



FOR A TRANSFORMATION OF CANADA'S FOREST SECTOR GROUNDED IN SCIENCE, VALUE AND RESPECT FOR ECOSYSTEMS

Nature Québec Brief

Submitted to the Canadian Forest Sector Transformation Task Force
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About Nature Québec

Nature Québec is actively committed to the conservation of natural environments and the sustainable use of resources across Quebec. Since 1981, Nature Québec has adopted a comprehensive approach connected to major global issues related to climate and biodiversity. Locally, Nature Québec leads campaigns and projects on biodiversity, forests, energy and climate — from Anticosti to the heart of our cities.

Nature Québec has a team of professionals supported by a network of affiliated organizations and research collaborators, which gives it recognized credibility in its areas of expertise. Nature Québec subscribes to the objectives of the World Conservation Strategy of the International Union for Conservation of Nature (IUCN), of which it is a member.

OUR VISION

Nature Québec works toward a more just society with a low ecological and climate footprint, in solidarity with the rest of the planet. The organization focuses its efforts on fostering a Quebec that values its natural environments — in cities and in regions alike — protects them and recognizes them as essential to its well-being.

OUR MISSION

Nature Québec encourages citizen engagement, participates in public debate, informs, raises awareness and carries out projects so that our society may :

- ▶ Value biodiversity
- ▶ Protect natural environment and species
- ▶ Foster contact with nature
- ▶ Use resources sustainably

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Summary of Recommendations

Recommendation 1

Mandate an independent body to conduct, in each Canadian jurisdiction, a rigorous and comprehensive national assessment of the actual wood supply over a 25- to 30-year horizon, integrating the dimensions of volume, value and risk.

Recommendation 2

Maintain and strengthen ecosystem-based forest management as a non-negotiable framework for climate resilience. Industrial transformation must under no circumstances serve as a pretext for lifting environmental constraints, at the risk of permanently weakening the natural capital on which the economy depends.

Recommendation 3

Systematically integrate a structured precautionary reserve (of 5% to 20%) into allowable cut calculations to reflect the risks of natural disturbances (wildfires, insect outbreaks). This reserve must transform the reactive, after-the-fact management of disasters into prudent planning, ensuring industrial stakeholders a predictable and stable wood flow, rather than a theoretical supply vulnerable to global change.

Recommendation 4

Develop and adopt a national framework for measuring forest degradation, based on ecological, social and cultural indicators and integrating Indigenous knowledge. This framework must go beyond volumes of wood harvested and take into account the age structure of landscapes, resilience to climate disturbances and ecological integrity, on which the long-term security of wood supply directly depends. It must be accompanied by transparent accountability mechanisms.

Recommendation 5

Integrate the value of forest ecosystem services into national accounting frameworks and into the cost-benefit analyses guiding the sector's transformation, so that future management decisions under a renewed model reflect the full economic value of forest natural capital.

Recommendation 6

Recognize and support the economic diversification of the forest territory, through the many uses of the forest, as an objective complementary to industrial transformation, ensuring that decisions regarding access to the territory are made in consultation with all users.

Recommendation 7

Develop a national forest industrial policy that makes structural investments in secondary and tertiary processing, promotes the diversification of species processed and the utilization of "undervalued wood," stimulates the domestic market through the modernization of building codes, and integrates the circular economy into the wood supply chain.

Recommendation 8

Continue adopting world-class sustainability standards for Canadian forest products, including a credible and scientifically grounded definition of forest degradation, in order to secure and expand access to demanding international markets.

Recommendation 9

Co-create with unions, workers and communities a just transition plan for the forest sector, supported by a Forest Transition Office and a federal-provincial transition fund, that ensures the economic security of workers and their communities, the sustainability of employment and the durability of the wood supply chain.

Recommendation 10

Establish shared governance of the forest territory with First Nations, respecting the principle of free, prior and informed consent, and supporting Indigenous conservation and management initiatives as a model for sustainable development.

Introduction

Nature Québec welcomes the federal government's initiative to undertake a reflection on the transformation of Canada's forest sector. Our organization is not opposed to forestry: we recognize that it is an economic pillar for many communities and that wood, as a renewable resource, is a preferable material compared to others with a higher carbon footprint. However, its use must respect the regenerative capacity of ecosystems, which is not currently the case. It is precisely to ensure the long-term viability of this sector that we are participating in this consultation.

We share the assessment that the status quo is no longer an option. We understand that the Task Force's mandate is primarily economic and industrial in nature. However, we note that biodiversity conservation is framed as a constraint on supply, rather than as a strategic asset on which the very sustainability of the sector depends. And the assertion that Canada has a "sustainably managed forest system"¹ is contradicted by a growing body of scientific evidence.

This brief aims to address that blind spot. "Sustainability" — a term too often used in a self-serving manner — cannot be reduced to maintaining a sustained yield of wood fibre. From the actual state of Canada's forests to the shift toward high value-added products, through just transition for workers and reconciliation with First Nations, we demonstrate that environmental and climate issues are not secondary considerations in the sector's transformation: they are its fundamental conditions, and a lever for long-term competitiveness.

1. Canadian Forest Sector Transformation Task Force. 2026. [Public Engagement Backgrounder](#).

1. Ecological Resilience: The Foundation of Any Transformation

Before addressing the state of forests and potential pathways for industrial transformation, it is essential to establish the foundation on which everything rests: the capacity of forest ecosystems to regenerate and sustainably support a supply of wood. Without this ecological foundation, no economic strategy will stand the test of time.

1.1 Allowable Cut: A Disconnect with the Actual Wood Supply

The dogma of sustained yield has not prevented the depletion of forests. Harvesting "too much and too far" makes the forestry model precarious, both economically and ecologically². The Task Force's backgrounder states that Canada harvests at levels below the annual allowable cut (AAC), suggesting room to increase supply. This argument warrants scrutiny³. The AAC does not reflect wood that is actually financially accessible: if softwood is found in mixed stands with a hardwood dominance, it will likely not be harvested in many regions. Moreover, risks associated with natural disturbances (wildfires, insect outbreaks) are not adequately integrated into the calculations on a proactive basis. In Quebec, for example, while current precautionary reserves are minimal, researchers have demonstrated the urgency of raising them to between 5% and 20%⁴ to cope with forest fires such as those of 2023, which forced an immediate reduction in allowable cut of up to 17.5% of the allowable cut for the Nord-du-Québec region⁵. Far from being a hindrance, a structured precautionary reserve would increase the likelihood of maintaining a predictable and stable supply, thereby offering the industry the predictability it seeks.

The future wood supply will inevitably be shaped by certain government commitments: the protection of boreal caribou habitat, the conservation of 30% of land by 2030 and reconciliation with First Nations. Ignoring these variables in industrial planning is a strategic error.

2. IRÉC. 2025. [Au-delà du rejet du projet de loi 97 : penser un nouveau paradigme pour l'économie de la forêt au Québec](#). Note d'intervention.

3. Canadian Forest Sector Transformation Task Force. 2026. [Public Engagement Backgrounder](#).

4. Boulanger, Y. et al. 2025. [La saison des feux de forêt 2023 au Québec: un aperçu des conditions extrêmes, des impacts, des leçons apprises et des considérations pour l'avenir](#). Canadian Journal of Forest Research. 55: 1-23.

5. Jetté, J.-P., Leduc, A., Gauthier, S. et Bergeron, Y. 2025. [Adaptation de l'aménagement forestier face aux incendies forestiers — Quelques options à explorer pour la forêt boréale](#). The Forestry Chronicle, 101(1), 11-18.

Beyond gross volume, it is the net value of supply that must now guide the sector. This value — that is, revenues from wood minus operating costs—has deteriorated considerably: available wood is smaller, more remote and often landlocked. In an industrial structure focused on low value-added products, profit margins are so thin that the temptation is great to cut corners on environmental precaution or social acceptability. Yet this path is a social and political dead end. The sector's long-term viability depends on two inseparable levers: high value-added processing, to generate more revenue from each cubic metre harvested, and selective relinquishment, to stop harvesting the least profitable volumes at a loss.

A credible industrial strategy must be grounded in a rigorous assessment of expected wood flow over a 25 to 30 year horizon, incorporating the probabilities of climate-related risks and the true costs of precaution. It is only on this realistic basis — in both volume and value — that the industry will be able to target smart investments and calibrate its transformation for the decades ahead.

1.2 Ecosystem-Based Management: A Hard-Won Achievement to Strengthen

In Quebec, ecosystem-based forest management, a legacy of the Coulombe Commission (2004)⁶, marked a major shift toward forestry that is more respectful of ecosystems. In the context of global change, many scientists continue to support this approach and have proposed guidelines for updating ecosystem-based forest management⁷. A scientific committee established by the Quebec ministry confirmed in 2017 that this approach remains relevant in the context of climate change⁸. Similarly, a broad coalition of stakeholders in Quebec's forestry sector, including the Ordre des ingénieurs forestiers du Québec, reaffirmed the need for an ecological approach that continues to rely on natural forests and their dynamism to foster ecosystem resilience⁹.

Ecosystem-based management does not aim to reproduce the forest of the past. It involves drawing on an understanding of natural processes to maintain the ecological attributes and functions that give forests their adaptive capacity. The natural processes of regeneration, natural selection and migration remain active and will continue to be the primary driver of forest adaptation. Given our limited capacity for intervention across the vast extent of Canada's forest territory, maintaining these natural processes is the safest and least costly approach to achieving adaptation objectives. A sectoral transformation that would weaken these natural processes in the name of productivity would undermine the very foundations of its own sustainability.

6. Commission d'étude sur la gestion de la forêt publique québécoise. (2004). [Rapport final](#). Gouvernement du Québec.

7. Gauthier, S. et al. 2025. [Aménagement écosystémique en contexte de changements globaux](#). CEF.

8. Comité d'experts sur l'aménagement écosystémique des forêts et les changements climatiques. 2017.

[L'aménagement écosystémique des forêts dans le contexte des changements climatiques — Rapport du comité d'experts](#).

9. Ordre des ingénieurs forestiers du Québec et partenaires. 2024. [Propositions des partenaires pour l'avenir de la forêt québécoise](#).

1.3 The Limits of Intensive Silviculture and Bioenergy

Intensifying forest production may appear to be a promising avenue. However, research demonstrates that forest intensification under the current business model exacerbates degradation rather than resolving it: loss of structural biodiversity, reduction in ecological redundancy and diminished ecosystem resilience. Actual yields from intensive silviculture are often lower than anticipated yields, as documented in a recent study¹⁰. Quebec's Auditor General criticized the lack of monitoring of silvicultural investments as early as 2017¹¹.

Bioenergy with carbon capture and storage (BECCS) is presented in a very optimistic light by the Task Force¹². It must first be noted that forest restoration contributes to the 1.5°C objective only when combined with the most ambitious emissions reductions across all sectors,¹³ and that companies must first follow the mitigation hierarchy, prioritizing the avoidance of impacts, their minimization, restoration, and only as a last resort, offsetting¹⁴ as in the case of carbon capture and storage. Certain uses of forest biomass can generate greenhouse gas emissions exceeding those of fossil fuels over an extended period. Under no circumstances should trees be cut specifically to produce biomass: only residual biomass should be used, and only when the environmental benefits have been demonstrated.

Recommendation 1 : Mandate an independent body to conduct, in each Canadian jurisdiction, a rigorous and comprehensive national assessment of the actual wood supply over a 25- to 30-year horizon, integrating the dimensions of volume, value and risk.

Recommendation 2 : Maintain and strengthen ecosystem-based forest management as a non-negotiable framework for climate resilience. Industrial transformation must under no circumstances serve as a pretext for lifting environmental constraints, at the risk of permanently weakening the natural capital on which the economy depends.

10. Barrette, M. et al. 2024. [Are operational plantations meeting expectations? A large-scale assessment of realized versus anticipated yield in eastern Canada](#). Canadian Journal of Forest Research. 54(6): 712-724.

11. Vérificateur général du Québec. 2017. [Audit de performance : Travaux sylvicoles](#).

12. Canadian Forest Sector Transformation Task Force. 2026. [Public Engagement Backgrounder](#).

13. Comité consultatif sur les changements climatiques. 2022. [Climat et biodiversité: redéfinir notre rapport à la nature](#). Gouvernement du Québec.

14. IPBES. 2026. [Summary for Policymakers of the Methodological Assessment Report on the Impact and Dependence of Business on Biodiversity and Nature's Contributions to People](#). IPBES secretariat, Bonn, Germany.

Recommendation 3 : *Systematically integrate a structured precautionary reserve (of 5% to 20%) into allowable cut calculations to reflect the risks of natural disturbances (wildfires, insect outbreaks). This reserve must transform the reactive, after-the-fact management of disasters into prudent planning, ensuring industrial stakeholders a predictable and stable wood flow, rather than a theoretical supply vulnerable to global change.*

2. The Actual State of Canada's Forests: Beyond the Official Narrative

2.1 A Sustainability That Remains to Be Demonstrated

The findings presented in the previous section regarding the fragility of wood supply are grounded in a troubling ecological diagnosis. The Task Force's discussion paper presents Canada's forest system as a guarantee of "quality, traceability and regularity of supply,"¹⁵ yet Canada does not even have an operational framework for measuring the degradation of its forests. A recent article by Venier et al. (2025) identifies over 30 indicators needed to assess the state of degradation of Canada's forests—a framework that has yet to be developed¹⁶. Even scientists working within the federal government thus acknowledge that the tools needed to substantiate the sector's sustainability claims are lacking.

Furthermore, the annual report *The State of Canada's Forests*, the federal government's primary accountability vehicle¹⁷, reports only a limited number of sustainability indicators, mainly those that paint a positive picture of its practices. A coalition of Canadian environmental organizations, including Nature Québec, has called on the federal government to recognize that industrial logging profoundly alters the structure, composition and functions of forests, and that this cumulative degradation — largely unmeasured — weakens wildlife habitat, increases vulnerability to fire and compromises forests' ability to fulfill their climate role¹⁸. Without a rigorous measurement framework and transparent accountability mechanisms, the sustainability claimed by the sector is more a matter of discourse than of demonstration¹⁹.

15. Canadian Forest Sector Transformation Task Force. 2026. [Public Engagement Backgrounder](#).

16. Venier, L.A. et al. 2025. A framework for assessing forest degradation in Canada. *Environmental Reviews*. <https://cdnsciencepub.com/doi/epdf/10.1139/er-2024-0085>.

17. Natural Resources Canada. 2025. [The State of Canada's Forests: Annual Report 2025](#). Government of Canada.

18. Wildlands League, David Suzuki Foundation, WWF-Canada, Stand.earth, NRDC, Nature Canada, Nature Québec.

2024. [Leading ENGOs call on Canada to address forest degradation](#).

19. David Suzuki Foundation, Nature Canada, Nature Quebec, Natural Resources Defense Council, Ontario Nature, Sierra Club BC, Sierra Club Canada, Wilderness Committee. 2025. [Advertising or Accountability? A Critical Review of Canada's State of the Forests Report](#).

2.2 Forests Pushed Beyond Their Natural Range of Variability

Scientific data paint a troubling picture that diverges from the official narrative. A study reconstructing fire history over 6,800 years in eastern Canada's boreal forest demonstrates that the current age structure of the landscape falls outside anything the forest has experienced naturally during that period. Regenerating stands now cover approximately 47% of the landscape, whereas under the natural fire regime, they rarely exceeded 30% to 38%. This transformation occurred in barely 50 years of mechanized harvesting²⁰.

In the spruce-dominated boreal forest of eastern Canada, old-growth forests declined from 73% to 36% of the landscape between the 1950s and 2020, primarily due to clearcutting²¹. Another study reveals that across a territory of 67.2 million hectares in Ontario and Quebec, 14 million hectares have been harvested since 1976 — 28% of the study area. Only eight old-growth forest patches larger than 50,000 hectares remain across this entire territory. The researchers conclude that major changes in forest management are needed to restore the ecological integrity of these landscapes, particularly for species dependent on old-growth forests such as boreal caribou, of which 19 of 21 local populations in Ontario and Quebec are considered at high or very high risk²².

This homogenization of landscapes through intensive forestry is not merely a biodiversity issue: it undermines the fundamental ecological functions on which both the resilience of forests to climate change and the long-term security of wood supply depend. This is why the forest sector must prioritize ecological integrity in its transformation²³.

20. Cyr, D., et al. 2009. [Forest management is driving the eastern North American boreal forest outside its natural range of variability](#). *Frontiers in Ecology and the Environment*, 7: 519-524.

21. Danneyrolles, V., Boucher, Y., Terreaux de Félice, H., Barrette, M., Auger, I., & Noël, J. 2025. [Using forestry archives to assess long-term changes in forest landscape age structure and tree composition \(1950–2020\) in eastern Canada](#). *Forest Ecology and Management*, 595, 122990.

22. Mackey, B., et al. 2024. [Assessing the Cumulative Impacts of Forest Management on Forest Age Structure Development and Woodland Caribou Habitat in Boreal Landscapes: A Case Study from Two Canadian Provinces](#). *Land*, 13(1), 6.

23. Girona, M.M. et al. 2023. [Challenges for the Sustainable Management of the Boreal Forest Under Climate Change](#). In: Girona, M.M., Morin, H., Gauthier, S., Bergeron, Y. (eds) *Boreal Forests in the Face of Climate Change*. *Advances in Global Change Research*, vol 74. Springer, Cham.

2.3 Forest Management and Climate Change: Not Worsening What We Cannot Control

Climate change, recognized by a broad global scientific consensus for decades, is accelerating: a recent study confirms that global warming has reached an unprecedented pace over the past decade²⁴. Canada's forests are already experiencing the consequences. In 2023, more than 6,800 fires burned over 14.6 million hectares of forest in Canada, with considerable environmental, social and economic impacts²⁵. In Quebec, 1.3 million hectares burned south of the northern limit, and approximately 400,000 hectares now exhibit a regeneration deficit. Restoration through planting would cost approximately \$2 billion, and at the current rate of Quebec's silvicultural investments, it would take a century to repair the damage of a single summer²⁶.

Yet current forestry practices are exacerbating this vulnerability rather than reducing it. The dominant model relies on harvesting that rejuvenates landscapes, and when fire strikes a young forest whose cones have not had time to develop, natural regeneration fails. In some management units, the risk of regeneration failure has nearly doubled as a result of logging. Analyses show that the majority of regeneration failures during the 2023 fires occurred in stands originating from recent harvesting²⁷. Simulations spanning 300 years further confirm that successional trajectories following harvesting diverge fundamentally from those following fire, durably favouring shade-intolerant hardwoods at the expense of the softwoods sought by industry — a trend compounded by climate change²⁸. Current practices are creating the very conditions that undermine the sector's productive base.

These warnings do not come solely from the environmental community. As early as 2020, Quebec's Chief Forester concluded that maintaining the current management strategy under climate change risks leading to "unacceptable forest conditions with respect to the sustainability of the forest resource."²⁹ In 2025, Quebec's Commissioner of Sustainable Development criticized the Natural Resources and Forests Department for its inaction on climate adaptation³⁰. Maintaining the status quo in an environment marked by climate uncertainty will have direct and growing repercussions on wood supply and, consequently, on the communities that depend on it.

24. Foster, G. et Rahmstorf, S. 2026. [Global warming has accelerated significantly](#). Geophysical Research Letters, 53(5), e2025GL118804.

25. Natural Ressources Canada. 2025. [Forest Fires](#). Government of Canada.

26. Boulanger, Y. et al. 2025. [La saison des feux de forêt 2023 au Québec: un aperçu des conditions extrêmes, des impacts, des leçons apprises et des considérations pour l'avenir](#). Canadian Journal of Forest Research. 55: 1-23.

27. Jetté, J.-P., Leduc, A., Gauthier, S. et Bergeron, Y. 2025. [Adaptation de l'aménagement forestier face aux incendies forestiers — Quelques options à explorer pour la forêt boréale](#). The Forestry Chronicle, 101(1), 11-18.

28. Molina, E., et al. 2022. [Long-Term Impacts of Forest Management Practices under Climate Change on Structure, Composition, and Fragmentation of the Canadian Boreal Landscape](#). Forests, 13(8), 1292.

29. Forestier en chef du Québec. 2020. [Intégration des changements climatiques et développement de la capacité d'adaptation dans la détermination des niveaux de récolte au Québec](#). Gouvernement du Québec.

30. Commissaire au développement durable du Québec. 2025. [Rapport de la commissaire au développement durable — Avril 2025](#). Vérificateur général du Québec.

- **Recommendation 4 :** *Develop and adopt a national framework for measuring forest degradation, based on ecological, social and cultural indicators and integrating Indigenous knowledge. This framework must go beyond volumes of wood harvested and take into account the age structure of landscapes, resilience to climate disturbances and ecological integrity, on which the long-term security of wood supply directly depends. It must be accompanied by transparent accountability mechanisms.*

3. The Forest: Far More Than a Simple Timber Reserve

3.1 Ecosystem Services of Monumental Value

Beyond the supply and degradation issues documented previously, forests provide ecosystem services whose value far exceeds that of wood fibre. Reducing forests to their timber alone is not only reductive, but economically irrational. Forests provide ecosystem services of considerable value: climate regulation, water filtration, flood protection, biodiversity maintenance, cultural and recreational contributions, and much more.

A recent report by the Canadian Parks and Wilderness Society (CPAWS) estimates that Canada's protected and conserved areas contribute \$10.9 billion annually to the national GDP, support 150,000 jobs and generate \$1.4 billion in tax revenue. Parks Canada estimates the annual value of ecosystem services from its network (national parks and national marine conservation areas) at between \$156 billion and \$588 billion per year — yet this network represents only 25% and 13.5% of Canada's terrestrial and marine protected areas, respectively. The carbon stored in existing protected areas alone is valued at \$51.1 trillion based on the social cost of carbon established by the government in 2025³¹.

The report on business and biodiversity (2025) by the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES), with 150 member governments including Canada, is unequivocal: all businesses depend on biodiversity and impact it, and 14 of the 18 identified categories of ecosystem services are currently in decline. Since 1992, human-produced capital has increased by 100% per capita while natural capital stocks have decreased by 40%³².

31. CPAWS Canada. 2026. [Widely Enjoyed but Inadequately Valued: Understanding the Economy, Environmental, and Health Benefits of Canada's Protected and Conserved Areas](#). Whitepaper Media.

32. IPBES. 2026. [Summary for Policymakers of the Methodological Assessment Report on the Impact and Dependence of Business on Biodiversity and Nature's Contributions to People](#). IPBES secretariat, Bonn, Germany.

Forests can no longer be managed as a simple commodity stock: they are a productive natural asset whose degradation directly threatens the economic viability of the sector. Failing to integrate this reality into the transformation of the forest sector means accepting a significant systemic risk.

3.2 A Multifunctional Forest Territory

Public forests do not belong to the forest industry: they are a collective heritage that must serve the entire population. Maple syrup production, recreational tourism, hunting and fishing activities, outdoor recreation, cottage use, the development of non-timber forest products, and above all the cultural and subsistence activities of First Nations generate socioeconomic benefits that are considerable and often more sustainable than timber extraction.

These activities are not marginal. The economic diversification of the forest territory is not a constraint on the sector's prosperity: it is a driver of stability for rural communities. As the Institut de recherche en économie contemporaine (IRÉC) emphasizes, the forest must no longer be viewed solely through the lens of timber yield; rather, the diversification of the forest economy must take precedence, giving due place to value-creating sectors that strengthen local economies—from maple syrup production on public land to non-timber forest products³³.

Any reflection on the transformation of the forest sector must therefore be part of an integrated land management vision, in which timber production is one use among many, rather than the primary use around which everything else revolves. Decisions regarding access to the territory must be made in consultation with all users. A transformation that would increase pressure on ecosystems and other land uses risks triggering a social crisis highly detrimental to the business environment of the entire sector.

Recommendation 5 : *Integrate the value of forest ecosystem services into national accounting frameworks and into the cost-benefit analyses guiding the sector's transformation, so that future management decisions under a renewed model reflect the full economic value of forest natural capital.*

Recommendation 6 : *Recognize and support the economic diversification of the forest territory, through the many uses of the forest, as an objective complementary to industrial transformation, ensuring that decisions regarding access to the territory are made in consultation with all users.*

33. IRÉC. 2025. [Au-delà du rejet du projet de loi 97 : penser un nouveau paradigme pour l'économie de la forêt au Québec](#). Note d'intervention.

4. The Industrial Shift: From Volume to Value

4.1 A Business Model Running on Fumes

Canada's forest sector suffers from a structural ailment, notably a dependence on the export of low value-added products. In 2024, high value-added products accounted for only 2% of Canada's total forest product exports, compared to 13% in Finland and 12% in the United States³⁴. Processing capacity is excessively concentrated on softwood, limiting companies' versatility and their resilience to shifts in markets and forest composition.

Since the abolition of forest concessions in the 1980s, each reform of the forestry regime has reproduced the same pattern: primacy of industrial supply, followed by forest depletion, followed by a crisis, followed by a new bandage on the same model³⁵. While Quebec has seen its forestry workforce erode by some 30,000 jobs since the early 2000s³⁶, the situation at the national level reflects an even deeper structural transformation. With employment levels 41% below those of 2004³⁷, this decline is not attributable to overly strict environmental constraints, but rather to the exhaustion of a business model that is no longer viable.

4.2 Toward a Genuine Transformation Strategy

Nature Québec fully supports the shift toward high value-added products. This shift is not only economically necessary, but ecologically beneficial: it would generate greater wealth while reducing pressure on ecosystems and other forest uses. In concrete terms, the transformation strategy should rest on two complementary pillars. The first is increasing value added at every stage of the supply chain, including at the primary processing stage: engineered wood, mass timber for construction, modular prefabrication, biorefining and bio-based insulation³⁸. The second is the systematic utilization of "undervalued wood": shade-intolerant hardwoods such as trembling aspen and white birch, fire-damaged wood and construction waste, which represent a considerable pool of material that currently has no market within the existing industrial structure. These two pillars are inseparable: the goal is not merely to move upmarket on softwood, but to build an industry capable of utilizing the full range of the actual and sustainable wood supply, in line with the current and future composition of Canada's forests.

34. Canadian Forest Sector Transformation Task Force. 2026. [Public Engagement Backgrounder](#).

35. IRÉC. 2025. [Au-delà du rejet du projet de loi 97 : penser un nouveau paradigme pour l'économie de la forêt au Québec](#). Note d'intervention.

36. Schepper, B. et Bégin, A. 2020. [Portrait de l'industrie forestière au Québec : une industrie qui a besoin de l'État](#). Institut de recherche et d'informations socioéconomiques.

37. Canadian Forest Sector Transformation Task Force. 2026. [Public Engagement Backgrounder](#).

38. Sommet intersyndical Pour vivre de la forêt. 2025. [Cahier de plateforme finale](#).

This shift requires a genuine integrated industrial policy: structural investments in secondary and tertiary processing, modernization of building codes, development of the domestic market to address the housing crisis, integration of the circular economy and diversification of export markets. Regulations on embodied carbon in construction could serve as a powerful lever to stimulate demand.

4.3 Access to International Markets: The Competitive Advantage of High Environmental Standards

The Task Force rightly highlights the need to diversify export markets beyond the United States. However, this diversification will be compromised if Canada does not seriously address the degradation of its forests. The European Union Deforestation Regulation (EUDR) imposes strict traceability and sustainability requirements³⁹. Canada has in the past resisted policies from international jurisdictions restricting the import of wood from degraded forests. This defensive posture is a strategic error. Seeking to weaken environmental standards to reduce costs is a race to the bottom that Canada cannot win. Excellence in ecosystem-based management must become a selling point and a competitive advantage. Canada's environmental reputation is an economic asset, not a constraint.

Recommendation 7 : *Develop a national forest industrial policy that makes structural investments in secondary and tertiary processing, promotes the diversification of species processed and the utilization of "undervalued wood," stimulates the domestic market through the modernization of building codes, and integrates the circular economy into the wood supply chain.*

Recommendation 8 : *Continue adopting world-class sustainability standards for Canadian forest products, including a credible and scientifically grounded definition of forest degradation, in order to secure and expand access to demanding international markets.*

39. European Union. 2023. [Regulation \(EU\) 2023/1115 of the European Parliament and of the Council of 31 May 2023 on the making available on the Union market and the export from the Union of certain commodities and products associated with deforestation and forest degradation and repealing Regulation \(EU\) No 995/2010](#). EUR-Lex.

5. Just Transition: Protecting Workers and Communities

The Task Force's backgrounder mentions the need to "support workers and communities" whose livelihoods depend on the sector⁴⁰. Nature Québec stresses that this transition must be planned, funded and co-created with key stakeholders — not merely referenced as an ancillary consideration.

Nature Québec works in partnership with unions representing workers in Quebec's forest sector and endorses the platform of the Sommet intersyndical Pour vivre de la forêt (Inter-Union Summit on Living from the Forest). The message of this platform is clear: for the transition to give rise to sustainable business models, forest management must ensure a durable supply drawn from diversified and resilient ecosystems⁴¹. The ecological impoverishment of forests inevitably leads to the economic impoverishment of communities. Environmentalists and unions share this same assessment.

In practical terms, we recommend the creation of a Forest Transition Office tasked with coordinating industrial transition efforts in alignment with regional realities. A transition fund, jointly financed by the federal and provincial governments, must support business adaptation, impact mitigation measures and worker support to ensure their economic security, access to training and reintegration. Particular attention must be paid to single-industry communities, which are the most vulnerable to economic shocks.

Recommendation 9 : *Co-create with unions, workers and communities a just transition plan for the forest sector, supported by a Forest Transition Office and a federal-provincial transition fund, that ensures the economic security of workers and their communities, the sustainability of employment and the durability of the wood supply chain.*

40. Canadian Forest Sector Transformation Task Force. 2026. [Public Engagement Backgrounder](#).

41. Sommet intersyndical Pour vivre de la forêt. 2025. [Cahier de plateforme finale](#).

6. First Nations: Toward Shared Governance of the Territory

Respect for the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), adopted in Canada in 2021, requires the free, prior and informed consent of First Nations when decisions affect their ancestral territories⁴². Canada's forest sector operates largely on these territories. The Task Force's discussion paper acknowledges that "Indigenous participation and leadership in the forest sector is growing in importance," but this formulation is insufficient. It is not simply a matter of increasing First Nations' participation in the existing industrial model: the governance of the forest territory must be rethought to ensure them a legitimate place in the decision-making process, in accordance with their ancestral rights.

This is not merely a matter of principle. Recent experience in Quebec and elsewhere in Canada demonstrates that the refusal to recognize the rights of First Nations rightfully leads to blockades, legal challenges and social crises that directly undermine the predictability the sector needs in order to invest and transform. Social peace in the forest is a prerequisite for a stable business environment. Ignoring this reality in a sectoral transformation would be not only ethically unacceptable, but strategically risky.

Furthermore, research demonstrates that Indigenous management of forest territories produces superior ecological outcomes: biodiversity is higher on territories managed or co-managed by Indigenous peoples than in conventional protected areas⁴³, and investment in Indigenous stewardship generates tangible returns for biodiversity and climate. The Great Bear Rainforest in British Columbia is a concrete illustration: an initial investment of \$120 million generated \$2.63 in additional investment for every dollar invested, transforming a declining extractive economy into a prosperity model grounded in conservation, ecotourism, non-timber forest products and renewable energy⁴⁴. Reconciliation is not an obstacle to the sector's transformation — it is a proven model of sustainable development.

Recommandation 10 : *Establish shared governance of the forest territory with First Nations, respecting the principle of free, prior and informed consent, and supporting Indigenous conservation and management initiatives as a model for sustainable development.*

42. Assemblée générale des Nations Unies. 2007. [Déclaration des Nations Unies sur les droits des peuples autochtones](#). résolution adoptée le 13 septembre 2007, A/RES/61/295.

43. Schuster, R., et al. 2019. [Vertebrate biodiversity on indigenous-managed lands in Australia, Brazil, and Canada equals that in protected areas](#). Environmental Science & Policy, 101, 1-6.

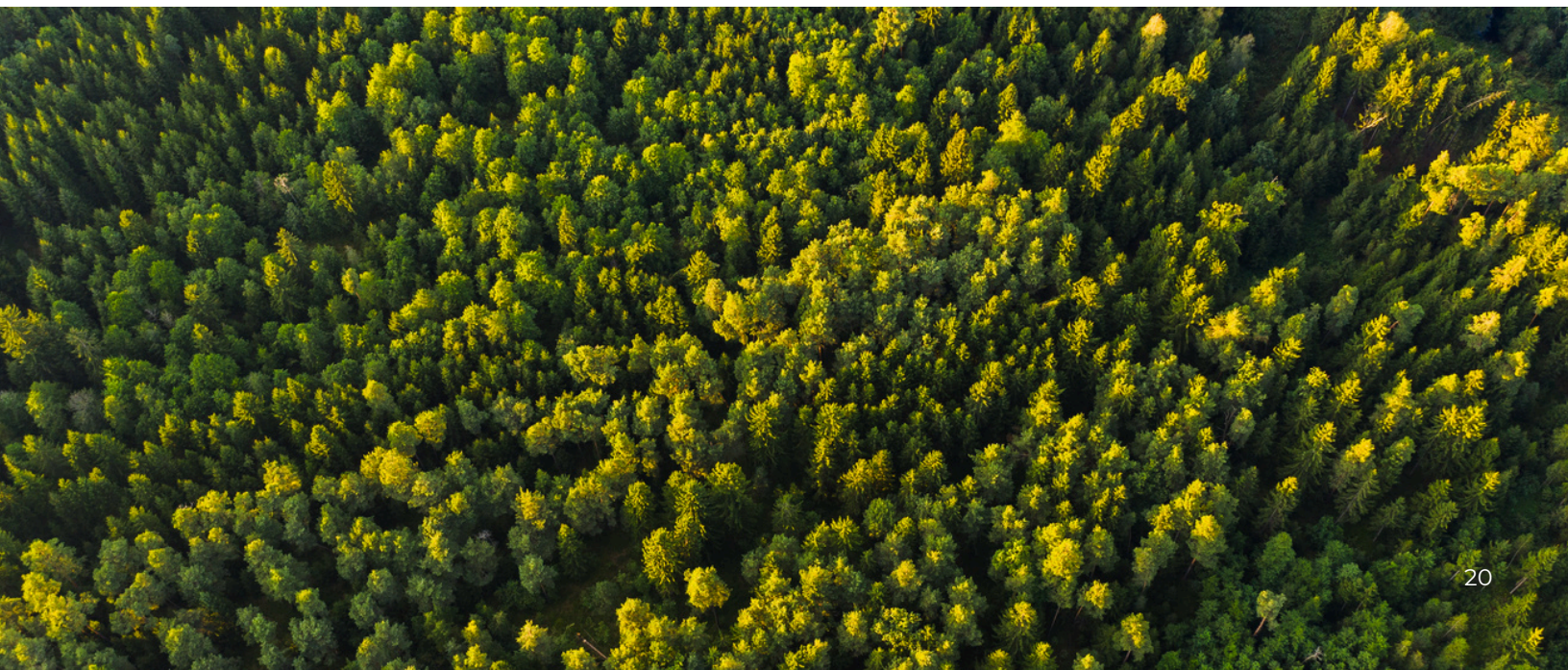
44. Alejo, C., Reed, G. et Matthews, H. D. 2025. [Indigenous-led nature-based solutions align net-zero emissions and biodiversity targets in Canada](#). Earth's Future, 13(10).

Conclusion

Canada's forest sector stands at a crossroads. The trade challenges posed by American tariffs, the contraction of traditional markets and the intensification of climate change are converging to make the status quo untenable. Nature Québec shares this conviction with the Task Force.

However, a transformation that would merely diversify markets and move up the value chain without acknowledging the state of degradation of forest ecosystems, without respecting the rights of First Nations and without protecting workers would be, at best, a reprieve and, at worst, an acceleration of the crisis. It would amount to sawing off the branch on which the industry sits — with more sophisticated tools.

The ecosystem services provided by Canada's forests are not a by-product of forestry activity: they are its very foundation. Nature Québec calls for a shift from a volume-based paradigm to a value-based paradigm, and for a forestry grounded in science, respectful of Indigenous rights, committed to ecosystem resilience and anchored in a just transition. This is the only path toward a truly sustainable and competitive industry in the long term. Nature Québec remains available to further explore its reflections with the Task Force and its partners.



Raising awareness, mobilizing, taking action

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