

# Economic Development Strategy

## The Ivany Report

—Geographic and economic realities dictate that Nova Scotia's rural communities, like rural areas everywhere, will continue to rely heavily on sectors like tourism, **forestry**, fisheries and agriculture, and on production from renewable and non-renewable natural resources. It is not a question of whether we will continue to depend on these industries — we have no choice — but rather, whether we can pursue them in new ways to add significant value to our products and reach higher value markets.”

# History - Prior to Pulpmills in Nova Scotia

- Sawmills did not remove the bark from logs and produced slabwood burned for residential heat because it was cheap and convenient
- Sawdust was piled behind mills as a fire hazard when farmer bedding demand was insufficient
- Forest industry was known for hard unskilled work and low pay

# Pulp and Paper in Nova Scotia

**1924:** First NS Pulp Mill built in Sheet Harbour – sold to Scott Paper 1964 – closed 1971

**1927:** Opening of Minas Basin Pulp and Paper – closed in 2012

**1929:** Bowater Mersey Liverpool – closed 2012

**1962:** Stora Port Hawkesbury – closed 2011 – reopened 2013  
(coated paper with challenging markets)

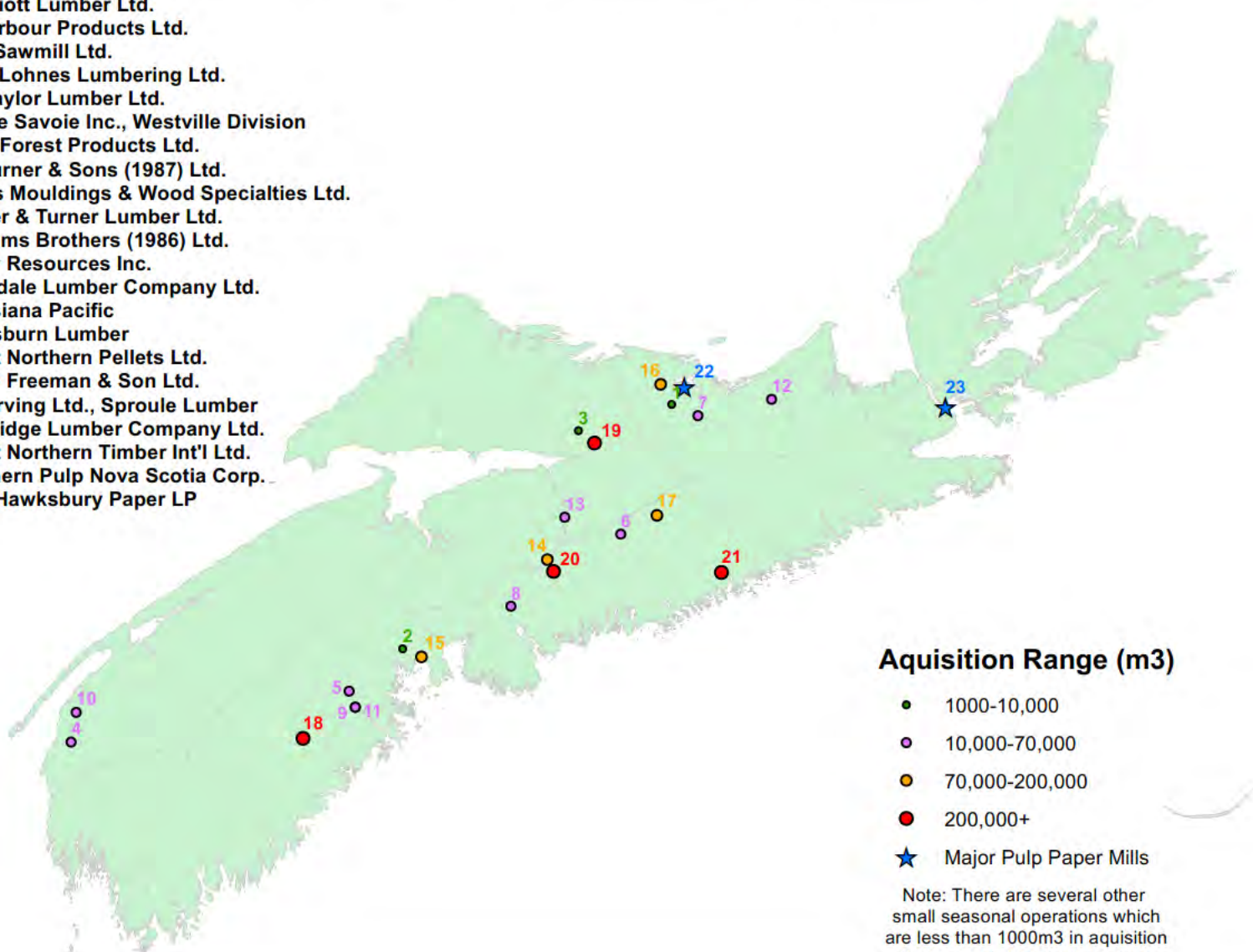
**1967:** Scott Paper Abercrombie – Paper Excellence purchased in **2011** - continues to run with growing market demand in Asia for tissue products

# Pulp and Paper Changed the Industry

- Sawmills installed debarkers and chippers since pulp mills bought chips – slabwood market was declining with residential heat changing to convenient and fairly cheap oil
- Bark and sawdust was burned at pulpmills to produce power – creating a revenue stream for sawmills and reducing fire hazard by stockpiling the residues
- Chips used to make paper created a revenue stream for sawmills
- New market for pulpwood created opportunities to remove the low grade wood during harvesting and not just the high grade sawlogs – silviculture was born!
- New markets enabled industry to invest in modern mill and harvesting equipment, producing better / higher paying jobs and environmental sustainability
- Pellet plants came along later to consume the sawdust and shavings from sawmills making better use of our renewable resource

## Major Forestry Processing Operations in Nova Scotia 2019

- 1 - Daves Lumber Ltd.
- 2 - L.E.Elliott Lumber Ltd.
- 3 - New Arbour Products Ltd.
- 4 - A.F.T. Sawmill Ltd.
- 5 - Elmer Lohnes Lumbering Ltd.
- 6 - F.W. Taylor Lumber Ltd.
- 7 - Groupe Savoie Inc., Westville Division
- 8 - Hefler Forest Products Ltd.
- 9 - J.A. Turner & Sons (1987) Ltd.
- 10 - Lewis Mouldings & Wood Specialties Ltd.
- 11 - Turner & Turner Lumber Ltd.
- 12 - Williams Brothers (1986) Ltd.
- 13 - Shaw Resources Inc.
- 14 - Elmsdale Lumber Company Ltd.
- 15 - Louisiana Pacific
- 16 - Scotsburn Lumber
- 17 - Great Northern Pellets Ltd.
- 18 - Harry Freeman & Son Ltd.
- 19 - J.D. Irving Ltd., Sproule Lumber
- 20 - Ledwidge Lumber Company Ltd.
- 21 - Great Northern Timber Int'l Ltd.
- 22 - Northern Pulp Nova Scotia Corp.
- 23 - Port Hawksbury Paper LP



### Acquisition Range (m3)

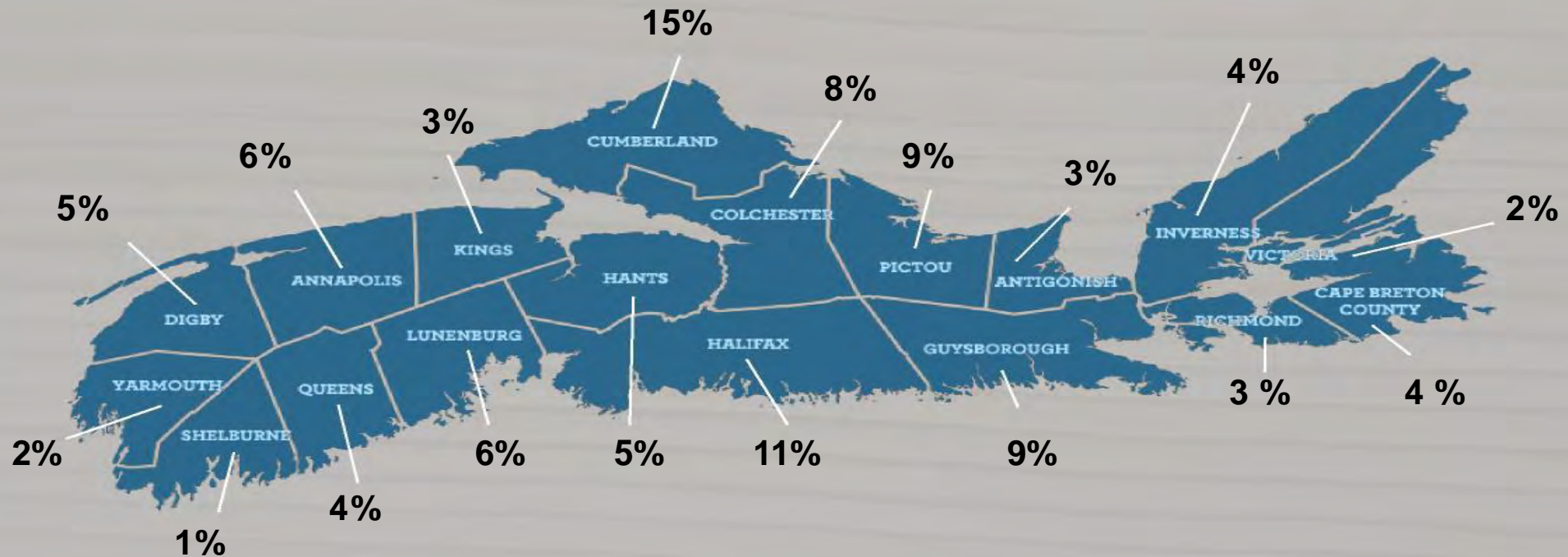
- 1000-10,000
- 10,000-70,000
- 70,000-200,000
- 200,000+

★ Major Pulp Paper Mills

Note: There are several other small seasonal operations which are less than 1000m3 in acquisition that are not displayed on map.

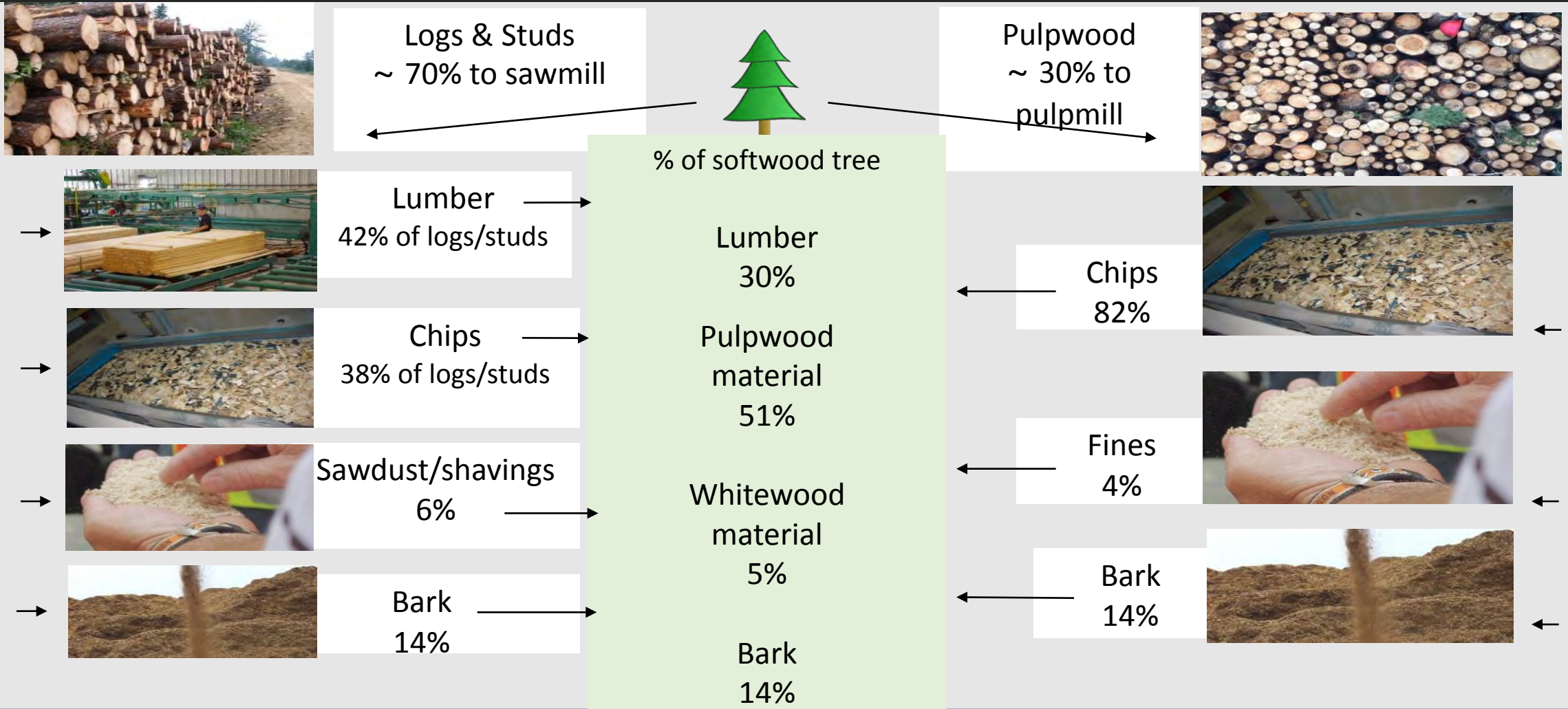
# Where is Wood Harvested?

- Percentage wood harvest by county



Cumberland County produces the most wood in the province (15%), followed by Halifax County (11%). Digby and Annapolis Counties are significant producers.

# Forest Products Produced From Softwood Tree



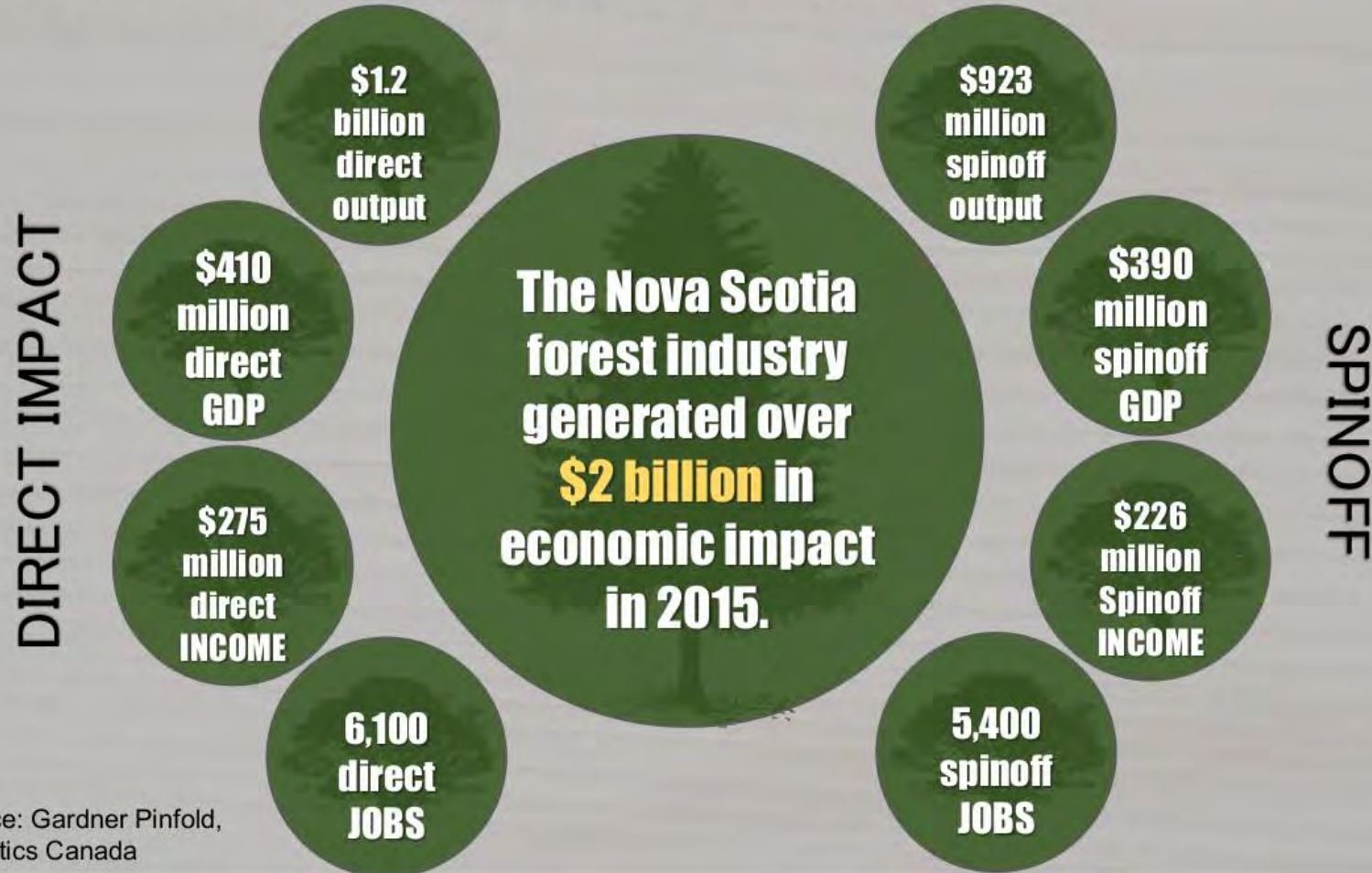
# Three (3) Days of Chips from One Sawmill





# Economic Impact Results

Total 2015 economic impact – direct and spinoff



Source: Gardner Pinfold,  
Statistics Canada

# The Value of Forestry to Nova Scotia

- Good Paying Jobs
- Large GDP Impact - Has increased 5% over 5 years and 7% over 10 years
- Substantial Economic Multipliers (1.49x in Logging; 3.43x in Pulp & Paper)
- Above Average Tax Revenue Generation
- Renewable Resource and Positive Environmental Footprint
- Support's Rural NS Economy – 493 forestry firms registered - 89% with fewer than 20 employees

# The Environment

- NP recently invested \$80+ M to improve air quality (greatly exceeding federal requirements)
- NP spent an additional \$ 9 M on maintenance during its May 25 to June 10 maintenance shutdown
- NP has committed to spend \$130 M on the most modern Effluent Treatment Plant that very few pulpmills have globally
- We can have environmental protection and a strong industry BUT we need enough time to make sure the job is done right!

# NPNS Proposed Wastewater Outfall Aerial View

Northumberland Strait



# Local Impacts

- Manufacturing & Processing – Lewis Mouldings, AFT Sawmill
- Harvesting, Trucking & Support – very few are investing in equipment with the corrosive deadline looming
- Harvesting, Trucking and Manufacturing Workers who live here
- Employees are hard to retain
- Loss of rural critical mass impacting grocery stores, gas stations, etc.
- Landowners and good forest practices require low grade wood markets to ensure sustained woodlot health and value

# Our Ask

Write Premier McNeil urging *immediate* extension of the *Boat Harbour Act* deadline so the effluent plant and pipeline can be completed

- With the condition that NP press forward with all required studies and obtain EA approval – jobs must not come at a sacrifice to the environment

Note: Boat Harbour clean up requires its own federal EA. It will be two years before cleanup can start. Let NP use it until cleanup is ready to start.