

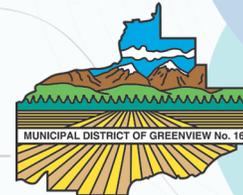
**FORESTRY
AND
WOOD PRODUCT
MANUFACTURING**

**SECTOR
PROFILES**



**Chamber of
Commerce**

GRANDE PRAIRIE & DISTRICT



The Province of Alberta is working in partnership with the Government of Canada to provide employment support programs and services.

The Sector Profile project was led by the Grande Prairie & District Chamber of Commerce in partnership with the City of Grande Prairie, County of Grande Prairie, MD of Greenview, Northwestern Polytechnic, and Alberta Labour and Immigration.

We would like to thank everyone who contributed their feedback, ideas and expertise to the study.

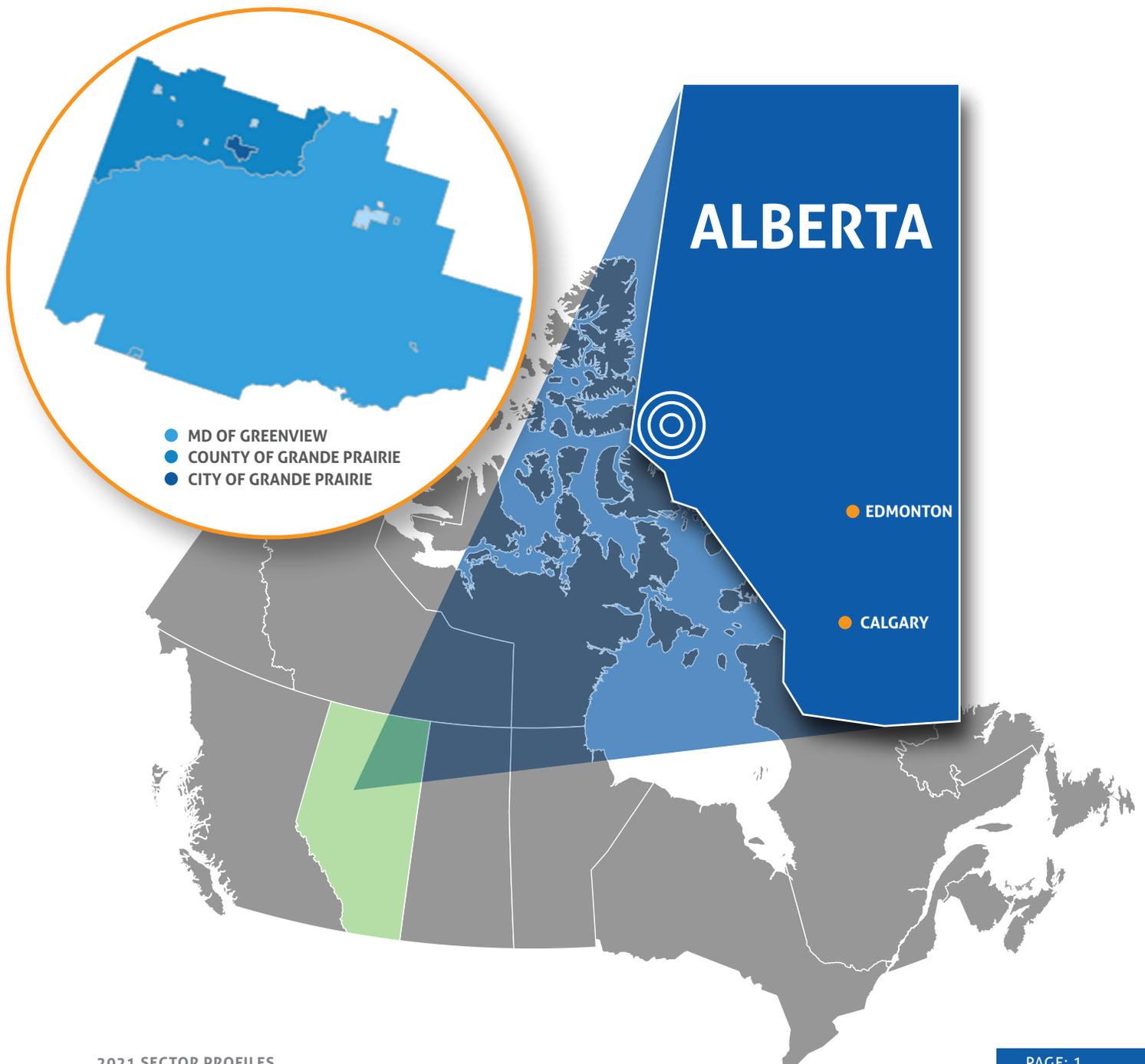
Please note that every effort has been made to use the most current data available. There are four major sources of information for this part of the research.

- SuperDemographics 2020 from Manifold Data Mining Inc.
- EMSI Analyst 2021.Q1
- Statistics Canada - 2001 to 2016 Census Profiles
- IBIS World 2020 and 2021 Industry Profiles

INTRODUCTION

This sector profile focuses on the Region consisting of the City of Grande Prairie, County of Grande Prairie, Municipal District (MD) of Greenview, Town of Beaverlodge, Town of Sexsmith, Town of Wembley, Town of Fox Creek, Town of Valleyview, Greenview Co-ops and Enterprises, Sturgeon Lake Cree Nation, and Horse Lake First Nation. Any references to "Region" within this document refer to the custom region above.

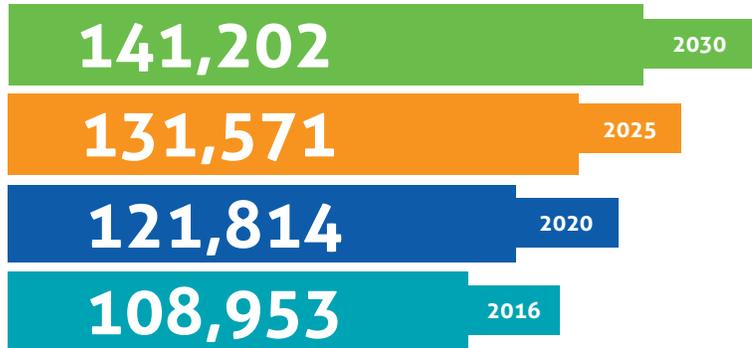
The Region spans nearly 40,000 square kilometres and acts as a gateway and resource hub for northwestern Alberta. Its largest centre, the City of Grande Prairie, is located approximately 450 kilometres northwest of Edmonton. With a strong postsecondary institution, new hospital, skilled labour force, and significant business supports, opportunities abound within the Region.



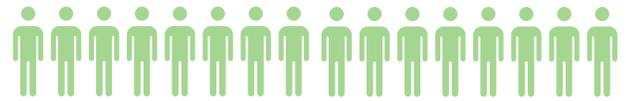
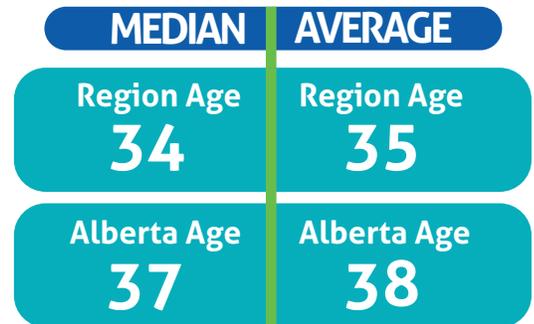
REGIONAL DEMOGRAPHIC BREAKDOWN

All data sourced from Manifold SuperDemographics unless otherwise specified.

Population of Region, 2020



Median and Average Age, 2020



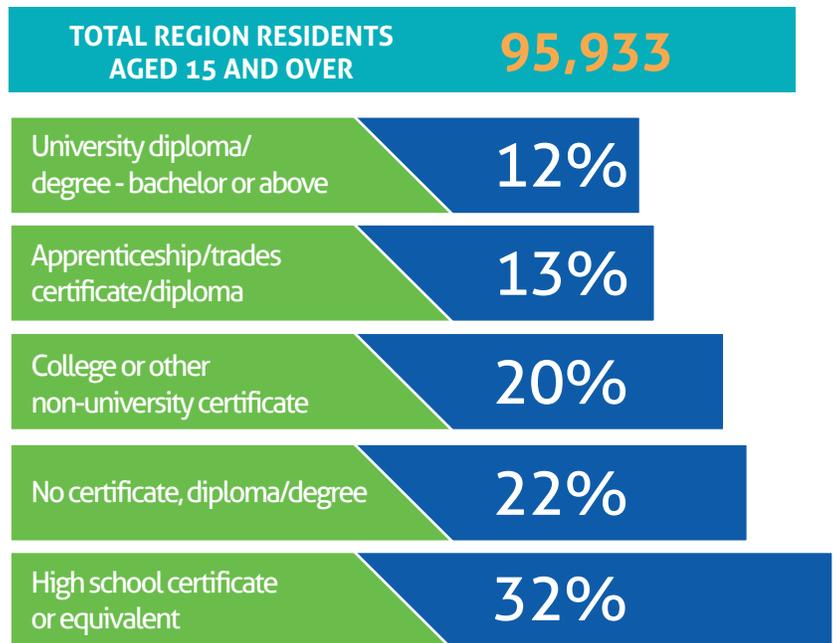
PERCENTILE INCREASE

The 2020 population estimate relies on a different source (Manifold Data Mining) than the 2016 population estimate (Statistics Canada Census) and the numbers are therefore not directly comparable.

There is a projected **8%** increase in population from 2020 to 2025, and **7%** increase from 2025 to 2030.



Highest Educational Attainment for Region Residents, aged 15 and over, 2020





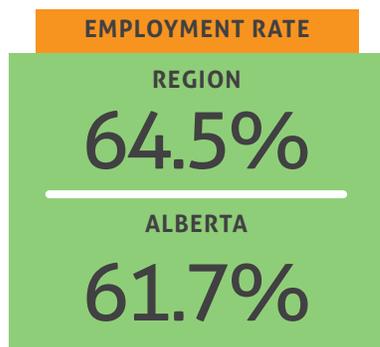
Top 5 Fields of Study for Region Residents, aged 15 and over, 2020



Labour Force Status for Region Residents, 2020

Labour Force Status	Region
Total Population, Residents aged 15 and over	95,933
In the labour force	70,682
Employed	61,956
Unemployed	8,726
Not in the labour force	25,251

Average Labour Force Participation Rates, 2020



ABOUT THE SECTOR

Forestry and wood product manufacturing has been identified as a target sector within the Region. Subsectors within this field consist of logging, timber tract operations, manufacturers of wood products (e.g., veneer, plywood and engineered wood products, house-hold furniture and kitchen cabinets). This sector is a key generator of jobs and producer of goods exported outside the Region. Specifically, in 2017, Region exports from the forestry and wood product manufacturing sector totaled \$1.01 billion, or 10.7% of total Region exports.

REGION SPECIFIC

The forestry and wood product manufacturing sector is heavily concentrated within the Region when compared to the rest of Canada. Logging is the most common subsector in terms of total number of businesses within the Region – there are 43 contract logging organizations and 18 non-contract logging organizations, together representing 38.1% of all Regional businesses within this sector.

There are three forestry and wood product enterprises within the Region that employ 100+ employees, all sawmills. Most businesses with known employee totals within this sector are small enterprises: 68.6% of businesses had between 1 and 9 employees.

In total, the Region is home to 160 businesses within the forestry and wood product manufacturing sector.

Forestry and Wood Product Manufacturing Businesses, 2021

Industries	Businesses
Logging	61
Support activities for forestry	37
Lumber, millwork, hardware and other building supplies merchant wholesalers	31
Household and institutional furniture and kitchen cabinet manufacturing	11
Other wood product manufacturing	7
Sawmills and wood preservation	6
Timber tract operations	3
Forest nurseries and gathering of forest products	3
Veneer, plywood and engineered wood product manufacturing	1
Pulp, paper and paperboard mills	0
Total	160

Source: McSweeney and Associates using data from EMSI Analyst - 2021.Q1
Note: A number of factors can influence under which industry category a business is placed.

Forestry and wood product manufacturing businesses in the Region employed 2,280 people in 2021, a slight decline of 25 positions since 2019. From 2021 to 2028 this sector is poised to rebound slightly (projected increase of 13 jobs), maintaining employment at approximately 2,300 positions. None of the subsectors within this industry are expected to see large changes, either positive or negative, in employment between 2021 and 2028, with no industry projected to see total employment changes of more than 35 individuals.

Forestry and Wood Product Manufacturing Employed and Self-Employed Positions, 2019, 2021 and 2028

Subsector	2019 Positions	2021 Positions	2028 Positions	Change '21-'28	% Change
Logging	793	742	751	9	1%
Sawmills and wood preservation	483	457	424	-33	-7%
Lumber, millwork, hardware and other building supplies merchant wholesalers	235	213	226	13	6%
Veneer, plywood and engineered wood product manufacturing	234	274	281	7	2%
Pulp, paper and paperboard mills	231	320	337	18	6%
Support activities for forestry	195	138	128	-10	-7%
Other wood product manufacturing	67	92	98	6	6%
Household and institutional furniture and kitchen cabinet manufacturing	26	26	26	0	1%
Forest nurseries and gathering of forest products	25	0	0	0	0%
Timber tract operations	17	18	22	4	21%
Total	2,305	2,280	2,293	13	1%

Source: McSweeney and Associates using data from EMSI Analyst - 2021.Q1

Note: Job totals per subsector may not add up to the total to number of positions within the broader sector due to methodological rounding.

Photo Credit: Canfor



Of those occupations with wage data within the Region's forestry and wood product manufacturing sector the average wages were \$75,072.55.

Forestry and Wood Product Manufacturing Average Wages Per Subsector, 2021

Subsector	Average Wages
Transport truck drivers	\$66,123.20
Construction millwrights and industrial mechanics	\$86,028.80
Heavy-duty equipment mechanics	\$80,641.60
Heavy equipment operators (except crane)	\$67,121.60
Material handlers	\$55,788.45
Managers in natural resources production and fishing	\$132,738.12
Power engineers and power systems operators	\$97,326.51
Logging machinery operators	\$63,129.65
Sales and account representatives - wholesale trade (non-technical)	\$64,417.60
Industrial electricians	\$89,230.50
Average salary (all positions)	\$75,072.55

Source: McSweeney and Associates using data from EMSI Analyst - 2021.Q1

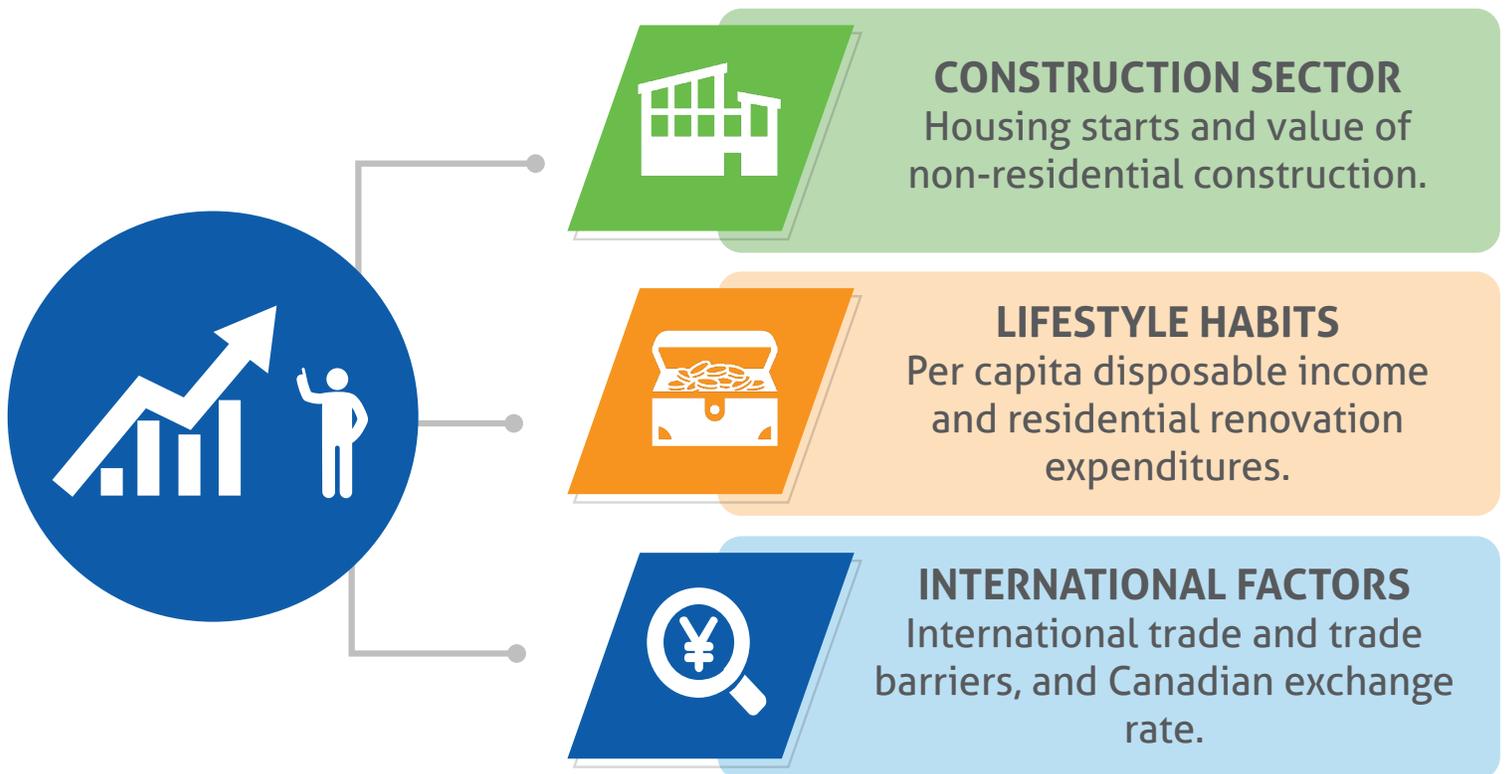
SECTOR DATA

FUTURE OUTLOOK OF THE SECTOR

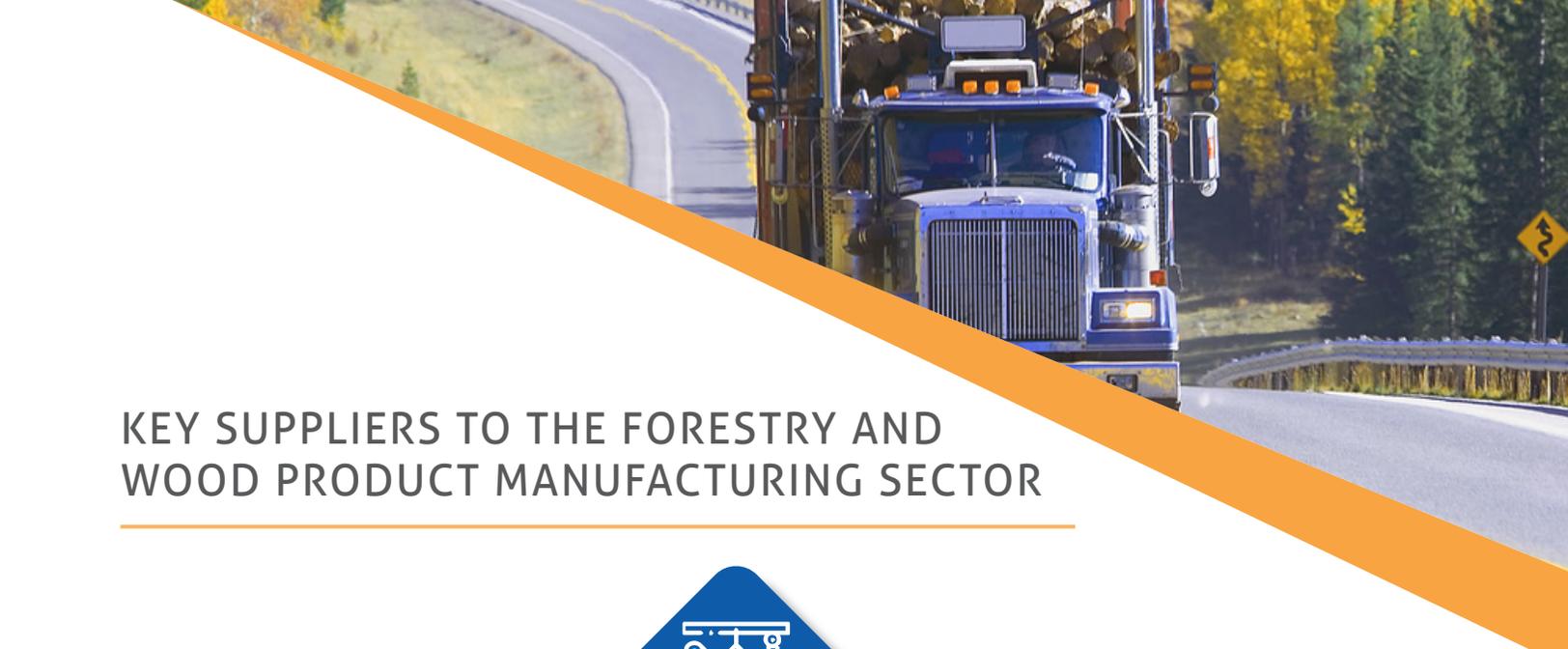
The forestry and wood product manufacturing sector outlook is promising due to continued growth in the domestic construction and housing sectors. Exports are similarly expected to remain strong due to the demand generated by the two primary export markets, the United States and China.

KEY DRIVERS OF DEMAND

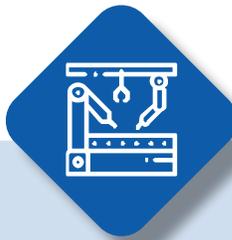
Factors determining national demand for the agriculture and food processing sector can be broken into three categories.



Source: IBISWorld 2021



KEY SUPPLIERS TO THE FORESTRY AND WOOD PRODUCT MANUFACTURING SECTOR



Wholesalers and Upstream Manufacturers

of industrial supplies; general-purpose machinery; plastic and resin; and construction machinery.

KEY BUYERS TO THE FORESTRY AND WOOD PRODUCT MANUFACTURING SECTOR



Downstream mills

(e.g., paper and paperboard)



Downstream manufacturers

(e.g., office stationery; coated and laminated paper; and sanitary paper product)



Canadian consumers



TOTAL EMPLOYMENT FIGURES

In 2019 there were 1,760 Region residents working within the forestry and wood product manufacturing sector, with almost one-third working for sawmills and wood preservation businesses. Of note, there were significantly more employment positions within this sector in 2019 (2,305 - see table on Pg. 5) than there were residents working in the sector (1,760). This data therein suggests that many people working within the Region's forestry and wood product manufacturing sector live elsewhere.

Employment Totals Within Forestry and Wood Product Manufacturing, Region Residents 2019

Industries	Workforce
Sawmills and wood preservation	513
Pulp, paper and paperboard mills	298
Veneer, plywood and engineered wood product manufacturing	217
Logging	201
Lumber, millwork, hardware and other building supplies merchant wholesalers	191
Other wood product manufacturing	132
Support activities for forestry	109
Household and institutional furniture and kitchen cabinet manufacturing	50
Timber tract operations	25
Forest nurseries and gathering of forest products	24
Total	1,760

Source: Manifold 2020 SuperDemographics

RELEVANT LEVELS OF EDUCATION

Due to the range of occupations supporting forestry and wood product manufacturing, a wide range of fields of study support this sector. Fields of study relevant to the forestry and wood product manufacturing sector are presented in the table below. Of note, not all individuals with educational attainment in the construction trades will work in this sector, but those individuals typically have opportunities within the sector.

Fields of Study Within the Forestry and Wood Product Manufacturing Sector for Region Residents

Field of Study	Total Residents
Construction trades	3,285
Precision production	1,924
Transportation and materials moving	978
Agriculture, agriculture operations and related sciences	886
Natural resources and conservation	716
Biological and physical sciences	217
Total residents with degrees in forestry and wood product manufacturing-related fields of study	8,006

Source: Manifold 2020 SuperDemographics

PERCENTAGE OF OVERALL LABOUR FORCE AND LOCATION QUOTIENT

Location quotient is a calculation that assesses which industries are more likely to be represented locally, compared to benchmark areas. A location quotient above 1.00 suggests that industry is more heavily concentrated as a percentage of the total jobs available locally, while a location quotient below 1.00 suggests it is less heavily concentrated.

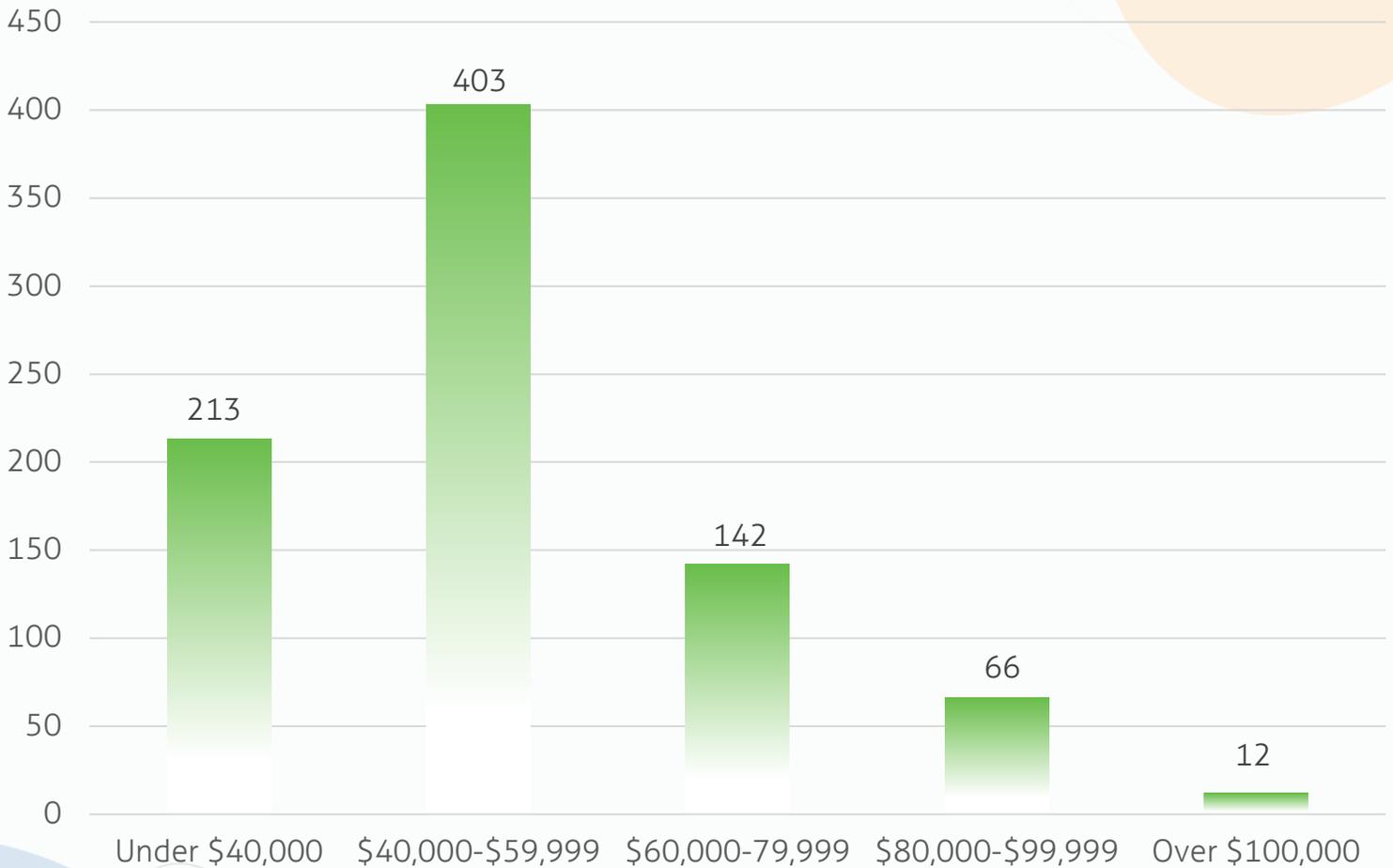
The forestry and wood product manufacturing sector has a location quotient of 3.35 relative to Alberta, meaning that jobs within this sector make up a significantly larger percentage of the local workforce than they do at the provincial level. Specifically, jobs in this sector represent 3.8% of the Region's total jobs, compared to 1.1% of provincial jobs.

JOB POSTING DATA

Between March 2019 and March 2020, the Region saw 4,809 unique job postings within the forestry and wood product manufacturing sector. Of the jobs posted during this period, 836 had advertised salaries. Those 836 postings had a median advertised salary of \$55,168, with 9.3% offering a salary above \$95,000.

The median posting duration (i.e., how long each job was posted before being taken down) for job postings in this sector was 29 days, compared to the regional average of 31 days for all job postings.

Job Postings by Salary, March 2019-March 2020, Region



Source: EMSI Analyst



**MEDIAN SECTOR
JOB POSTING
DURATION**

29 days

**REGIONAL
AVERAGE
FOR ALL JOB POSTINGS**

31 days

COMMUNITY ASSETS SUPPORTING THE SECTOR/CLUSTER

Northwestern Polytechnic (NWP) offers a variety of educational options and has developed local partnerships to provide programming that rapidly and effectively meets the needs of their learners and the broader community.

nwpolytech.ca

Grande Prairie Regional Innovation Network (GPRIN) helps innovators, entrepreneurs and companies move their ideas forward by offering access to a variety of services and professionals throughout the Alberta innovation ecosystem.

gprin.ca

Community Futures Grande Prairie and Region offers businesses support from first steps through to growth stages. This includes information on how to start a business, developing business plans, financing loans, marketing and feasibility studies.

grandeprairie.albertacf.com

ATB Entrepreneur Centre supports businesses through business-to-business networking, connections and workshops.

atbentrepreneurcentre.com

Women Building Futures offers programs and support services to help unemployed and underemployed women explore and connect to careers that pay above a living wage. Employment training programs provide the introductory skills to begin a new career in areas where women have historically been underrepresented.

womenbuildingfutures.ca

For information on other Community and Training Assets, please contact the project partners.



CONSULTATION RESPONSES



Employers rated **communication** and **literacy** as the two strongest skills among the Region's workforce.



30% of businesses saw a growth in employment in the last two years, including during COVID-19.

Note: Based on a 2020 survey of over 700 regional stakeholders.

REGIONAL SPOTLIGHT

Alberta's forest products are some of the highest-quality in the world. The province's forest sector relies on sustainable practices with an eye towards long term forest and ecosystem management. The Region is one of the top two Alberta regions for the production of forest products, is first for employment in the forest sector, and is one of the leading producers of panelboard as well as pulp and paper.

Most unique about the Region is that there are few places in the world with such a concentration of leading forestry companies. The following five world-class facilities operate within the Region, representing the single-largest hub for forestry in Alberta:

- **West Fraser** is the largest lumber producer and the largest OSB producer in world.
- **Weyerhaeuser** is one of the largest forestry companies in the world.
- **Canfor** is the second largest lumber producer in world.
- **International Paper (IP)** is the largest pulp producer in world.
- **Dunkley Lumber, Foothills Forest Products Division** is well-known for its high-quality products.

Photo Credit: International Paper



TRAINING ASSETS AND INSTITUTIONS THAT SUPPORT THE SECTOR/CLUSTER

CONSULTATION RESPONSES



The Region's workforce is invested in skills development, with 85% of survey respondents indicating they would like to gain new skills or re-train.

- Trades and forestry-related skills were two of the most highly sought set of skills to train, including heavy equipment operation, mechanics and botany/horticulture.



The top three reasons residents would look to remain at a job were:

1. A supportive manager
2. Fair pay
3. Career growth, and learning and development opportunities

Note: Based on a 2020 survey of over 700 regional stakeholders.

TRAINING ASSETS SPECIFIC TO REGION

NORTHWESTERN POLYTECHNIC

NWP has a wide array of forestry and wood product manufacturing sector-related diplomas and certificate programs. Students can develop skills and knowledge in various productive pathways including the Parts and Materials Technician certificate, and the ThinkBIG (Heavy Equipment) Service Technician program in unique partnership with Caterpillar Inc. and Finning (Caterpillar's largest dealership worldwide).

Other sector-related Skilled Trades and Apprenticeships provide hands-on Heavy Equipment Technician and Welder experience (Fairview Campus) while NWP's Continuing Education offerings include Equipment Operator Training, and MELT Class 1 Driver Training.

nwpolytech.ca



ThinkBIG



Heavy Equipment Technician



MELT Class 1 Driver Training

TRAINING ASSETS SPECIFIC TO REGION CONT.

CAREERS: The Next Generation is a non-profit organization that works with schools to connect high school students to employers for paid internships. Youth get the opportunity to test drive in-demand occupations in skilled trades, forestry, information and communications technology, agriculture and healthcare. Companies benefit by attracting local talent and bringing youthful energy to their industry. There are also financial incentives to help employers provide opportunities during tough economic times.

careersnextgen.ca

The Rupertsland Institute supports the well-being of Métis in Alberta through job matching, training partnerships with NWP, access to technology and internet, online counselling tools, information on local services, employers and careers, and self-employment workshops.

rupertsland.org

Western Cree Tribal Council

The **Indigenous Skills Employment and Training (ISET) Program** is designed to help Indigenous people improve their skills and find employment through training and skills development. The program helps the community members find employment and polish employment skills. Funded through Service Canada, it gives members the skills required to find employment and fill job gaps.

westerncree.ca

Northern Lakes College (NLC) provides a supported distance learning environment with two locations in the Region. NLC offers Resource Technology programs, Apprenticeship Trades, Pre-Employment Trades, and Business and Administrative Studies. Continuing Education and Corporate Training programs include Forest Stewardship, Asset Management Professional, and Maintenance Management Professional.

northernlakescollege.ca

For information on other Community and Training Assets, please contact the project partners.



Photo Credit: Canfor

Alberta Labour and Immigration

Workforce Strategies Division
3201, 10320 - 99 Street
Grande Prairie, AB, T8V 6J4
T: (780) 512-4880
E: wfc@gov.ab.ca
W: alberta.ca/labour-and-immigration

Grande Prairie and District Chamber of Commerce

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11330 - 106 Street
Grande Prairie, AB, T8V 7X9
T: (780) 532-5340
E: info@gpchamber.com
W: grandeprairiechamber.com

Northwestern Polytechnic

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10726 - 106 Avenue
Grande Prairie, AB, T8V 4C4
T: (780) 539-2911
E: studentinfo@nwpolytech.ca
W: nwpolytech.ca

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W: investgrandeprairie.com

Municipal District of Greenview

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W: mdgreenview.ab.ca

County of Grande Prairie

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