





June 5, 2020

The forestry sector faced a number of significant challenges before the COVID-19 crisis struck, including the ongoing softwood lumber dispute, sagging pulp prices, and damage caused by insect infestations. The economic collapse that followed the pandemic has stalled construction, and many forestry companies (especially small and mid-sized ones) are struggling with liquidity as demand for their products has fallen off.

While we have seen a number of layoffs in the broader forestry sector, within Unifor's membership the layoff rate has been relatively mild compared to other sectors. According to the data that has been reported so far, by late May approximately 15% of members in the forestry sector have experienced layoff, compared to 39% of our overall active membership. Earlier on in the crisis, according to Statistics Canada data, "over half (53.9%) of businesses in the agriculture, forestry, fishing and hunting sector reported they had implemented no changes to staffing as a result of the crisis." In terms of exports, the total dollar amount for 'forestry products and building and packaging materials' in Q1 2020 was almost unchanged the previous quarter, and was down 5% compared to Q1 2019. Regarding revenues, 42% of businesses in the agriculture, forestry, fishing and hunting sector reported a decline in revenue greater than 20% in March.

Generally, speaking, most forestry sector workers have continued to work through the pandemic, although most have experienced changes in operations due to health and safety concerns. The bigger challenges for the sector are the longer-term issues mentioned above – the softwood lumber dispute, sagging pulp prices, and the insect infestations. As various governments begin the slow process of easing restrictions, and economic activity picks up, the forestry sector will hopefully experience an up take in production. However, the challenges that the sector faced prior to the COVID-19 crisis will continue to cause headwinds.

## What forestry workers should expect at work

For those who have continued to work through the crisis, there are critical health and safety challenges caused by the need for close contact with co-workers in our workplaces. Special physical distancing measures are required, as well as screening and monitoring protocols to prevent transmissions at work. It will be more important than ever for employers, the union, rank-and-file members, and Joint Health & Safety Committees to work together to develop sound, risk-based health and safety programs in our workplaces.





At the same time, it's clear that the one-two punch of the COVID-19 crisis on top of the pre-existing challenges in the sector have pushed some forestry companies to the brink. In order to protect good, unionized jobs in the sector, Unifor has been working with governments at all levels to work on wage subsidy programs, as well as loan guarantees and other financial measures, to make sure our employers have the liquidity and supports they need to survive the pandemic.

## What forestry workers should expect from their Employers

Employers in the forestry sector have an obligation to ensure their workers are safe on the job. Unifor expects all employers to:

- Fully participate with their employees and unions, and their Joint Health & Safety Committees, to develop and implement Return to Work protocols and revised workplace health and safety plans,
- Provide adequate training, PPEs, and health and safety protocols to keep employees safe and protected, and maintain adequate staffing levels to ensure workers have the time to work safely,
- Provide extended benefits coverage (including health and pension benefits) for employees experiencing layoffs,
- Participate in the federal government's Canada Emergency Wage Subsidy (CEWS) program, to bring workers back on the payroll, and help campaign for a CEWS program extension for employers that could face a longer ramp-up time for recovery.

## What forestry workers need from Government

The forestry sector is an important part of Canada's economy, employing tens of thousands of Canadians from coast to coast to coast, especially in rural communities. Governments at all levels can help the forestry sector by both addressing the short- and medium-term challenges created by the COVID-19 crisis, but also by addressing the deeper, more long-term issues the sector faced prior to the pandemic. That means things like:

- Providing loan guarantees, bridge loans, and other financial supports for forestry companies struggling with the fallout of the softwood lumber dispute and unfair tariffs,
- Develop and implement Forest Policies that ensure our natural resources create jobs for communities while maintaining environmental and Indigenous rights,
- Continuing to fight for the interests of forestry workers and their employers through legal proceedings, mediations, and other litigation and negotiation arising from various trade disputes,
- Providing additional and extended supports (like the CERB and CEWS programs) for workers in the forestry sector and others that face loss of employment.

## Additional resources

Unifor has launched a hub for member information about the pandemic at unifor.org/COVID19 and encourages members to check the site regularly for updates.

Subscribe to Unilink, the union's weekly national newsletter at unifor.org/subscribe and download the Unifor mobile app on your smartphone.

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