

500 Jobs: Are we getting good value for our 660,000 m³ of wood?

The Provincial government just announced that an additional 660,000 m³ of softwood would be made available from public forests for the 5 companies that hold Crown land licences.

Word is that 500 jobs will be created. New Brunswick needs more jobs and more economic activity, so this sounds like a positive thing.

As 100% of this 660,000 m³ is publically owned Crown wood, New Brunswickers as landowners would be wise to ask ourselves whether or not we are getting good value for our wood: that is, if it is costing us 660,000 m³ of wood to buy 500 new jobs, are we using our wood effectively to create these jobs?

To answer this question, we need to clarify what is meant by 'jobs'. The 500 jobs estimate given by the Alward Government includes direct and indirect jobs. However, internal government documents suggest that only 200 direct jobs will actually be created, while an estimated 300 indirect jobs are expected to arise from the ether.

So that brings us to 200 direct jobs from 660,000 m³ of wood: 3,300 m³ of wood per job.

So if we want to use public wood to create jobs, the less wood required per job the better, right?

Natural Resources Canada (NRCan) is a federal agency who provides openly available statistics for employment and wood volume harvest at the national and provincial levels.

NRCan's 2012 stats report that New Brunswick directly employed one person for each 775 m³ of wood harvested. Nova Scotia uses a similar 722 m³ of wood to create each direct job. At the national level Canada creates one job from just 630 m³ of wood.

The contrast with Ontario is even starker: Ontario only needs 246 m³ of wood to create each direct job.

So right away the question arises, 'Why are we using 3,300 m³ of new Crown wood to create each new job when as an industry we in NB currently employ one person for each 775 m³ of wood?. Even if we assume 500 jobs will be created, that still equates to an expensive 1,320 m³ for each new job.

The Alward Government has a responsibility to explain that, if the purpose of this increase in wood supply from publically owned lands is to create jobs, why are we using so much more wood to create each new job?

Put it this way: if we were to use wood as effectively as Ontario to create jobs in New Brunswick we would be employing an additional 25,600 New Brunswickers, more than triple those employed in the forestry sector in 2012.

As it stands now, it certainly does not seem that New Brunswickers are getting very good value for our wood.

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