the trees we cut, the harder it will become to protect our forest economy.

We simply can't afford to continue to ship just dimensional lumber and raw pulp to highly industrialized nations such as Japan and the U.S.

Thousands of woodworkers and paperworkers in Japan reap the rewards of the raw lumber and pulp produced in B.C. Yet here, where the finest softwood fibre in the world grows, only one fine paper mill is to be found.

The world's leading industrial nations aren't shy. If we stand back and let them, they will happily take B.C.'s unfinished products and reap the rewards of further manufacture.

Example: B.C. has some of the finest Sitka spruce in the world. In some cases we simply rough cut the timber for export. In Japan, the Yamaha Corporation laminates that spruce to make gleaming, state-of-the-art pianos which are sold around the world--including Canada.

We don't manufacture pianos here in B.C.

We have to change, or accept a shrinking forest economy with fewer and fewer jobs.

We have to insist on a government timber allocation policy that stimulates and encourages companies that get

Take away some wood from the giants

In April, 1991, the B.C. Forest Resources Commission (FRC) published a dense, complex report entitled *The Future of Our Forests*. While still buying into our society's environmentally-suicidal cult of "economic progress," this document, none-the-less, makes a number of important recommendations which, if implemented, would go a long way towards helping secure local economies as well as ecosystems.

One particularly laudable FRC recommendation is to free-up 50 percent of the provincial wood harvest as free market wood for cutting by communities, native bands and woodlot holders. This would inject large amounts of jobs and investment into local economies. It would also, as noted in a report commissioned by the FRC, result in a four to eight fold increase in government revenues from crown wood cutting, thus enabling the provincial government to better participate in local economic development programs. A good way to spend some of this money would be government investment in assistance programs to support, "secondary manufacturing infrastructure development"--i.e. value-added wood processing plants as recommended by the FRC Report. This type of assistance would result in more jobs for less wood consumed.

If Toyota Inc. can get \$100 million of government money as encouragement for it to expand its Delta aluminum wheel plant, why shouldn't Williams Lake, Burns Lake, Castlegar or Fort Nelson get similar amounts of government money for state-of-the-art value-added wood processing plants?

The day we stop exporting raw logs, rough cut lumber, wood chips and unprocessed wood pulp, and start producing such items as furniture, musical instruments, modular houses and high quality dioxin-free paper will be the day we start getting serious about a truly sustainable forest industry in B.C.

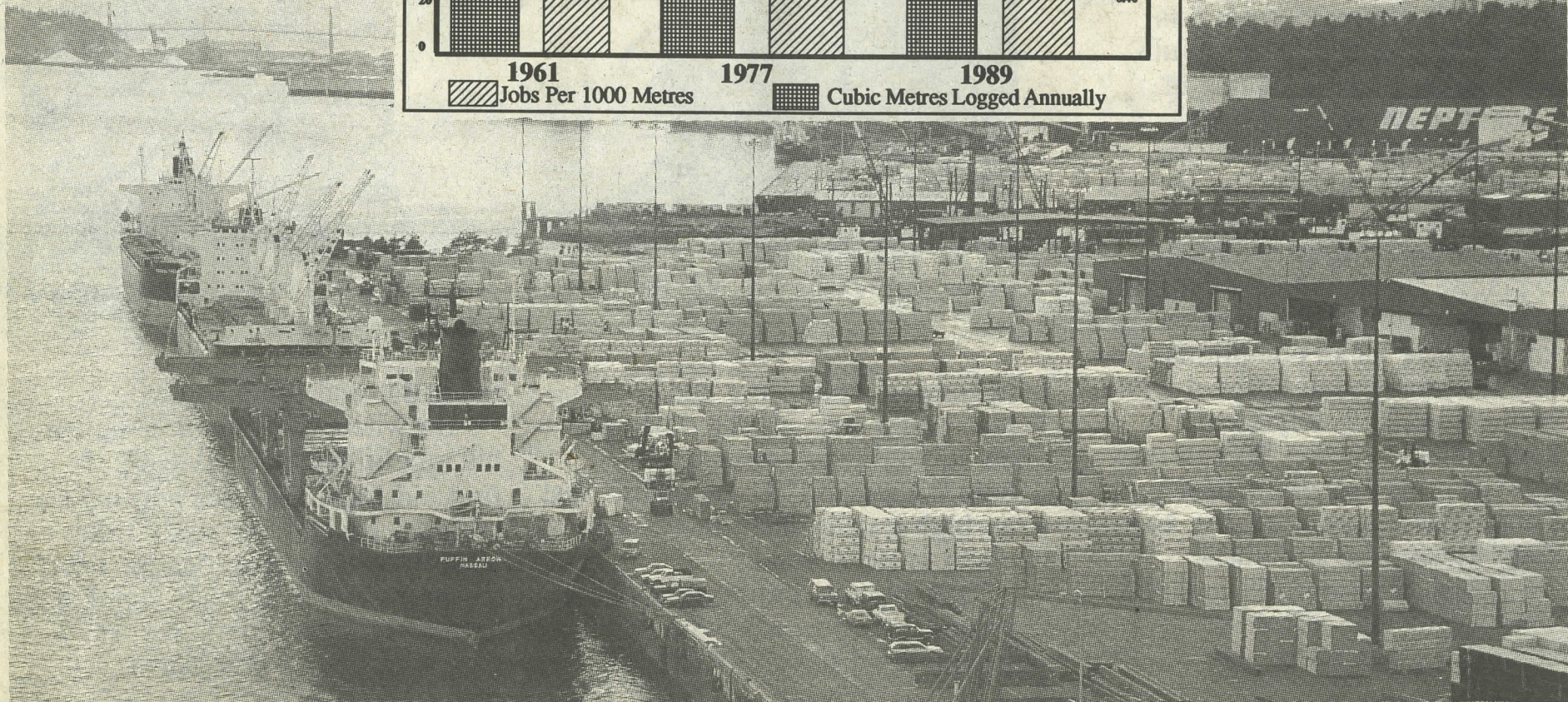
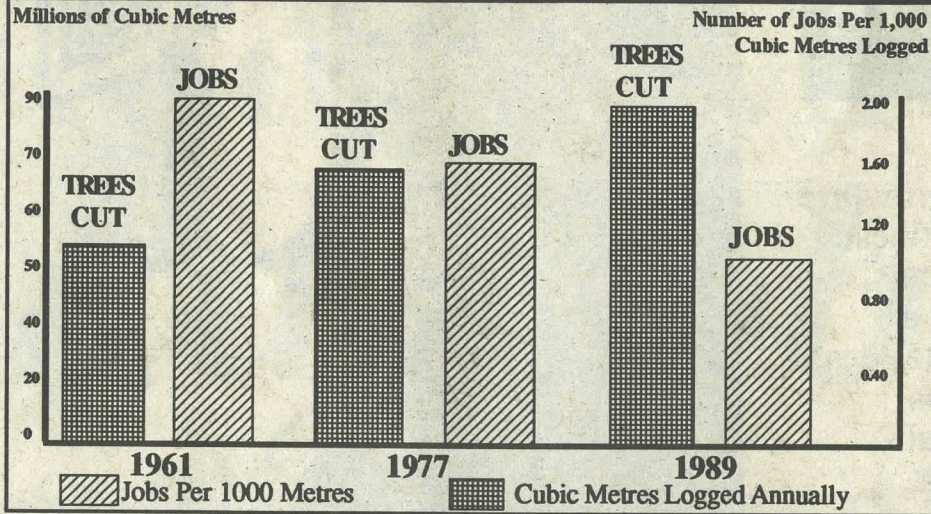
policy that stimulates and encourages companies that get more jobs using less wood. And we must penalize those companies that fail to initiate value-added manufacturing facilities. Forest companies cannot be allowed to continue to only mass produce low value products while employing fewer and fewer workers.

If we are to have a viable forest economy we have to look at diversifying what we produce and ship. We need to add the most value to the wood we can. That way we can protect jobs and protect our precious wilderness areas too.

Because if we do more with what we cut we can reduce the high number of trees we cut down in B.C. each year and we can simultaneously switch to environmentally-friendly logging practices.



AN UNHEALTHY SITUATION: Year after year there are fewer jobs for more wood cut



Vast quantities of commodity lumber products are shipped from busy Vancouver terminal every day

Photo: Joe Foy

Too many sawmills; too little wood

When Weyerhaeuser Canada Ltd. broke the news, 78 sawmill workers and their families were devastated.

The U.S.- controlled forest company had delivered the bad news in spades: its sawmill at Vavenby (near Clearwater) was cutting an entire shift.

The reason? Not enough wood to keep the mill running at the rapid rate it had been.

It was an all-too-familiar story -- forest workers getting the axe because their employers had built mills that had bigger appetites than forests could sustain.

They call it an "overcapacity problem" in industry jargon.

But PR obfuscation can't touch the human dimension of the problem. These are people's jobs; people's lives. Vavenby millworker Doug Hill saw the writing on the wall long before WCL delivered the bad news.

"They were running like a freight train at a brick wall. You knew in a few years they wouldn't be able to cut at the same levels, says Hill, a mill worker for nine years who lost his job four days before Christmas.

"If they had been a bit more intelligent and put more money into value-added products and silviculture, they could have avoided this," Hill says.

How did B.C.'s biggest industry -- one that provides 85,000 direct jobs and ships \$12.6 billion worth of forest products annually -- get into this mess?

Simple. As mills became more efficient they built in the ability to consume more and more trees.

Everybody jumped on the

bandwagon. No one considered the long-term consequences.

Mills modernized to get more lumber out of the logs they consumed with less labor. But invariably they increased the ability to consume more.

That was readily apparent when Slocan Forest Products president Ike Barber appeared before an independent forest resources commission last year.

Speaking to commission chairman and former deputy minister of education Sandy Peel, Barber said there were simply too many mills in B.C. chasing too little wood.

Ian Donald, president of the New Zealand-owned Fletcher Challenge Canada Ltd., B.C.'s second-biggest forest company, recently told members of B.C.'s Truck Loggers Association there is a major milling problem brewing on B.C.'s coast.

"Given the growing appetite of every sawmill as we try to reduce the costs of production, we now have a situation where there is some 20 per cent excess processing capacity in all regions of the province. An immediate response to this situation, but with a long-term payout, is to try to increase the forest yield by intensive silviculture - a laudable objective," Donald said.

Intensive silviculture means many things. To people at Western Canada Wilderness Committee it means more than just replanting all clearcuts and thinning the dense even-aged second-growth stands. It means switching to more natural methods of growing commercial forests. To them, naturally seeded forests with trees of varied species and age classes and rich habitats for other species produce

higher volumes of much higher quality --more valuable--wood in the long run.

In order to achieve these kinds of managed forests, it will take careful periodic thinnings and rehabilitation of the millions of hectares of logged land in B.C. suffering from soil erosion, habitat damage, poor tree re-growth and general neglect.

Today, forest companies hold long-term approved licences to take about 75 million cubic metres of wood a year out of B.C.'s forests. But that doesn't come close to satisfying their annual appetite for logs -- a diet of 90 million cubic metres a year.

It takes about 26 cubic metres of wood to build the average single family B.C. home, and about 35 cubic metres to fill the average logging truck.

Where is the industry getting the extra logs? Many come from private, unregulated forest lands.

That means then, these logs are being cut on lands outside the jurisdiction of B.C.'s Ministry of Forests. Maybe the farm down the road or the ranch four kilometres south of Clearwater. This private wood is running out.

Not only do today's modern sawmills and pulpmills consume 20 per cent more wood than the government says it has long-term access to, but there are strong indications that they could consume up to 100 million cubic metres a year.

While companies like Fletcher have publicly acknowledged the problem and are going through the painful process of closing sawmills and plywood mills, there are new plans to increase B.C.'s pulping capacity by

dramatically expanding four existing mills and building four more new ones.

Any wonder then, that B.C.'s four major forest industry associations, in a collective position paper to the commission, have called for a dramatic increase in the yield from B.C.'s forests?

"We believe that, fundamental to the realization of this potential, there must be a dedicated land base of at least 30 million hectares for commercial forest activity. Through a silviculture strategy, we see a future where second-growth forest yields and harvesting rates can exceed today's levels. Depending on the region of the province, increases could range between 30 and 100 per cent," the Council of Forest Industries of B.C., the Northern Interior Lumber Sector, the Lumber Manufacturers' Association and the Cariboo Lumber Manufacturers' Association say.

What these four big industry associations don't say is that the dedicated land base they need is four million hectares more than B.C.'s ministry of forests says is commercially viable today.

They also fail to document the catastrophic long term environmental and economic consequences of reducing B.C.'s incredibly complex wild forests to grossly simplified virtually single use tree-crop "fibre farms". Elsewhere this strategy has rendered healthy forests dysfunctional where it has been tried. It has led to declining yields, soil erosion, desertification, water quality degradation and species extinctions.

Finest musical wood on earth

by Allan Earle

British Columbia's old growth wood is one of the world's finest for making musical instruments, according to Michael Dunn, a guitar maker for 25 years. Besides making instruments from this wood, he teaches the only full-time guitar-making course in Canada at Douglas College.

"You need old growth for sound boards because the grain is tighter and the chemical composition stronger," Dunn explains. "In the ancient forests, trees had to fight for survival under fairly harsh conditions. The newer commercially-grown wood matures under nearly ideal conditions, resulting in increased growth rings and dramatically diminished strength quality and consistency," he continues.

"Musical instrument makers work very close to the wire," Dunn says, "juggling between the



Guitar maker Dunn at work

Photo: J. P. LeFrank

instrument collapsing and resonating very highly. They rely on strength and consistency to hold it together." Dunn claims that no high-quality instruments are made of new wood.

For violins, bases, guitars and pianos, the most highly coveted sound-board materials include the

red cedar and Sitka spruce.

So where does Dunn shop for his tuneful timber? "Mostly, I find old logs that have washed up onto the beach," he says. "I don't usually have to buy local wood because there's so much floating around--some of the finest wood God ever put on this planet."

Value-added means protecting existing jobs, creating new ones, and preserving more forests

What is value-added?

It means many things to many people in the forest industry. But in general, it means making wood, pulp or paper products that carry a higher dollar value than the bulk of commodity products B.C. is well known for making.

Put simply, a two-by-four is worth a lot less than a window frame, a door frame or finger-jointed bevel siding for your home.

As the British Columbia Forest Resources Commission concludes:

"The interest in value-added manufacturing is derived from a desire to employ more labour per volume of wood processed, and the

initial investment can be small, relative to commodity mills."

Translation: the more we produce from the trees we cut, the more stable our work force.

The Wilderness Committee believes in value-added because it offers the hope of employing more woodworkers in more satisfying jobs. And it holds out the possibility of allowing us to do more with the valuable trees we cut in this province--trees that are prized around the world for the strength, color and beauty of their timber.

On top of these advantages, value-added manufacturing will open up opportunities to switch to

ecosystem-friendly sustainable logging practices that will protect the "geese that lay the golden eggs" --that is, forests that survive and thrive, running with all their constituent parts intact and fully functional.

The following questions must be answered.

Why, with all the trees we cut down every year do we only have one fine paper mill and one tissue paper mill in B.C.?

Why with looming timber shortages in the U.S. Pacific northwest are MacMillan Bloedel Ltd. and Fletcher Challenge Canada Ltd. closing plywood mills at a loss of more than 500 jobs?

The Wilderness Committee sides with the IWA-Canada in demanding those jobs be protected. After all, they are among the most labor intensive woodworking jobs in B.C. today.

Tomorrow, when our competitors south of the border have used up the wood needed to keep their mills running, B.C. will hold the competitive advantage.

It's time for governments to get serious and promote value-added manufacturing, not only because it makes good economic sense but because it holds the key to protecting our precious remaining forest lands.

- Yes, I support your campaign to "get more while cutting less" by increasing value-added manufacturing.
- I would like to become a member of the Wilderness Committee. Here is my annual \$25 membership fee.
- I would like to financially support your new campaign to encourage more value added manufacturing of wood and paper products and to achieve redistribution of cutting rights.
- Enclosed is my \$100 \$50 \$25 other donation. Please send me an official tax receipt.



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THANK YOU VERY MUCH FOR YOUR SUPPORT

**WESTERN CANADA
WILDERNESS COMMITTEE
EDUCATIONAL REPORT
Vol. 10 No. 7 - Summer/Fall 1991**

Published by Western Canada Wilderness Committee, a non-profit society.
Address: 20 Water Street, Vancouver, British Columbia, Canada V6B 1A4
Phone - 683-8220 Fax - 683-8229
Second Class Reg. No. 7980
Posted in Vancouver

Produced by WCWC's Campaigns and Publications Team
Team Leader: Joy Foy
Editor: Paul George
Design and Layout: Sue Fox Gregory
Writers: Alan Earle, Mark Wareing, Paul George

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Printed in Canada on recycled newsprint.

A special thanks to all those who helped provide information for this paper!