

## VISION2020: CANADA'S NATURAL ADVANTAGE

In May 2012, the Forest Products Association of Canada (FPAC) unveiled an ambitious vision for the future of the forest products industry. Vision2020 was launched as a challenge to industry as well as governments, academics, researchers, policy thinkers and others to build on the sector's transformation and articulate the sector's dynamic new direction.

Achieving this ambitious goal will benefit all Canadians through job opportunities, economic growth and continuous improvement in the sector's environmental impact.

### PRODUCTS

Generate an additional \$20 billion in economic activity from new innovations and new markets.

### 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.

**BY 2020, THE CANADIAN FOREST PRODUCTS INDUSTRY WILL POWER CANADA'S NEW ECONOMY BY BEING GREEN, INNOVATIVE AND OPEN TO THE WORLD. IT IS A PLACE TO GROW AND PROSPER.**

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FPAC commits to reporting publicly every two years on the collective progress of the industry under Vision2020. The Report Card 2010-2012, *Pathways to Prosperity for Canada's Forest Products Sector*, shows the following progress over the first two years:

PILLAR	GOAL FOR 2020	PROGRESS (2010-2012)
Products	\$20 billion in economic activity	\$0.5 billion Increase
Performance	35% improvement	6% improvement
People	60,000 new recruits	8,000 new recruits

The products goal reflects the optimism of the forest product industry about its ability to create new economic activity through innovation. The forest sector has a long history of adopting new innovative processes and technologies. Through the challenges of recent years, the industry need to innovate has deepened as it sought new ways to maximize value from Canada's forests. Industry and government players realized that innovation in knowledge, products, policy and processes is necessary for future success.

During 2010 -2012, the industry was still recovering from the recession and making strategic investments for future growth. Hence, the progress shown does not yet capture the full extent of the effort being made by the industry and its partners. Further improvements are expected as the global recovery takes hold, new innovative products come on stream and markets are diversified. Export growth for the industry during 2013 and 2014 was strong at 13% and 9% respectively. In addition, while developing this first report card, FPAC realized that the way it accounts for economic growth needs to evolve since the Statistics Canada measurement of economic activity in the forest sector does not include bio-energy and other bio-products created by our companies

The performance goal flows from the aggressive efforts already made by the industry to reduce its environmental footprint. As custodian of 10% of the world's forests, the sector has emerged as a global environmental leader. Canada is home to 43% of the world's third-party certified forest. Under **Vision2020** an index of 12 environmental performance indicators are used to measure forward progress.

The greatest improvement over the two year period between 2010 and 2012 was a 31% reduction in waste to landfill. Energy use decreased by 8% and the recycling rate improved by 4%. Water use went down by 3% and air emissions improved as well. Two of the twelve parameters did not see improvement: total suspended solids, and greenhouse gas emissions (GHGs). However GHGs have gone down by 70% since 1990.

The people goal is a focus on renewing the sector by an additional 60,000 recruits with a focus on showcasing the huge career opportunities available for those with the skills, knowledge and desire to work in the sector.

In the period from 2010-2012, the industry hired 8,000 new recruits, mainly to replace retiring baby-boomers. The pace of hiring is set to further increase as the industry transforms. Forest products companies similar to those in other sectors are reporting difficulties in replacing skilled workers. The sector is currently in need of all types of workers such as millwrights, pipefitters, engineers, forest technicians, truck drivers and management personnel.

The Canadian forest products industry is future-oriented and remains a critical contributor to jobs and economic growth, especially in rural Canada. The sector is competitive, a renewable energy leader, and environmentally responsible. New products, new markets and new opportunities are only limited by the ingenuity and imagination of companies and their partners. The ultimate success of Vision2020 will require the collective effort of FPAC, its member companies, and the rest of the forest sector working with governments, educational institutions, researchers, environmental groups and others to take on this challenge for the benefit of all Canadians.



FPAC advocates on behalf of the forest sector. FPAC is also working to realize the ambitious goals of Vision2020 to help the industry transform with innovative new products, diversified markets, enhanced environmental credentials and a skilled workforce. FPAC is proud to represent Canada's largest producers of forest products.

All FPAC members are signatories of the Canadian Boreal Forest Agreement. Our members are responsible for 66% of certified forest lands in Canada. Third-party certification of member companies' forest practices is a condition of membership in the Association — a world first.