Forest Industry
Nova Scotia

Fact sheets

NS Budget, Economics and Employment
With comparison to Tourism
Mandate: The Department of Natural Resources has broad responsibilities relative to the development, management, conservation and protection of forests, minerals, parks, and wildlife resources and the administration of the province’s Crown land.

Mission: To work with Nova Scotians to build a better future through sustainable natural resource management.

Visions: #3 All Nova Scotians benefit from the natural health and wealth of the province

Strategic Outcomes: one states - Sustainable resource development (Nova Scotia’s natural resources are managed in a way that balances economic, environmental, and social demands for current and future generations of Nova Scotians)

Economy: Government recognizes that creating good, sustainable jobs for Nova Scotians is the role of the private sector and social enterprises. The role of government is to create a climate that fosters private sector and social enterprise economic growth.

Budget:
- Total Revenue: $9,920,008,000
- Expenses: $10,024,247,000
- Deficit: $97,575,000

Revenue sources (in part):
- Personal income tax: $2,524,962,000
- Corporate income tax: $493,193,000
- HST: $1,761,253,000

DNR Budget
- Total cost: $82,983,000
- Natural Resource revenue: $14,690,000
  - Of this amount
    - timber and fuelwood licenses: $8,862,000
- Corporate Services expenses: $1,157,000
- Renewable resources: $18,689,000
- Regional Services: $48,613,000

Nova Scotia Labour force 2012
- Population size: 942,926
- Total labour force: 493,200
- Unemployment: 42,600 (8.6%)

Employment:
- Goods producing sector: 81,200 (forestry 5,600)
- Service producing sector: 365,000
Forest Industry Labour force
2012
Total = 5600

- Forestry and logging industry: 44%
- Pulp and paper product manufacturing industry: 24%
- Support activities for forestry industry: 11%
- Wood product manufacturing industry: 21%

Wages:
Forestry and logging = $28,365,000 ($21,686/person/year)
Woods products manufacturing = $67,379,000 ($28,168/person/year)

Change in Labour force
Forestry and logging

Nova Scotia forest resources:

Land area: 5.53 million hectares
Forested area: 4.3 million hectares
The operable forest area is much smaller.
Annual area clear-cut – approx. 50,000 ha
Rotation is approx. 55 years.
The forestry industry

- Saw mills – 93
- Pulp and paper mills – 2
- Energy generating facilities – 2
- Northern Fiber, Sheet Harbour (wood chipping and shipping terminal)

Forest Economics based on Gardner Pinfold (2015):
- Direct output - $1,200,000,000
- Direct GDP - $410,000,000
- Direct income - $275,000,000
- Direct jobs – 6,100
- Indirect spinoff output - $923,000,000
- Indirect GDP - $390,000,000
- Spinoff income - $226,000,000
- Spinoff jobs – 5,400

Government revenue from taxes (forestry):

- Taxes on goods and services:
  - Provincial - $16,000,000
  - Federal - $33,000,000

- Income taxes:
  - Provincial - $17,000,000
  - Federal - $13,000,000

Nova Scotia Tourism

- Revenue (2012) - $2,330,000,000
- Tourism employment:
  - Full-time - 23,000
  - Part-time - 15,000
  - Total - 38,000
Major forestry industrial sites:

Covers from: http://nsforestnotes.ca/stats/

- Northern Pulp Nova Scotia Ltd. in Pictou
- Port Hawkesbury Paper in Port Hawkesbury
- Louisiana Pacific Corp. in Chester
- J.D. Irving Ltd. in Truro (see 2013 Economic Impact)
- Marwood Ltd. in Bedford & Brookfield
- Ledwidge Lumber in Enfield
- Elmsdale Lumber Co. in Elmsdale
- Harry Freeman and Son in Greenfield
- Scotsburn Lumber in Scotsburn
- Taylor Lumber in Middle Musquodoboit
- Great Northern Timber in Sheet Harbour
- Hefler Quality Lumber in Middle Sackville
- Turner & Turner Lumber in West Northfield
- JA Turner & Sons in West Northfield
- Williams Brother Ltd. in Barney’s Rivers
- Scotia Pallets Ltd. in Goshen
- Groupe Savoie in Westville
- BA Fraser Lumber in Margaree Valley
- Brooklyn Power in Brooklyn
Conclusion:

Forests cover a huge part of Nova Scotia
Majority is managed by clear cutting (30,000 to 40,000 hectares per year)
Low value of forest products (pulp, logs, wood chips and lumber)
Decreasing number of workers in the forest industry.
DNR – large budget to support forest industry
DNR - Mandate - All Nova Scotians benefit from the natural health and wealth of the province
But, only a few people benefit (owners or CEO’s of industrial operations)
Promoting low value fiber for NS forests is short sighted and leaves no room for a changing market in the future. Diversity in the forests means we can adapt to changing markets.
Tourism makes more money than forestry but the landscape that tourists enjoy seeing is becoming clear-cut and is often visible along highways.
If the natural health and wealth of the province is for the benefit to all Nova Scotians then the Government and specifically the Minister of DNR should actively be promoting value added industries such that increasingly more people would be employed.
Promoting value added industries would also mean that, at least, Crown land should be managed for old age forests which could produce valuable trees for selective harvesting for the value added industry.

In short, currently, DNR, largely funded by the tax payer, is helping a few people becoming very rich! This must stop!