

Alberta Forest Products Association (AFPA) – Annual General Meeting – September 22, 2016

- Good morning everyone.
- I am honoured to be here today to bring greetings on behalf of Premier Rachel Notley and the Government of Alberta.
- It's a real treat to be out here in Jasper ... and to have the opportunity to meet with members of the Alberta Forest Products Association.
- Whether it is lumber, panel board, pulp and paper or secondary manufacturers ... AFPA members are key job creators in their communities and are making a tremendous contribution to the Alberta economy.
- We know that our province's ongoing success relies on a commitment to economic diversification.
- And, we recognize that the forestry sector has a significant role in expanding that diversity ... as we explore new opportunities for growth here in Alberta and on the world stage.
- The AFPA is part of the foundation of the forestry sector, and a strong partner and voice for economic development and innovation within the industry.

Softwood lumber

- We know there are challenges ahead of us ... including the completion of a new softwood lumber agreement with the United States.

- Ensuring that Alberta's interests are well-represented in the next softwood lumber deal is of utmost importance to all of us.
- We are committed to working closely with the industry and with our federal counterparts to advocate our position during negotiations.
- Our goal is to ensure that Alberta forest companies have secure and predictable access to this important export market.
- However ... with the end of the standstill period in October fast approaching ... we know that we have to be prepared for all eventualities.
- That includes the potential for trade litigation.
- And, we are actively planning and making preparations to address any trade issues that may surface during this process ... including defenses against possible countervail duties that could be imposed.

Value Added

- While the U.S. continues to be a vital market for Alberta's forest products, it is also vital that we continue to explore other opportunities around the globe.
- Asia ... Alberta's second largest export market ... holds tremendous potential for forestry products.
- Our wood product sales to that region have grown by an average of six per cent per year ... rising from \$657 million in 2011 to \$844.3 million last year.

- And, we want to see that momentum continue.
- Pursuing these additional opportunities in Asia and other key markets will continue to be an important focus of our ongoing trade missions.
- In order for Alberta to continue to successfully compete on the world stage ... and continue industry growth here at home ... we need to build on Alberta's wood production manufacturing strengths...
- ... leverage the skills of an educated workforce ... and attract investment for new engineered wood products production.
- It also requires our ongoing commitment to innovation, enhancing production efficiencies and developing niche products.
- There are wonderful examples of how the forestry sector is succeeding.
- In early May, I was pleased to attend the opening of the West Fraser bio-gas power plant in Slave Lake.
- West Fraser has long been a vital job provider and economic driver for the region.
- Now the plant is creating new opportunities with a sophisticated approach to enhanced energy efficiency and sustainability ... harnessing waste water to generate electricity and capturing waste heat to be used in the pulp drying process.
- This pioneering effort is a first-of-its kind in Canada.

- I'm told the process will reduce greenhouse gas emissions by more than 45,000 tonnes annually, while also reducing natural gas consumption and creating jobs.
- The project highlights the ongoing leadership and innovation within the forestry sector when it comes to adopting best practices and enhancing sustainability.
- We recognize that forestry ... as one of our province's most prominent renewal resource sectors ... has an extremely valuable role in environmental stewardship and our province's efforts to combat climate change.
- From supporting bio-energy production ... to the renewal of our forests through the planting of millions of trees each year ...
- ... to the capture and storage of carbon in lumber and wood products ...
- ... we understand that there are considerable benefits to a sustainably managed forestry sector.
- As we move forward, the continued partnership between industry, government and research agencies such as FP Innovations will help open up new doors of possibility...
- ... whether that be looking for ways to enhance opportunities for secondary wood manufacturing ... or better utilizing wood products such as Aspen.

- We are also looking for participation and insight from AFPA members as we establish a steering committee that will explore the development of an Alberta Wood Charter initiative.
- The goal of the program will be to encourage the increased use of wood in the construction of provincial, commercial and non-residential buildings ... tapping into the potential of the forestry sector while at the same time reducing greenhouse gas emissions through use of renewable building materials.

Protecting forests

- Our work to the advance the forestry industry goes beyond economic development and sustainability.
- The protection of forest resources and forest communities also continue to be a priority for this government.
- The devastation from the Fort McMurray wildfire is still fresh on the minds of Albertans.
- When all was said and done, the wildfire consumed nearly 600,000 hectares of Alberta's forests ... roughly the same size as Prince Edward Island.
- While we know that this was an extreme fire event ... we know that we must continue to assess our efforts to ensure we are doing all that we can for the safety of our forests and communities.
- We've commissioned a review on the wildfire operations leading up to, and during, the Fort McMurray fire.

- This report will hopefully give our wildfire managers additional insights into combatting large and complex fires.
- And, the findings may build on the more than 100 actions that have already been taken to address recommendations made following the Slave Lake area fires.
- In addition to fire prevention and protection ... we also continue to work to keep our forests healthy in the face of other challenges.
- The mountain pine beetle continues to be a threat for many forest communities across the province including right here in Jasper.
- Alberta is currently working cooperatively with Parks Canada to perform aerial surveys of the current infestation as well as to develop prevention and control strategies to address the building pine beetle populations here in the park.

Conclusion

- I want to thank members of the AFPA for their ongoing leadership and commitment to excellence.
- Your dedication and hard work is at the heart of Alberta's reputation as a reliable and premium supplier of high quality wood products.
- Our government remains committed to a thoughtful and sustainable approach to forest management that balances the economic, social and economic needs of Albertans and our communities.

- And, we will continue to work with you to help the sector maximize its economic potential and continuing to innovate and evolve in response to challenges such as climate change.
- Thank-you for the invitation to join you here today.
- Best wishes for a productive and successful AGM.