

## New Directions in Ontario's Forests

# Bringing People and Forests Together

*This is the tenth in a series of fact sheets making the economic links between healthy forest ecosystems and the long-term viability of resource-dependent communities in Ontario. This fact sheet considers some strategies for developing a strong and diverse economic base in the province's forest-dependent communities.*

One way or another, change is coming to Ontario's resource-based communities. It may come by continuing on an unsustainable course of high-volume timber production until the province's forest resources are degraded and exhausted (*see Fact Sheets #1-5*). Another, more positive, approach is for communities to take the initiative by encouraging a varied network of economic activities. While there are some costs involved in economic diversification, communities stand to gain substantial benefits — including ongoing stability and long-term survival.

Ecologically responsible forestry, value-added wood-product manufacturing, and ecotourism (*see Fact Sheets #6-8*) are all important aspects of diversified resource-based economies; but these are only a few of the compatible economic activities that can support healthy forest landscapes. Communities could benefit from a wide range of opportunities — some equal to, or surpassing, the value of timber production.

### Seeing past the fibre

#### Economic potential in the forest

Ontario's forests, for example, have an untapped wealth in edible wild mushrooms. A 1995 study in the Ottawa Valley's Renfrew County estimated the potential value of the area's annual wild mushroom harvest at \$80/hectare (ha.); if the same area were

cut for pulpwood the estimated annual return would only be \$56/ha.<sup>1</sup> Many mushroom species depend on their relationship with mature and complex forests. According to the report, "the most productive forest stands [for mushrooms] are old white pine and jack pine stands, black spruce stands, and



### An Economic Opportunity . . . at Risk?

Harvesting, drying and marketing of edible wild mushrooms could be a \$36.7 million industry in eastern Ontario's Renfrew county.<sup>1</sup> However, many of the most productive sites for these mushrooms are located in older stands of aspen (poplar), a forest type that has been targeted for cutting on the region's public lands. For example, between 1995 and 2000, 98% of planned clearcutting of poplar forests in the Pembroke District will take place in stands that are more than 50 years old.<sup>8</sup>

old aspen stands."<sup>1</sup> The potential of this industry can only be realized if the forest ecosystem is healthy and relatively intact (*see box above*).

Healthy, mature mixed hardwood forests can also support a lucrative maple syrup industry (*see Fact Sheet #6*). As Denis Nolet, an eastern Ontario operator and woodlot owner explained in 1995: "About eight years ago, someone estimated I could make \$13,000 in one shot if I logged this land. But I can make two or three times that each year from [my] 2,100-tap syrup operation."<sup>2</sup> In contrast to the one-time returns of large-scale clearcuts, these operations can provide a regular income over many

ILLUSTRATION (TOP) BY CHARLES DREVER

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years while maintaining the forest resource. Similar economic potential may be awaiting discovery in the harvesting of such products as cedar oil, nuts, and medicinal and cosmetic products — a potential that can only be realized if healthy forest ecosystems retain their ecological integrity.

### Fertile Ground

#### Economic diversity and healthy forests

In this age of computer technology and mobile workforces, protected areas and high quality natural landscapes can provide quality-of-life attractions which contribute to a stable and diversified economy.

The Pacific Northwest of the United States is a case in point. When declining wood supplies and growing environmental concerns forced a drastic reduction in logging, the dreaded “black hole” of unemployment (predicted by one state representative) failed to materialize. Instead, new cleaner industries (eg. high technology) have located in the area, attracted by its high-quality environment, and the local population has increased by 40,000. As the mayor of Springfield, Oregon explained in 1994, “What we’ve got here is quality of life and so long as we don’t screw that up, we’ll always be able to attract people and business.”<sup>3</sup>

This experience is echoed in the Greater Yellowstone Region in the US (encompassing Yellowstone and Grand Teton National Parks, and 7 National Forests spread over 5 Montana counties). In the past, extractive industries (logging, mining, oil and gas) supplied a full third of all jobs in the Yellowstone Region. By 1989, however, visitors to the Yellowstone parks were generating 5,800 jobs in the surrounding area. More importantly, new industry was drawn to the region because of its high-quality natural environment and recreation potential (*see box, page 3*). Resource planner Ray Rasker now likens costly ongoing

forestry and mining support programs in Yellowstone to a “driver looking in the rearview mirror to see the road ahead.”<sup>4</sup>

Timber has an easily-quantified value on world markets, making it a ready focus for exploitation. However, as the above examples testify, non-timber values of healthy forest ecosystems — though more difficult to quantify — can generate real economic benefits for local communities.

Ontario has yet to fully recognize this potential. However, the northern community of Elliot Lake, for one, has successfully attracted a significant retirement community by emphasizing its proximity to natural areas.

### Planning for Change

#### Community initiatives at work

Timber-dependent communities are faced with the dilemma of turning potential into reality. They must grapple with the difficult transition to a new economic base, minimizing potential costs of that transition while maximizing the benefits.

The experience of Ely, Minnesota might offer some useful lessons. Ely faced a crisis in 1960 when the neighbouring iron mines began to close. Logging has also declined and may be phased out completely under new US Forest Service policies.<sup>5</sup> But today Ely, located next to the Boundary Waters Canoe Area, is the fifth largest tourist destination in Minnesota. It has a thriving new economy, including publishing and light manufacturing.

Ely’s successful recovery is attributed to a culture of working together as a community. Forward planning by government leaders established a heritage fund through a levy on the mines. Set up to support the community once the iron ore ran out, the fund now assists in efforts to diversify the local economy. In addition, the Chamber of Commerce collects a “bed tax” of \$2 per night per tourist which it uses to promote the area as a destination. Individual businesses in town also promote themselves.<sup>5</sup> Ely illustrates how leadership and

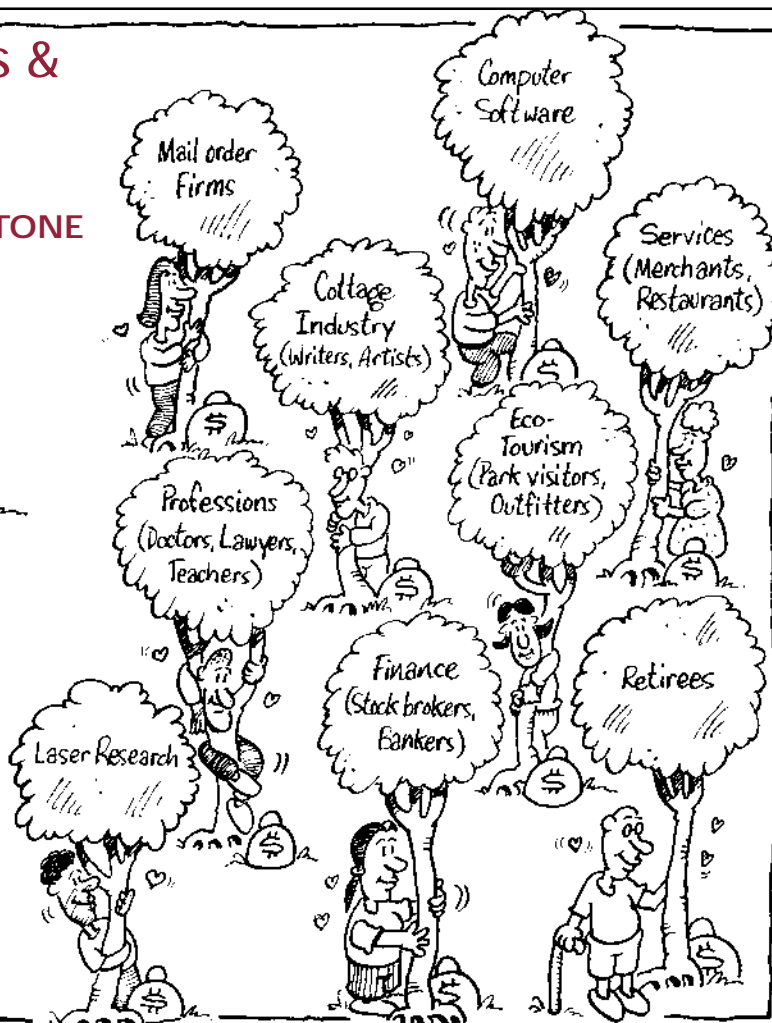
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\*Complete references available upon request

# Natural Environments & New Economic Activities:

## THE YELLOWSTONE EXAMPLE



In the past, extractive industries employed a full third of workers in the Greater Yellowstone Region of the US. By 1989, however, less than 1 out of every 10 jobs was linked in any way to the forestry or mining industries.<sup>4</sup> New and varied industries have been drawn to the area because of its natural environment and recreation potential. In fact, regional leaders have pointed to the preservation of a high-quality natural environment as a key to strong, diversified economic growth in areas once almost completely dependent on resource-extraction activities.

forward planning can empower people to adapt and create new industries.

can play an important role in this process. The Washington State Labour Council, for example, has “for a number of years...been involved in efforts to retain, expand or start-up unionized businesses that provide family-wage jobs.” Key among the Labour Council’s activities has been the creation of a pioneering environmental restoration project which couples public and private resources to generate employment for dislocated forest products workers.<sup>6</sup> In Ontario, several labour-sponsored investment funds already exist which — together with a revitalized forest-renewal trust fund administered by the government and derived from industry logging charges (see Fact Sheet #9) — could help finance similar initiatives.

Change is often an uncomfortable process, but the current unsustainable approach to resource extraction means that change will occur regardless of our wishes. In Ely, those residents who insist on a return to the days of plentiful mining jobs are being overtaken by newcomers who see more clearly the new business opportunities.

Over and above the economic benefits, a well-planned transition to a more diversified economy can also offer communities unexpected quality-of-life rewards. “So many people say this is the best thing to ever happen to them,” reports a former millworker, retrained as a community service worker in the Pacific Northwest town of Mapleton. With more job options, “it’s like the world has opened up.”<sup>6</sup>

In moving toward economic diversity, communities should pay attention to encouraging well-paying, skilled jobs over low-wage, seasonal work. Labour organizations and other progressive forces

### Sustainable Communities

#### Drawing on the strength of healthy forests

Resource-based communities in Ontario have much to gain by supporting and fostering development that is compatible with maintaining healthy and diverse forests. But to take advantage of these new opportunities, communities will need information, training, and financial support (see Fact Sheet #9).

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ILLUSTRATION BY PHILIP HARE

**Planting seeds  
from page 3**

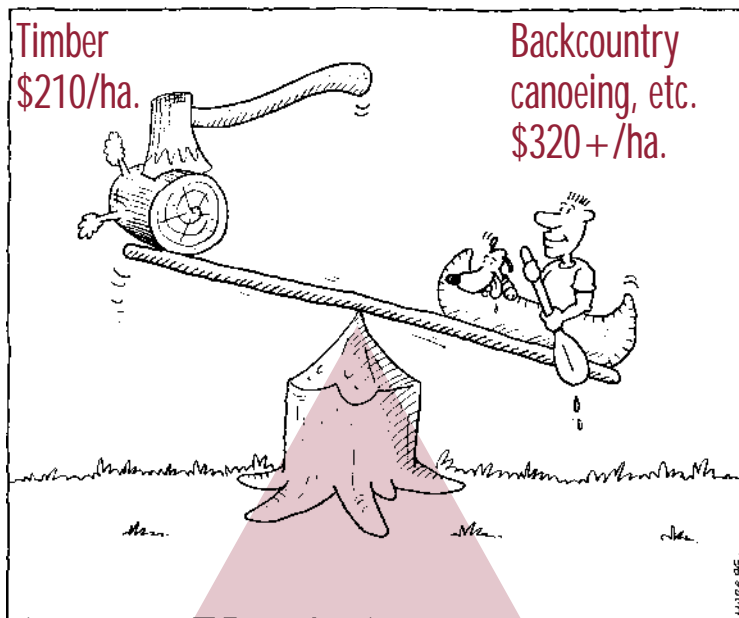
In any shift to ecological sustainability, it is critical that local communities gain the maximum economic benefit. Local control of forest resources (see *Fact Sheet #6*) could empower communities to monitor and manage the environmental impact of new “green” industries. Communities can further contribute to their long-term economic sustainability by making a commitment to use a portion of the profits from their new economic activities to conserve and protect the resource. In this way, healthy forest ecosystems can continue to provide a strong foundation for long-term employment and vibrant communities in Ontario.

**THE VALUE OF WILDERNESS IN ONTARIO . . . a new study**

A recent study in three Ontario provincial parks estimated the economic use benefits of backcountry canoeing — just one of many benefits related to natural areas.

**weighs in**

Based on people’s “willingness to pay” for their wilderness experience, the estimated value of these areas ranged between \$320-\$689 per hectare — significantly higher than the timber value of \$210 per hectare associated with comparable Crown land.<sup>7</sup>



Even though “willingness to pay” for this public good is not easily translated into actual dollars, it does suggest that people in Ontario — as elsewhere — place a high value on the spiritual and recreational qualities of natural areas.

ILLUSTRATION BY PHILIP HARE

Produced by the **Wildlands League** through its Forest Diversity ♦ Community Survival Project, this series seeks to promote constructive dialogue between resource-dependent communities and forest conservation advocates (see *Fact Sheet #1* for more details). We hope the information will be useful in developing economically sound approaches to forest stewardship in Ontario that can help to ensure sustainable economies and sustainable communities.



● **In this series:**

- #1 *Where Have All the Loggers Gone?*
- #2 *Cutting the Future Out of Prosperity?*
- #3 *A New Appetite in the Forest*
- #4 *Undercutting Our Natural Capital*
- #5 *Biodiversity at the Crossroads*
- #6 *Ecological Forestry ... A Cut Above*
- #7 *Crafting More Jobs with Less Wood*
- #8 *Nurturing Diversity Through Ecotourism*
- #9 *Planting the Seeds of a New Forest Economy*
- #10 *Bringing People and Forests Together*

**Forest Diversity ♦ Community Survival** is a project initiated by the **Wildlands League**, and financially supported by the Richard Ivey Foundation and Ontario Hydro. For more information, mail or fax this coupon.

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*The Wildlands League, an Ontario chapter of the Canadian Parks and Wilderness Society, has been working for more than 25 years to promote forest protection and sustainable forest-management practices in the province.*

**FACT SHEET #10**