

## FPAC Vision2020 - An Industry on the Move.

The Forest Products Association of Canada (FPAC) has unveiled an industry-led vision for the future that sets ambitious goals in the areas of products, performance and people. Products – generate an additional \$20 billion in economic activity from new innovations and growing markets.

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- Performance – deliver a further 35% improvement in the sector’s environmental footprint.
- People – renew the workforce with at least 60,000 new recruits including women, aboriginals and new Canadians.

To help reach that Vision, the industry is asking the government to:

- I. Renew the highly successful IFIT (Investments in Forest Industry Transformation) program.
  - This program is helping the industry to further develop new, breakthrough technologies, diversify revenues through non-traditional products, create new jobs and enhance the sector’s economic viability.
  - The program should be replenished on a graduated funding schedule over the next 3 years. A funding schedule of \$50 million in 2013, \$100 million in 2014, and \$150 million in 2015 should be implemented to sustain transformation and innovation and to drive long-term prosperity in the sector.
- II. Leverage strategic procurement to create opportunities for forest products.
  - Public Works and Government Services Canada’s should use its various government programs to increase the purchase of forest products including new innovative products from bio-fuels to clothing to pharmaceuticals to help support the sector’s transformation.
- III. Enhance tax competitiveness to support investment and innovation
  - Government can strengthen investment through supportive programs and taxation aimed at productivity and attracting investment in machinery and equipment, innovation, and R&D.
  - To that end, the government should permanently extend the Accelerated Capital Cost Allowance (ACCA) provisions for manufacturing equipment.
  - Government can make improvements in Canada’s innovation system, namely by improving the Scientific Research and Experimental Development (SR&ED) tax credit program and continuing to adequately fund Canada’s research agencies, such as NSERC and FPIinnovations.
- IV. Follow-through on legislation to improve Canada’s rail freight system.
  - An improved rail freight system represents a policy option that would enhance the economic competitiveness of rural-based, resource industries at no cost to the federal government.
- V. Work with the industry to address the looming human resources challenge and skills shortages that the industry is facing.