



News Release

For Immediate Release

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TIGHTEN OVERSIGHT OF FOREST COMPANIES' REFORESTATION EFFORTS: AUDITOR GENERAL

(TORONTO) The government should do more to oversee private-sector forest companies to make sure they do an adequate job of successfully reforesting areas where timber has been harvested, Auditor General Jim McCarter says in his *2011 Annual Report*.

“The forest industry is an important employer and economic driver, particularly in the north,” McCarter said today following the release of the Report. “The government must make sure that forest management companies are adequately replanting and tending forests so they are renewed as a resource for future generations.”

McCarter added that such oversight “is especially critical given that forests take upwards of 70 years to re-grow so these companies have little immediate financial incentive to carry out appropriate reforestation activities.”

In 2009, overall employment in the forest industry was estimated at 166,000 jobs, and the value of its products at \$12 billion. However, the industry has experienced a significant decline in recent years following the rise in value of the Canadian dollar and the economic downturn in the United States.

The Auditor’s significant findings include the following:

- In the 2008/09 fiscal year, the licensed forest companies that reported results of their forest management activities indicated that 93% of the total area that had been assessed by the companies met the province’s minimum 40% stocking standard—but only 51% of the total area assessed had achieved silviculture success, a measure of whether the appropriate trees have grown back.
- The Ministry of Natural Resources’ standard for reforesting of 40% has not changed since the 1970s, and several other provinces hold the industry to a higher standard.
- From the 2004/05 to 2008/09 fiscal years, only about one-third of the area targeted for regeneration was prepared and/or subsequently tended by forest management companies. Several independent forest audits completed in 2008 and 2009 expressed concern about non-existent or inadequate tending practices that were leading to reductions in growth, yield, and stand densities.

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