

# British Columbia's Forest Industry Supply Chain and Community Benefits Study

EXECUTIVE SUMMARY

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OF FOREST  
INDUSTRIES

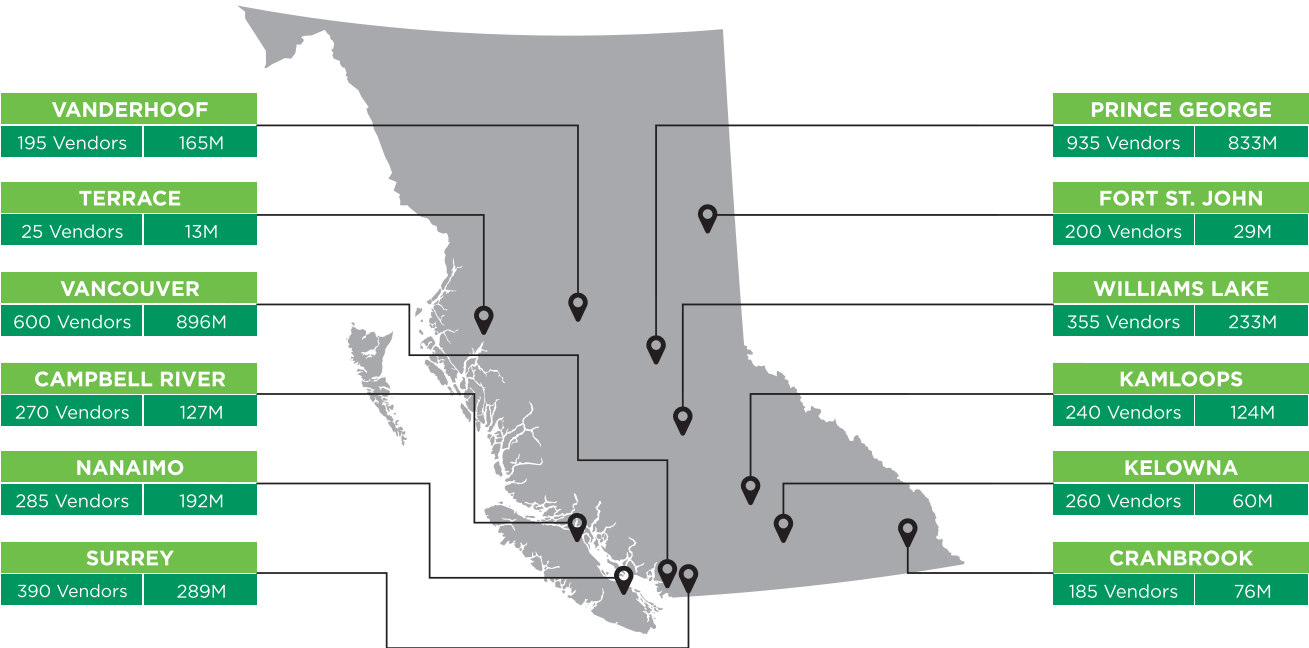
# BC Council of Forest Industries Supply Chain and Community Benefits Study

## Indigenous and local community benefits across British Columbia

The forest industry is a vital component of the economy of British Columbia, directly employing workers in a diverse range of jobs throughout the province. These roles include foresters, environmental scientists, engineers, administrators, software developers, maintenance supervisors, mechanics, and trade specialists. Beyond direct employment, the forestry sector also supports numerous indirect jobs, through purchases from small and medium-sized suppliers, as well as Indigenous-affiliated businesses and organizations. These partnerships drive economic activity across hundreds of urban, rural, and remote communities, enhancing the quality of life for workers and their families.

To measure the impact of the supply chain, the BC Council of Forest Industries (COFI), in collaboration with the Forest Products Association of Canada (FPAC), commissioned iTOTEM Analytics to conduct a Supply Chain and Community Benefits study. This study, conducted over 12 months during 2023-2024, involved 15 forest product companies operating in BC. It provides comprehensive data on the supply chain, Indigenous participation, and community investment benefits derived from the annual operating expenditures and capital investments of the forest industry.

## Community impacts across the province



“As Mayor of Prince George, I am proud to acknowledge the crucial role the forest industry plays in our local economy. This recent study by the BC Council of Forest Industries highlights our city’s significant contributions, with \$833 million in expenditures and 935 vendors in 2022 alone. Forestry not only provides diverse employment opportunities—from foresters to tech developers—but also supports many small and medium sized businesses. This forest industry was, is and always will be the backbone of our community, fostering economic growth and enhancing the quality of life for our residents.”

- Mayor Simon Yu, City of Prince George

# Deeply rooted in BC's communities

2022 highlights from Supply Chain and Community Benefits Study\*

## SPEND

**\$6.6  
BILLION**

for goods & services  
purchased by BC's  
forest industry

## REACH

**9,970** BC-based  
suppliers

**220** Indigenous-  
affiliated vendors

**335** municipalities  
and Indigenous  
communities

## KEY FACTS

**\$326M**

in supply chain expenditure with  
Indigenous-affiliated vendors

**765**

organizations across 135 communities  
received community investments

**\$7.8M**

invested into community  
organizations and charities

**\$662K**

average spend per vendor

## TOP 5 COMMUNITIES

(\$ SPEND)

1. **\$896M** - Vancouver
2. **\$833M** - Prince George
3. **\$289M** - Surrey
4. **\$251M** - Quesnel
5. **\$233M** - Williams Lake



Photo Credit: Anna Anaka, courtesy of COFI

\*Data from 15 participating companies

# An economic reach like no other industry

The forest industry in BC has a broad economic reach across all regions of the province, supporting small and medium-sized businesses. Suppliers for the forest industry range from manufacturers designing, producing, and servicing parts for equipment used in mills and logging operations, to urban-based tech companies developing cutting-edge digital solutions for improving harvesting, tree planting, and forest regeneration activities. This diverse supply chain also includes communications, drones, road maintenance, safety equipment, water management, catering, transportation, power generation, and marketing services.

## Investing into local communities



“Forestry plays a critical role in the City of Campbell River, providing strong, vibrant livelihoods for hundreds of residents. The North Island’s forestry economy provides tens of millions of dollars each year to the City of Campbell River’s businesses, both directly and indirectly, which supports both municipal and regional infrastructure needs. Without a healthy forest economy, Campbell River residents would suffer as these jobs on average pay a significantly higher salary than many other occupations within our community.”

- Mayor Kermit Dahl, City of Campbell River

“Small and Medium Businesses are the heart of rural communities, the significance of the forest industry in creating the conditions that allow these businesses to thrive cannot be understated.”

- Mayor Surinderpal Rathor,  
City of Williams Lake

“British Columbia’s forest sector is critical to municipal economies around the Province. While Vancouver is not known as a ‘forestry town’, it has the highest forest industry spend of all BC municipalities and is a key hub for forest companies and suppliers. As municipalities like Vancouver look to increase housing and address climate change, the forest sector is critical to these efforts. Pre-fabricated wood construction and mass timber can help build housing faster and more affordably. Wood is also a more sustainable building product with lower embodied carbon.”

- Councillor Lisa Dominato, City of Vancouver

“The forest industry continues to play an important role in the growth of our community, as it has for several decades, by creating jobs, sustaining families, building neighborhoods, supporting businesses and contributing to many worthy community causes. The industry’s future health and long-term sustainability are vital to the ongoing success of the City of West Kelowna and the local and regional economies. The significant economic impact from the supply chain and community investments made by the Gorman Group, and all vendor companies across the Southern Interior region, remain extremely important to us in West Kelowna.”

- Mayor Gord Milsom, City of West Kelowna

# Economic benefits from the forest industry in 2022

**\$326M**  
SPENT  
ACROSS INDIGENOUS-  
AFFILIATED VENDORS

**42%**  
INCREASE  
IN EXPENDITURES  
REPORTED FROM  
2020 TO 2022

**5%**  
OF ALL  
EXPENDITURES  
WERE WITH INDIGENOUS-  
AFFILIATED VENDORS

**220**  
INDIGENOUS-  
AFFILIATED  
VENDORS  
REPORTED IN BC

## Indigenous participation is growing

Indigenous communities play an essential role in land stewardship and the broader forestry supply chain brings significant social, economic, and employment benefits to these communities. Indigenous-affiliated vendors, which are companies with either majority or minority Indigenous business ownership, provide a wide range of goods, materials, and services to the forest products industry. These services include logistics and transportation, contract services, forest protection and restoration, as well as environmental and forest management planning.

COFI and its members are committed to upholding and implementing the principles of the Declaration on the Rights of Indigenous Peoples Act (DRIPA) through meaningful relationships, collaboration opportunities, equity participation, value-added partnerships, and increased revenue sharing.



“Like many indigenous communities across Canada, the Huu-ay-aht First Nations are increasingly relying on direct participation in the economy to help address the need of our own revenues and members’ incomes. To help make lives better in our communities, we have been investing our money, focus and efforts on resource areas like forestry. We aim to achieve two things: meaningful participation in the Canadian Economy based on our own traditionally-informed values, and helping to create real value in a globalized economy and to share in that value. Economic, cultural and environmental considerations all contribute to a holistic understanding of reconciliation and must be a part of the conversation when foundational decisions are being made at a regulatory and political level.”

- Sayaačath̓ (John Alan Jack), Chief-Councillor for Huu-ay-aht First Nations



“From a purely economic standpoint, forestry is a founding industry in British Columbia, and one in which Lheidli T'enneh has developed a strong economic future for our Nation, our members, and the province. Through good paying jobs, to training, development and ownership opportunities, First Nations throughout B.C. continue to be valuable partners in building a safe and viable forest sector for future generations. First Nations owned businesses are a catalyst for growth and opportunity in the future of forest management.”

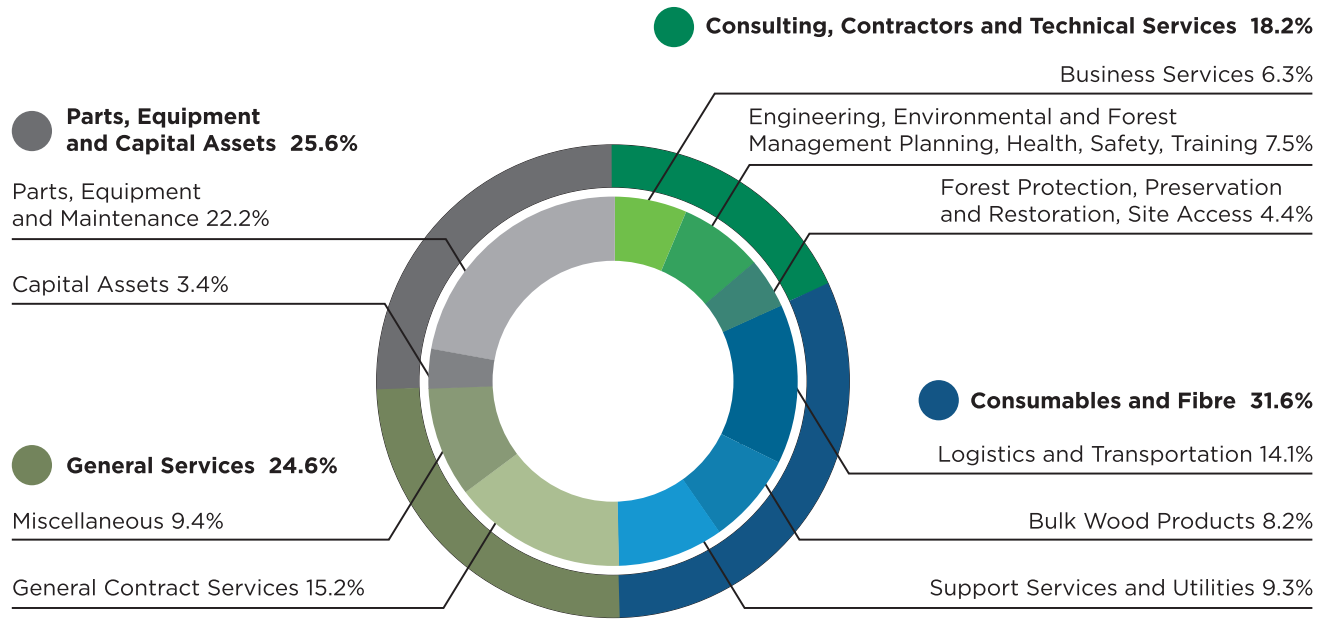
- Chief Dolleen Logan, on behalf of Lheidli T'enneh First Nation



“Through opportunities and partnerships, First Nations have taken on the responsibility to invest and contribute to the sustainability and wellbeing of our forest economy for today and future generations.”

- Lenny Joe, CEO, BC First Nations Forestry Council

# Distribution by category, based on vendor count in 2022



## Supply Chain and Community Benefits Study participants

The study analyzed the 2020-2022 supply chain spend and reach of 15 forest product companies, predominantly COFI members, which represent the majority of integrated forest product manufacturing in BC. All expenditures on goods and services procured from BC-based companies were included.

### Participating forest products companies



## Communities with highest forest industry expenditures and total vendor count in 2022

MUNICIPALITIES	SPEND
Vancouver	\$896M
Prince George	\$833M
Surrey	\$289M
Quesnel	\$251M
Williams Lake	\$233M
Nanaimo	\$192M
Vernon	\$167M
Vanderhoof	\$165M
Richmond	\$141M
Campbell River	\$127M
Kamloops	\$124M
Delta	\$118M
Fort St. James	\$104M
North Vancouver	\$103M
Houston	\$103M
Salmon Arm	\$93M
Abbotsford	\$88M
Duncan	\$83M
Chemainus	\$81M
Cranbrook	\$76M
Mackenzie	\$72M
West Kelowna	\$71M
Smithers	\$70M
Langley	\$69M
Burnaby	\$67M

MUNICIPALITIES	VENDOR COUNT
Prince George	935
Vancouver	600
Quesnel	575
Surrey	390
West Kelowna	370
Williams Lake	355
Nanaimo	285
Campbell River	270
Kelowna	260
Kamloops	240
Burnaby	215
Vernon	205
Fort St. John	200
Vanderhoof	195
Cranbrook	185
Smithers	170
Delta	165
Richmond	165
Revelstoke	155
Langley	155
Salmon Arm	145
Victoria	140
Castlegar	135
Port Alberni	135
Duncan	130

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