

March 4th, 2019

Hon. Rod Phillips
Ontario Ministry of Environment, Conservation and Parks
College Park – 5th Floor
777 Bay Street
Toronto, Ontario M7A 2J3

Re: Response to Environmental Registry of Ontario Number 013-4143 – 10th Year Review of Ontario's Endangered Species Act: Discussion Paper

Dear Mr. Phillips,

The Sustainable Forest License (SFL) Managers in Northwest Region collaborated to develop the following response to the *10th Year Review of Ontario's Endangered Species Act: Discussion Paper*, which is posted on the Environmental Registry of Ontario (ERO). All of the SFL Managers are Registered Professional Foresters and endorse the information contained within this response with their professional designation stamp. The implementation of the Endangered Species Act (ESA) will dramatically affect the economic sustainability of the forest sector in Northwestern Ontario, which is detailed in the attached slide deck¹.

Collectively, the facilities that utilize the wood supply from the forests in the Northwest Region directly employ thousands of Northern Ontarians. These direct jobs in forest resource processing facilities generate indirect and induced jobs throughout the region and province. These forest managers previously provided their concerns to the former Liberal government and their Minister of Natural Resources and Forestry in the hopes of starting a dialogue about the effects of this policy.

Given the lack of consultation with the forest sector prior to the ERO posting, the SFL Managers in the Northwest Region deemed it necessary to consolidate their concerns into a singular message. The scope of the prescriptions contained within the ESA and the associated long-term deferrals threaten the long-term sustainability of Ontario's forests. Long-term deferrals and the associated lack of harvesting activity change the forest ecosystem in Ontario from a carbon sink to a carbon source; thereby negatively contributing to climate change.

The more immediate and overwhelming impact of the ESA and the associated long-term deferrals of large tracks of forested land are job losses. In the Northwest Region, the currently available wood supply can be reduced by as much as 2.15 million cubic metres. The impacts of this reduction could result in the closure of 6 mills and the loss of 875 direct jobs in these forest resource processing facilities. All of these potential impacts are documented in a socioeconomic impacts study completed by the Ontario Ministry of Natural Resources and Forestry in 2017, which is attached with our response to the ERO posting².

The loss of 875 direct jobs in forest resource processing facilities in the Northwest Region will also result in the loss of 2,039 indirect jobs in the region and 1,514 induced jobs in the province for a total of 4,428 jobs lost in Ontario. These job multipliers were developed by the Minister's Council on Forest Sector

Competitiveness in 2005. The multipliers are documented in the Final Report from the Council and is also attached with our response³. The Registered Professional Foresters that authored this response and created the attached PowerPoint presentation cannot endorse the prescriptions within the ESA when the Crown Forest Sustainability Act (CFSA) provides the most stringent regulatory environment in the world.

The last Progressive Conservation (PC) government in Ontario understood the importance of protecting the three pillars of sustainability in Ontario's Crown forests: economic, social and environmental values. To that end, in 2002 the PC government commissioned the Ontario Forest Accord Advisory Board (OFAAB) to establish the baseline for permanent, long-term wood supply necessary for the forest industry. Their final report, which is enclosed, established the baseline wood supply at 11.8 million cubic metres⁴. The predicted losses resulting from the ESA policy can reduce the baseline wood supply available to the forest industry to just under 7 million cubic metres.

We are prepared to work with you and your staff to discuss our response to the ERO posting and help organize a meeting with all SFL Managers in the Northwest Region to fully discuss the impacts of the ESA policy. The negative impacts outlined in our response can be avoided while maintaining the world class standard of long-term sustainability of Ontario's Crown forests and all species that inhabit them. We have created numerous solutions that will provide flexibility in the application of government policies and recognize the protection provided by the CFSA.

Please contact me at (807) 632-1732 or bthennessey@hmeenterprises.ca to organize a meeting to discuss the recommendations and solutions developed by the Registered Professional Foresters that authored this response.

Sincerely,

A handwritten signature in blue ink, appearing to read 'B. Hennessey', with a large, stylized flourish at the end.

Burton T. Hennessey, R.P.F.
President

Enclosures:

¹Ontario Northwest Region Sustainable Forest License (SFL) Managers – Wood Supply Challenges and Potential Impacts to the Northwest Region

²Ontario Ministry of Natural Resources and Forestry – Wood Supply and Economic Impact Analysis: Assessment of Caribou Prescription Options defined as part of the CFSA-ESA Integration Project

³Minister's Council on Forest Sector Competitiveness: Final Report

⁴Room to Grow: Final Report of the Ontario Forest Accord Advisory Board on Implementation of the Accord