OFIA's 2025

Pre-Election Submission

Stand & Grow

Ontario-Made Energy, Innovation, and Bioproducts for a Changing World

OFIA's 2025 Pre-Election

Recommendations

1. Optimize Successful Forest Sector Programs
2. Market the Ontario Forest Product Opportunity
3. Continue Championing Market Access and Trade
4. Implement a *Forest Energy Directive*
5. Streamline and Improve Active Forest Management
6. Position Ontario as a Globally Competitive Jurisdiction through Red Tape and Cost Reduction
7. Develop the Workforce of the Future and Enhance Forestry Community Livability

Ontario's forest industry is a cornerstone of the provincial economy, supporting jobs and economic development in every region.

$22.8 billion
Revenue from Forest Manufacturing

$5.5 billion
Contribution to the Provincial GDP

$4.6 billion
Private Sector Investments in Ontario

137,000
Direct, Indirect & Induced Jobs

88,198
Hectares Assessed for Renewal Standards

56,297,380
Hectares of Productive Forest

27,706,920
Hectares of Managed Crown Forest

13,384,210
Cubic Metres Harvested Annually

$287.9 million
Crown Timber Charges

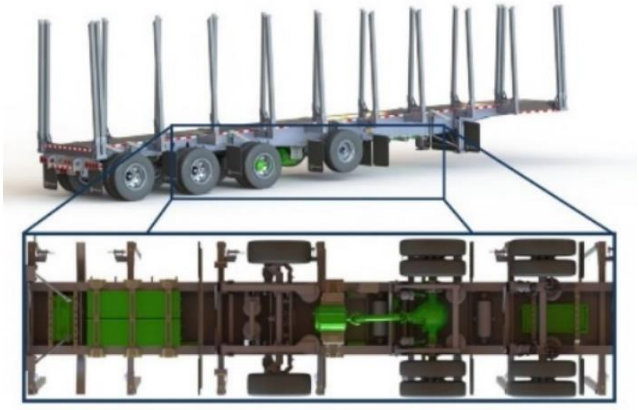
$57.7 million
Renewal Expenditures

70.7 million
Trees Planted

248.8 million
Seeds Used

Cutting-Edge Innovation

Ontario's Forest Sector is Investing and Transforming



Hybrid Tractor Trailers & Harvesters

Companies have trialed replacing one of the conventional axles on forestry trailers with an electric motor. When combined with a conventional tractor, this parallel hybrid configuration improves traction and braking capabilities up to 50%. This contributes to fuel savings of up to 25%, which equals a reduction of 40 tonnes of greenhouse gas (GHG) emissions per year.

Autonomous Vehicles & Platooning

Today, there is an estimated 25,000 trucking vacancies in Canada resulting in $450 million in business losses due to driver shortage in the forest sector. Up to 40% of wood costs are related to transportation.

Off-highway autonomous transportation trials have been completed in Quebec and new trials are planned for Alberta. These trials can help solve the workforce shortage situation while factoring in the unique challenges of Canada's road conditions and challenging climates.

AI-Powered Harvest Operator Support

Artificial intelligence (AI) can enhance efficiencies in forest operations by enabling systems that can continuously detect, position, measure and classify all trees around the machine with centimeter-level accuracy.

Using this information, the system can develop comprehensive inventory of which trees were felled and remain in the forest for improved monitoring and reporting to support continual improvement.

AI-Powered Robotic Automation and Process Optimization

AI and digital innovations, like optical scanners and robotics, enhance efficiency in forest manufacturing mills by optimizing merchandising, sawing, and grading. These technologies automate critical processes, improving revenue and providing real-time production monitoring both on-site and virtually.

Aerial Drones and Remote Sensing

New spatial tools, including drones equipped with optical and LiDAR sensors, are being developed to enhance the monitoring of Ontario’s forests, wildlife, and mill sites. These innovations will improve the accuracy and precision of forest inventories and aid in management decisions. Additionally, aerial seeding equipment is supporting more efficient forest renewal practices to bolster future forest health and resiliency.

Next-Generation, Energy, Bioproducts and Construction Material

Next generation bioproducts, such as renewable fuels and chemicals, are poised to transform Ontario's energy sectors. New forest biomass projects such as the Wanagekong-Biiwega'iganan Clean Energy Corporation has secured funding to develop a commercial plant in Fort Frances, which will convert bark, sawdust, and logging debris into alternatives for airline fuel, diesel, and other solvents, such as naphtha.

Additionally, Ontario's forest industry is gaining recognition for its top-tier sawmills and panel board assets, which can play a key role in supporting homebuilding and affordable housing initiatives, including mass timber construction.

Introduction

Ontario's forest industry continues to *Stand & Grow*, meeting new global demands for forest products and wood fibre. The sector has invested more than $4.6 billion into Ontario since 2018 to enhance operations, boost production, and create sustainable jobs in rural and northern communities. An ongoing commitment to innovation reflects the industry's strength and capacity to thrive even in times of change.

However, the current landscape presents new obstacles, such as the consolidation of pulp and paper mill operations and new provincial energy demands. A potential 25% "Trump Tariffs," in addition to increased softwood lumber duties, will significantly impact our sector. As 97% of global Ontario forest product exports currently go to the United States, a 25% tariff is predicted to result in a CAD $2 billion/ per year impact.

Given these unprecedented headwinds, Ontario will need a proactive response to mitigate impacts, avoid significant job and revenue losses, and ensure the momentum of continued growth and sustainability of the forest sector is not lost. Ontario is rich in high-quality forest resources that can produce a diverse range of sustainable products, including renewable energy and construction materials, which can boost supply of affordable housing and drive economic growth.

By leveraging the opportunities provided by its abundant, productive, and world-renowned forest resources, Ontario can unlock the full potential of a bioeconomy, powered by responsible and sustainable forestry practices that promote long-term environmental health and resource availability. Examples of innovative projects include:

- Haliburton Forest Biochar has developed a high-performance biochar product to displace fossil-fuel-intensive materials like carbon black or coal coke used in the production of bioplastics, green metals, and other materials. This biochar-based product is now regularly used to produce automotive seating foam and other interior parts.

- Lake Nipigon Forest Management Inc. (LNFMI) and CHAR Technologies are progressing toward building a facility that will convert wood residuals into clean energy solutions for the heavy industry. The project is expected to produce 500,000 gigajoules of renewable natural gas (RNG) and 10,000 tonnes of biocarbon, annually. The facility is projected to begin operations by 2026 and create several hundred jobs in plant operations, biomass harvesting, and other related activities.

- The Wikwemikong Unceded Indian Reserve has secured funding to reduce its reliance on fossil fuels by transitioning to renewable and energy-efficient technologies, starting with the installation of wood heating infrastructure. The community is looking to scale-up biomass opportunities and explore a new venture to develop advanced biochar and

biocoal products. These products will be produced at a proposed pellet plant facility, further advancing the community's sustainable energy goals and employment opportunities.

Projects such as these showcase the diverse and innovative uses of forest biomass to create new value-added products, driving both environmental and economic opportunities while advancing the sector's sustainability goals. In 2024, we were pleased to see how Ontario's *Forest Biomass Program* successfully supported and incubated innovative projects in the forest sector, contributing to the growth of the bioeconomy.

The forest sector will be an important new, renewable energy source to meet the province's growing demand. Anticipating this new market and opportunity, the Ontario Forest Industries Association (OFIA) developed a *Forest Energy Directive* in 2024. This directive outlines a roadmap to increase forest biomass use in the energy sector to generate electricity, heat, and fuels from locally sourced materials. In light of recent geopolitical events, implementing a *Forest Energy Directive* has only increased in importance to promote domestic forest sector competitiveness and energy security.

In 2024, we also saw Ontario introduce the *Advanced Wood Construction Plan* and update its provincial building code to allow 18-story mass timber buildings. This shift paves the way for taller, more efficient structures, offering a solution to the growing shortage of affordable housing while promoting sustainable construction practices.

Our 2025 Pre-Election Submission serves as a guide to further position the forest sector for continued success and growth under the umbrella of Ontario's *Forest Sector Strategy*. Implementing these recommendations will help Ontario stand strong in the face of new challenges and grow the forest industry's role as a strategic source of economic resilience and energy independence.

1. Optimize Successful Forest Sector Programs

Ontario offers a suite of programs that support the forest industry. We plan to work with key ministries such as Economic Development, Job Creation, and Trade (MEDJCT) and the Ministry of Natural Resources (MNR) to review and optimize programs to ensure the greatest benefit to Ontarians while staying responsive to current conditions.

Public Forest Access Roads Funding Program:

a. Leverage private investment to improve forest road infrastructure—increase the *Forest Access Roads Funding Program* to $75 million/year

Forest Biomass Program:

a. Grow the Biomass Funding Program to >$30 million, with a clear commitment to fund programs post 2027
b. Continue delivery of the *Forest Biomass Program*, prioritizing shovel-ready projects that will help diversify biomass, mill residual, and pulpwood markets

Forest Sector Investment and Innovation Program (FSIIP):

a. MNR and MEDJCT to initiate discussions with OFIA on how to better leverage the FSIIP to attract private-sector investment and improve competitiveness

Sawmill Chip & Pulpwood Program:

a. In the absence of the immediate restart of an idled major chip consumer, renew the $10 million Sawmill Chip Program in 2025, expanding to include opportunities for addressing pulpwood issues in all regions of the province
b. Continue the expedited delivery of *Sawmill Chip Program* funding to eligible projects and companies

Public Forest Access Roads Funding Program: The forest industry builds and maintains public forest infrastructure on behalf of the people of Ontario, supported by the funding allocated through the Public Forest Access Roads Funding Program. This program is crucial in supporting social, cultural, and economic opportunities by providing a network across northern and rural communities that grants access to the province's abundant resources, including critical minerals, connects remote areas, and supports spaces used for cultural and recreational purposes. Thousands of Ontario citizens, businesses, anglers, hunters, cottagers, and emergency services depend on a safe and well-maintained public forest road network. The OFIA recognizes that an additional $6 million is included in the 2024-25 budget, bringing the annual funding to $59 million. However, to meet public infrastructure needs in northern and rural communities, a commitment to increasing **road funding to $75 million/ year** is necessary to address annual road maintenance and inflation and replace end-of-life bridges, water crossings, and roads.

Forest Biomass Program: Another important program that continues to be in high demand and instrumental to supporting the sustainability of our sector is the *Forest Biomass Program*. This

program needs to be scaled to >$30 million to meet the growing demand, enable long-term innovative solutions, increase the utilization of mill residuals, and support goals within the *Forest Biomass Action Plan*. With a commitment to funding beyond 2027, it will support longer-term projects that may be able to significantly impact diversifying markets for biomass, mill residuals, and pulpwood. Given the vast body of research on the merits of using biomass, we encourage future projects funded under the program to prioritize shovel-ready initiatives that are capable of utilizing biomass, including the necessary infrastructure and equipment to enable increased utilization.

Forest Sector Investment and Innovation Program (FSIIP): *The Forest Sector Investment and Innovation Program (FSIIP)* has attracted private-sector investment. Minor program adjustments could further maximize its potential to make Ontario's mills more competitive. We urge MNR to collaborate with OFIA to refine this important program and ensure it continues to drive innovation and investment in the sector. In addition, it provides incredible economic development opportunities for all northern and rural communities, Indigenous and non-Indigenous, right across the province. In many northern and Indigenous communities, forestry mills are the main source of employment, highlighting the importance of continued investment to sustain and grow these local communities.

Sawmill Chip & Pulpwood Program: The Sawmill Chip Program has been an important program to support mills affected by the recent closure and idling of pulp and paper mills across the province. Continuing with a revised and expanded program that would assist all regions of the province in moving both mill residuals and pulpwood is critical. Without new entrants willing to purchase and restart operations at these mills, it may take several years to establish an alternate markets. The demand for this program is expected to increase, and it will need to be renewed in 2025, especially if major chip consumers in Quebec and Ontario remain idled or closed.

2. Market the Ontario Forest Product Opportunity

Ontario's forest products are a highly sought-after resource, producing unique products that stand out in today's global marketplace. Market development within the biomass and pulpwood sectors represents one of the greatest opportunities to improve the efficiency and resilience of this supply chain. Conversely, a contraction within these markets poses a significant threat to the future viability of the entire forest industry. While Ontario's Northern Bleached Softwood Kraft (NBSK) remains highly sought after for its desirable technical properties, many mills require significant capital investments to stay competitive, especially as Canada loses market share to lower-cost mills in regions like Southeast Asia and South America, which have seen substantial investments in new mills and managed tree plantations.

Internationally, billions of investment dollars are flowing into bioprocessing, pulp, and paper facilities. Now is the time to develop a marketing strategy to bring those investment dollars to Ontario. Government initiatives, such as the *Advanced Wood Construction Plan, Forest Biomass Action Plan,* and *Forest Sector Strategy,* have set the stage for the next generation of Ontario's forest sector. Now is the time to ensure successful implementation and attract investment by implementing the following recommendations:

a. Work with MEDJCT, Invest Ontario, Northern Development, and others to develop a new *Ontario Forest Product and Bioeconomy Investment Strategy* to promote Ontario opportunities to a global marketplace

b. Develop programming to support multi-year, large capital investments at Ontario's pulp and paper mills

c. Convene with the leadership of operating chip consumers to explore investment options to improve production/consumption of biomass, mill residual, and pulpwood markets

d. Coordinate with the province of Quebec to attract investment to restart idled softwood kraft lines

3. Continue Championing Market Access and Trade

Over $800 million of Ontario softwood lumber producers' funds are currently held in the U.S. Treasury—funds that could otherwise be reinvested into Ontario's facilities and communities. The current tariffs, expected to rise from 14% to over 30% this November, could have a significant economic fallout for Ontario's forest sector.

The OFIA encourages the Ontario government to continue defending its stumpage system and forest management program, which are under investigation by the U.S. Department of Commerce, and to elevate this issue as a diplomatic priority in discussions with both Canadian and American officials. Furthermore, the OFIA recommends that the provincial government work with federal colleagues to pursue a settlement that ensures the best interests of Ontario's lumber producers while advocating for a financial backstop from Canada to mitigate the ongoing impact of the tariffs.

We recommend:

a. Continue allocating resources to support the strong legal defence of Ontario's lumber producers in the current softwood lumber dispute

b. Explore options with the OFIA to relieve the industry of high litigation costs

c. Anticipate and prepare for economic impacts due to a doubling of lumber duties (from 14% to over 30%) plus an additional "Trump Tariff" on all forestry exports

d. Work with provincial and federal colleagues to pursue a settlement that works in the best interests of Ontario lumber producers and advocate for a financial backstop with Canada

e. Implement OFIA's recommendations in response to a potential 25% tariff on all forestry exports into the United States

Non-Tariff Trade Barriers:

The OFIA was pleased to see the Ford government's recent ad campaign, "*Trusted Partner to Your North*," airing in the US and continued news media presence. This messaging effectively highlights key sectors that link both regions, particularly the supply of critical minerals required by US industries, including North American security. Looking ahead, future campaigns can expand on this by showcasing Ontario's forest sector, which plays a pivotal role in providing the building materials necessary to meet growing housing demands.

We were also pleased to see Ontario's forest management regime receive full legislative recognition under the Clean Fuel Regulations – Land Use Biodiversity Criteria, making Ontario the only province to have its Crown land management meet all the criteria to date. This achievement is a significant milestone, made possible by the hard work and dedication of the MNR Industry

Division. It opens up greater market access and subsidies for the use of Ontario wood fibre in sustainable fuels, further enhancing the province's leadership in sustainable forest management.

However, our sector continues to face reputational risks from non-tariff trade barriers, such as the European Union Deforestation Regulations, and ill-informed campaigns against forestry. Addressing these challenges will require concerted efforts to protect and maintain Ontario's strong reputation in sustainable forest management and global trade, ensuring that the province's practices are recognized for their environmental responsibility and economic contributions.

4. Implement a *Forest Energy Directive*

Ontario is experiencing an energy transformation. Over the past eight years, the province's energy supply and demand context has shifted dramatically, anticipating a 75% increase in electricity demand by 2050[1]. Regionally, the IESO projects a 28% increase in electricity demand in northeastern Ontario (540 MW) by 2035[2] and an even greater increase in northwestern Ontario, where load growth is expected to reach 1,618 MW by 2033[3]. Key drivers of this surge include the electrification of industries, data centres, manufacturing growth, and expanding agricultural and residential sectors. These trends emphasize the need for Ontario to maintain a diversified energy portfolio.

The OFIA has developed a *Forest Energy Directive,* encompassing opportunities in forest biomass electricity, heat, and fuels. The following provides an overview of these opportunities and recommendations.

Electricity

Forest biomass energy presents a powerful opportunity to meet rising energy demands while fostering economic growth in northern and rural Ontario. By harnessing local forest resources, biomass energy can provide a reliable, sustainable energy source supporting regional economies and Ontario's long-term energy needs. Unlike imported fuels, over 80% of bioenergy expenditures remain within the region, creating jobs and supporting local economies[4]. In 2023 alone, Ontario spent $1.7 billion on imported natural gas, funds that could be redirected toward developing a sustainable, "Made-in-Ontario" forest bioenergy supply chain. Biomass energy offers reliable, dispatchable power that is critical for meeting new demands.

The untapped potential of forest biomass could revolutionize Ontario's energy system, with the potential for the annual forest biomass supply to produce the energy equivalent to the province's combined hydro, wind, and solar generation. The leverage this opportunity, the direction to IESO should include the following:

a. Establish a program to grow forest biomass electrical generation, reserving a block of MWs, to bring Ontario in line with its US and global competition
b. Enter bilateral negotiations with current forest biomass PPA holders, as they approach the end of the term, to enter > 10-year contracts at capacity volumes
c. Work with existing forest biomass PPA holders and develop a new process to secure more investment and capacity at existing forest biomass PPA facilities
d. Consider economic and social benefits to regional economies when contracting forest biomass

[1] Government of Ontario (2024). Ontario's Affordable Energy Future: The Pressing Case for More Power. Accessed on January 15, 2025. Source: https://www.ontario.ca/page/ontarios-affordable-energy-future-pressing-case-more-power?utm_source=newsletter&utm_medium=email&utm_campaign=iesobulletin
[2] Government of Ontario (2024). Province Building New Energy Infrastructure in Timmins and Northeastern Ontario. Accessed on January 15, 2025. Source: https://news.ontario.ca/en/release/1005507/province-building-new-energy-infrastructure-in-timmins-and-northeastern-ontario
[3] NOMA Energy Task Force
[4] Torchlight Bioresources

Heat & Fuels

This renewable and low-carbon energy source can also pivotally address Ontario's thermal energy needs, which account for over 50% of the province's total energy consumption. By leveraging forest biomass, Ontario can meet its growing energy demands and advance its goals for economic revitalization, environmental sustainability, and energy independence.

Significant opportunities also exist for forest biomass to support the transition of heavy industry and transportation sectors to cleaner fuels, such as biochar, syngas, biodiesel, and sustainable aviation fuel (SAF). This shift is essential for reducing carbon emissions and creating new markets for forest residuals. Continued support and enhancements of existing programs, such as the *Forest Biomass Program*, can facilitate innovative collaborations that diversify clean fuel alternatives in Ontario, positioning the province as a leader in the forest and clean energy sectors.

To harness the potential that forest biomass can contribute to alternative sources of heat and fuels, we recommend the following:

a. Establish bioheat & district energy procurement mandates for public building infrastructure (e.g., MNR District Offices, OPP stations, hospitals, Hydro One, etc.)
b. Direct IESO to make "avoided capacity" contracts available for new forest biomass Combined Heat and Power (CHP) developers for the avoided electricity system capacity value of their assets.
c. Scale and support the MNR's Forest Biomass Program to incubate heavy industry and transportation fuel solutions

5. Streamline and Improve Active Forest Management

The following provincial initiatives are likely to influence forest managers' ability to implement innovative forest management techniques to promote forest health and resilience, including:

Forest Management Guides

As we are entering a new planning cycle in 2025, the Landscape Guides, Stand, and Site Guide are still under review and revision processes. These guides play a crucial role in forest management planning activities, in addition to achieving the goals outlined in the Forest Sector Strategy, including increasing wood utilization and supply.

We remain concerned that the review and revision processes may not meet their deadlines, which could ultimately hinder efforts to improve cost competitiveness, reduce red tape, and enhance the availability of economically viable fibre. These review and revision processes must be guided by a transparent framework that measures how policy changes impact the targets set under the *Forest Sector Strategy*. Without such an assessment, we risk unintended consequences that could stifle competitiveness within the forest sector.

The Canada-Ontario Caribou Conservation Agreement

We remain concerned about the prioritization of conservation measures under the Canada-Ontario Caribou Conservation Agreement. Understanding caribou populations and establishing more accurate range boundaries is foundational work that must be completed before meaningful progress can be made on other measures. We recommend that MECP prioritize supporting fecal DNA work to provide the most reliable population data and focus on the range boundary review process before advancing further conservation measures. This will ensure that subsequent actions are based on the best available data and more effectively contribute to the success of the conservation efforts.

We recommend that the province adopt the methodologies used for the Brightsands and Churchill ranges in order to leverage existing monitoring data and create a consistent dataset across the province.

Expansion of Protected Areas

In March 2024, Ontario entered an agreement with Canada to fund initiatives to contribute to the federal target of designating 30% of land as protected and conserved by 2030. Currently, actions under this agreement have focused primarily on identifying new areas to be regulated under the Provincial Parks and Conservation Reserves Act. However, we remain concerned that these areas are being considered without adequate input from forest practitioners. We recommend forming a group to help assess whether the proposed areas sustainable forest management license areas will be suitable candidate areas.

Additionally, we continue to emphasize that resources under the agreement could be more effectively allocated to identifying existing areas that do not require regulatory changes but still provide significant value to biodiversity—referred to as Other Effective Conservation Measures (OECMs). There are considerable opportunities to enhance biodiversity conservation within forest management areas by recognizing and prioritizing these spaces, ensuring both ecological protection and efficient use of resources.

In summary, we recommend:

a. Prioritize resources to ensure timely and effective completion of guide review/ revision, with the intention of improving alignment with *Forest Sector Strategy* objectives
b. Reprioritize resources under the Canada-Ontario Conservation Agreement to support fecal DNA sampling, consistent with approaches applied for the Brightsands and Churchill ranges
c. Refocus actions and resourcing under the Canada-Ontario Expansion of Protected Areas to identify existing areas contributing to biodiversity (e.g., OECMs) that do not require regulatory amendments
d. Engage with industry/practitioners on candidate sites by formulating an advisory group to inform potential protected areas candidate sites that overlap with sustainable forest management license areas

6. Position Ontario as a Globally Competitive Jurisdiction through Red Tape and Cost Reduction

Cost Reduction

We applaud the government's efforts to reduce costs through the extension of the gas and fuel tax cuts, and hope that these cuts will be extended beyond their current expiration date (June 30th, 2025). Another critical area is the continuation and enhancements to existing energy programs such as the *Northern Energy Advantage Program (NEAP)*, the *Industrial Conservation Initiative*, the *Interruptible Rate Pilot*, and the *Industrial Electricity Incentive Program,* which will significantly benefit the sector's competitiveness and sustainability.

In summary, recommendations to improve business cost-effectiveness and address the ideas mentioned above, along with other sector-specific opportunities, include:

a. Ensure government initiatives align with the goals and objectives of the Forest Sector Strategy to reduce cost and administrative burden to the sector
b. Adjust and make permanent the 'fixed' portion of Crown dues for poplar and white birch stumpage to ensure that the rate is consistent with other provincial jurisdictions
c. Reduce current electricity costs while maintaining and enhancing existing energy programs (e.g., the Northern Energy Advantage Program (NEAP), the Industrial Conservation Initiative, the Interruptible Rate Pilot, and the Industrial Electricity Incentive Program)
d. To make NEAP more equitable, expand to include both northern and rural communities in Ontario and lower the threshold from 50,000 MWh to 10,000 MWh to increase the amount of industry covered
e. Work with the Ministry of Transportation to lower costs and reduce carbon emissions by increasing payloads on tractor-trailer configuration
f. Make the current reduction in provincial fuel tax permanent

Red Tape Reduction:

Burdensome and prolonged approval processes remain a significant issue across the forest sector, with inefficiencies in mill operations, forest management, transportation, and human resources. The OFIA supports the government's focus on reducing red tape and urges prioritization of our recommendations to improve efficiency, reduce delays, and enhance forest management practices, including:

a. Establish and enforce service standards to improve service delivery
b. Action OFIA red tape reduction recommendations

7. Develop the Workforce of the Future and Enhance Forestry Community Livability

Workforce Development:

Developing a sustainable workforce of the future will be essential for our industry's continued success. We ask the Ontario government to continue supporting the work being done with colleagues at the MNR and MEJCT to fast-track new workers and new Canadians with relevant skillsets into the forestry workforce.

Transportation costs have increased significantly over the last six years, and trucking capacity has decreased. Increased capital entry costs, insurance, tire and fuel costs, and an escalating carbon tax are contributing to the trucking crisis within the industry. Furthermore, increased driver training costs, underwriting barriers, and premiums restrict new entrants while we manage an aging and retiring workforce. Trucking HR Canada has estimated that trucking and logistics sector job vacancies could exceed 40,400 by 2030. We ask the Ontario government to work with the industry, licensing, insurance, and training agencies to develop a comprehensive strategy to alleviate the current trucking shortage.

To drive progress in workforce development, the Ontario government should invest in programs with a solid track record of promoting jobs in the forest sector. Project Learning Tree (PLT) Canada's career pathways programs are associated with successful employment outcomes for participants. Since 2018, PLT Canada has placed young adults in 8,100+ green jobs, of which 2,800+ were in Ontario, achieving 50% participation by women and 15% participation by Indigenous youth. In 2024, 20% of program participants were Indigenous. Additionally, PLT Canada has supported 650+ participants in 12 different mentorship cohorts supporting young adults in forestry career development. PLT Canada is the delivery organization working to advance careers specifically for the forest products sector, and their programs may serve as a useful model to learn from for other employment and training programs.

The Outland Youth Employment Program (OYEP) is another key initiative that offers land-based education, training, and work opportunities for Indigenous youth. It provides essential skills and confidence, preparing them for careers in the natural resource sector, including the forest industry. Since its inception in 2000, the program has engaged over 950 participants from more than 150 communities.

To maintain momentum in developing the forest sector workforce, the OFIA recommends:

a. Develop a *Trucking Mentorship Grant* for companies to help offset the increased cost of training, capital investments, fuel, etc.
b. Continue to support forest-sector targeted program to develop the workforce, including Project Learning Tree (PLT) and Outland Youth Employment Program (OYEP)
c. Recognize and streamline foreign credentials and commercial truck driving licenses;

Livability/ Recruitment

The livability of forestry-dependent communities can be a key barrier to attracting a new workforce. Access to healthcare, education, affordable daycare, and housing are essential to ensuring that all Ontarians have an equal quality of life. For example, the Non-Resident Speculation Tax (NRST) was designed to discourage non-resident investors from speculating in the province's housing market, particularly in highly populated city centers. However, the NRST acts as a barrier to foreign workers filling critical roles in Ontario's small, northern, rural, and remote communities.

This government has already invested substantially in infrastructure across the north, including roads and improved internet and cellular coverage, and we look forward to seeing that investment continue. In an increasingly digital age, communities across the north must have strong technological and built infrastructure. Forestry-dependent communities must become more competitive in drawing residents, particularly new Canadians, through programs such as the *Rural and Northern Immigration Pilot*. The Province needs to consider incentivizing living in the north and enhancing the quality of life for those already there.

To support the community livability and recruitment efforts, the OFIA recommends:

d. Adjust the *Non-Resident Speculation Tax* to exclude foreigners coming to work in Ontario and have it apply to cities over 100,000 people
e. Continue investments into northern, rural, remote, and Indigenous communities

Conclusion

Ontario's forest sector possesses significant potential, with abundant natural resources and a strong supply chain. Our industry has continually embraced innovation, opportunities for growth, and sustainability. To maintain this momentum and ensure continued progress is not hampered by the existing and anticipated challenges, investments in the forest industry will be required to fully capitalize on these opportunities, requiring action on our recommendations.

With strategic investments and forward-thinking initiatives like the *Forest Sector Strategy* and *Forest Biomass Action Plan*, Ontario's forest industry is well-positioned to meet the growing global demand for sustainable forest products and renewable energy.

By further leveraging technological advancements and diversifying markets, the sector will continue to evolve, fostering economic growth and creating opportunities for northern, rural, and Indigenous communities.

By implementing targeted recommendations outlined in the OFIA's Pre-Election Submission, Ontario's next government can unlock its forests' vast economic and environmental potential, ensuring a prosperous, sustainable, and remains open for business.