

Saskatchewan's Forestry Sector



Saskatchewan's commercial forest zone is 11.7 million hectares.

Forestry Resources

- Over half of Saskatchewan is forested, representing 34 million hectares, of which greater than 90% is owned by the province
- Saskatchewan's Commercial Forest Zone is 11.7 million hectares, of which 5.3 million hectares are classified as productive forest land available for commercial timber harvesting
- The current Annual Allowable Cut (AAC) for timber harvested from the Commercial Forest Zone is 8.3 million cubic metres (4.9 million softwood tree species and 3.4 million hardwood tree species)
- Over 1.0 million oven-dried tonnes of biomass per year available from forest products mill wood waste and timber harvesting operations

Forestry Economy

- Forestry is northern Saskatchewan's second largest industry
- Existing forest industry has the mill capacity to utilize approximately 80% of the AAC, leaving 1.7 million cubic metres of timber available for new mill investments

- 2016 forest products sales totalled \$949 million and the sector supported nearly 13,000 direct and indirect jobs
- Full AAC utilization has the potential to generate over \$1.7 billion in forest products sales annually and support over 19,000 direct and indirect jobs
- First Nations and Métis people comprise over 30% of the workforce, by far the largest percentage of Indigenous forestry employees in Canada

Forestry Industry

- Well-established and competitive with leading-edge technology
- 10 large forest-products manufacturing facilities which produce lumber, pulp and panels
- Over 170 small businesses that produce a variety of forest products
- Well positioned to harvest record levels of timber and produce record levels of forest products as early as 2020





Saskatchewan's forests are sustainably managed and its forestry sector is globally competitive.

Competitive Edge

Investment Climate

- Strong government support for development and growth of the forestry sector, including opportunities within the emerging bio-economy and other value-added forest products
- Planned investments of \$500 million over the next four years
- New investment opportunities in areas with significantly underutilized AAC and abundant availability of biomass
- Well-established transportation network providing excellent access to North American and offshore markets
- Well-trained, reliable and productive workforce
- Results based regulatory environment

Tax Structure

- Manufacturing and processing tax rate as low as 9.5%
- Corporate income tax rate of 12%
- No corporate capital tax

Timber Royalties

- Saskatchewan has a competitive and market-based timber royalty system

Bottom Line

- Saskatchewan's forests are sustainably managed and its forestry sector is globally competitive
- Competitive forest-products manufacturing costs and taxes
- Significantly underutilized timber resource presents substantial new investment opportunities and increased forest products export potential

Are you interested in learning more about Saskatchewan's forestry sector?



Contact:

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Disclaimer: The information in this document is accurate as of June 2017; however, the Government of Saskatchewan accepts no liability for any actions taken as a result of the information contained herein.