

CAPITALIZING ON BC'S STRENGTHS IN VALUE-ADDED WOOD PRODUCTS

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British Columbia has a long, storied tradition of generating wealth and creating opportunity through forest-based activities. But now we stand at a precipice, caught in the eye of the perfect storm of a changing climate, increasingly fickle markets, and an unrelenting wave of globalization. The future of our forest-dependent communities – which, for so long, were the economic backbone of this province – depends on our collective vision and ability to create a vibrant, resilient, and economically healthy forest sector.

Historically, our forest strategy has revolved around industry producing high volumes of low value commodity goods for export: dimension lumber, pulp and paper, and increasingly raw logs. This strategy has served us well. But the world is changing, and so too are our fortunes. The commodity game is fleeting, and we now find ourselves out of step in our ability to compete with low-cost producers from further and further afield – even if we open up new markets. Concurrently, our system of stewardship on our publicly-held lands has meant that we continue to enjoy an abundance of arguably some of the highest quality wood fibre in the world. New opportunities for forest products and services abound.

Now is as good a time as any to revisit our forest strategy, and perhaps a good place to start would be to pose a few simple questions related to the products that we manufacture. When are we going to create and market products that match the quality of our wood fibre? When are we going to capitalize on the growing markets for high-end appearance wood products, like doors and windows, mouldings and millwork, cabinetry, furniture, flooring, prefabricated housing, and the like? In other words, when will we finally get traction on the term 'value-added' by enabling the creation of a viable and economically significant industry?

The reasons for being unable to foster a value-added sector that goes beyond merely fledgling are numerous and nuanced, but most are underpinned by the fact the forest sector is an entrenched industry operating within the confines of outmoded policies. The important point is that, unlike the commodity wood products sector, BC's value-added industry is incredibly well poised to compete in global markets and to do so sustainably. We have highly sought after wood species. We have a comparatively strong environmental track record of responsible forest stewardship. We have numerous competitive advantages in the forms of geographic proximity to robust markets, strong supply chain infrastructures, ample business support services, thoughtful market intelligence, state-of-art

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technologies, a strong design tradition, a skilled workforce, and most importantly, a yearning on the part of forest-dependent communities to remain vital. In other words, we have the business savvy to make this work. But do we have the political will?

After decades of forest stakeholders and policy makers trotting out ‘value-added’ wood products as a panacea to cure the woes of an ailing forest sector and the decline of our forest-dependent communities, it is too easy to dismiss this strategy as rhetoric; a mere flight of fancy. There is a pressing need right now for all of us in BC – community members, Aboriginal peoples, industry, government, unions, NGOs, academics, and any other interested parties – to have an open and frank dialogue on how to move the value-added agenda forward in a meaningful way. Can we create forest policy that assures the small and medium enterprises that comprise this sector access to the high quality wood fibre they desperately need? Can we catalyze business development by creating a healthy investment climate and an enabling environment for small and medium enterprises to flourish? Can we begin to capitalize on our business strengths and create a culture of innovation and design, as opposed to replication and commodification? To say no to these questions is defeatist; an admission that we simply do not have the wherewithal to be world leaders in the business of forestry and acceptance that BC is destined to win the race to the bottom.