CANADA'S FOREST PRODUCTS INDUSTRY:

CLEAN, GREEN + GROWING

FOREST INDUSTRY FEDERAL BUDGET RECOMMENDATIONS:

Need for Federal Partnership to Support Jobs, Innovation and Environment

Canada's forest products sector has a proven track record of innovation, environmental leadership and vital contributions to the Canadian economy as a $65 billion sector directly supporting 230,000 jobs and hundreds of rural and northern communities. In fact, a recent international survey by Leger Marketing found that Canada's forest products industry has the best environmental reputation in the world. We also understand the critical need to address climate change—that's why the Forest Products Association of Canada (FPAC) recently launched its 30 by 30 Climate Change Challenge to reduce 30 megatonnes of greenhouse gas emissions per year by 2030. We are seeking a further partnership with the federal government to build a world-leading clean innovative sector, a green economy and support and grow middle-class jobs.
FPAC's full submission can be found at: fpac.ca/advocacy

WORLD-LEADING PARTNERSHIPS IN FUNDAMENTAL SCIENCE, RESEARCH, AND DEVELOPMENT

FPInnovations Partnerships **$25 million/year for 4 years (starting in 2018 - 2019)**

Funded by industry and governments, FPInnovations is one of the world's largest private-public partnerships developing leading-edge technologies and products in Canada's forest industry. FPInnovations is focused on climate change solutions from tall wood building construction to green energy and novel bioproducts from tree fibre that contribute to the economy and the environment. With its many university and research partners, FPInnovations is realizing world-first innovative solutions that would have been unimaginable just a few short years ago.

An Academic Alliance: $25 million/year for 4 years (starting in 2017-2018)

The forest sector wants to strengthen the contribution of academic institutions across Canada, to help increase engagement in the forest sector's innovation agenda, align research capacity and link research to commercial needs and climate change solutions.

COMMERCIALIZING AND ACCELERATING CLEAN GROWTH

De-risking commercialization of clean technology **$50 million/year for 4 years (starting in 2017-2018)**

The forest products industry wants to build on the success of Natural Resources Canada's Investments in Forest Industry Transformation (IFIT) program that generated world-first innovations. On-going industry transformation can contribute to economic growth and deliver on our "30 by 30" Climate Change Challenge. For every dollar invested by IFIT, $2.60 is generated. The sector needs to take the risk out of the commercialization of clean technology to ensure a more internationally competitive industry while ensuring the economic well-being of forest communities.

Accelerating Clean Technology Deployment **$62.5 million/year for 4 years (starting in 2017-2018)**

The forest products industry is on a unique transformation path that is moving to self-reliance in bio-energy; an expanded portfolio of bio-products that create fewer emissions and provide alternatives to fossil fuel based products; and more diverse global markets that value our green credentials. The next step to the commercialization of products and innovative technologies is to ensure their subsequent replication across the industry more broadly. Government support can accelerate replication and ensure the sector keeps pace with international competition in wide-spread adoption of emerging clean technology. This will also contribute to tackling climate change.

A Bio-Economy Cluster to Accelerate Clean Tech Development and Deployment: **$10 million/year for 4 years (starting in 2017-2018)**

A bio-economy cluster would include forest companies, technology developers, equipment manufacturers, companies from other sectors, research institutes, universities, consultants and more. Funding to support such clusters will draw on a wide spectrum of expertise to strengthen Canada's overall innovation performance and contribute to action against climate change.

MARKET ACCESS AND EASE OF DOING BUSINESS

Updating Building Codes and Standards

Current building codes are a barrier to lowering the carbon footprint of Canada's buildings. Carbon emissions will be reduced if we update building codes to recognize the capabilities of mass timber, engineered wood products and other wood-based building materials in modern building design and construction. The expansion of the height limit of wood structures from four to six storeys was a positive step, but even taller wood buildings would ensure a much lower carbon footprint than competing construction materials, a win-win for both the economy and the environment.

Expanding Markets **$11 million/year for 4 years (starting in 2018-2019)**

The Expanding Market Opportunities (EMO) program, now expiring on March 31, 2018, should be renewed at the current level of $44 million over four years. This will help the sector continue to support Canada Wood, expand foreign markets for a growing suite of diversified wood products and accelerate the low-carbon economy due to wood's low-carbon footprint and carbon-storage capabilities.