

May 13, 2020



Canadian Wood Pallet
& Container Association

Members of the House of Commons Standing Committee on Industry, Science and Technology

Re: Canadian wood packaging industry and the response to the COVID-19 pandemic

Dear Members:

The Canadian Wood Pallet and Container Association (CWPCA) respectfully submits these comments, information and inquiries on behalf of the over one-billion-dollar Canadian wood packaging industry as the committee continues its study on the impacts of the COVID-19 pandemic on the Canadian economy. The Canadian industry is comprised of businesses of all sizes, all working to supply material handling conveyances to a vast array of users. CWPCA is the largest organization of wood packaging professionals in Canada, with more than 160 company members. Additionally, the CWPCA provides inspection services on behalf of the Canadian Food Inspection Agency to almost 460 clients engaged in the manufacture, repair and distribution of certified wood packaging as a part of the Canadian Heat Treated Wood Products Certification Program (CHTWPCP).

COVID-19 has obviously changed the world. However, COVID-19 has also raised awareness of and subsequently enhanced the profile of several industry sectors and in doing so has also highlighted gaps in Canada's Critical Infrastructure, particularly where supply chain issues are concerned. COVID-19 (as well as the media and social media trends of the day) has also impacted people's perceptions of what work is valuable, or essential, and has served to put a spotlight on certain industry sectors singularly, as opposed to opening people's eyes to the larger picture.

Wood packaging (including pallets, crates, cable reels, fruit and vegetable boxes, dunnage, etc.) are truly critical to the national and global supply chain. They are the platforms that carry our food, medicines, medical equipment, raw materials for manufacturing etc. to retailers, and end users alike. Without wood packaging, quite frankly, the supply chain stops. Having said that however, the wood packaging industry is largely misunderstood, and its critical importance to the global distribution of goods is largely un-recognized.

We are not seeking media/public recognition for our industry's businesses and the thousands of workers who have continued to work through the pandemic in order to ensure that critical products reach their destinations. Although it would be nice to have them identified publicly as key players, just like grocery store clerks, truck drivers and other key supply chain workers have been, the main element that we want the Canadian government to recognize is that we are truly essential. Without us, the supply chain fails, and because of that we need to not only work to elevate awareness of the industry, but to adjust language at both the federal and provincial levels regarding Canada's Critical Infrastructure and essential services to specifically identify us, by name, as an essential industry.

Please allow me to better explain. At the onset of the COVID-19 crisis, when the provinces began to force non essential businesses to close, there was a scramble to confirm our industry's status. When investigating Canada's Critical Infrastructure, there were implied connections to the wood packaging sector however no definitive language. The Public Safety Canada's guidelines

document, "Guidance on Essential Services and Functions in Canada During the COVID-19 Pandemic", did include mention of pallet distribution, however no mention of wood packaging manufacture or recycling operations. As each province then identified their critical sectors, only British Columbia identified the pallet and wood packaging industry specifically. This proved problematic when advising businesses of their status and did create much confusion. In the end, I believe that this confusion could be eliminated by ensuring the federal and provincial critical infrastructure guidelines are modified to SPECIFICALLY cite the pallet and wood packaging industry, as it is an integral component of six of the ten sectors identified by Public Safety Canada.

We firmly believe that without this designation that our industry will continue to be overlooked. A prime example of this is happening now with regards to the recently announced three-billion-dollar fund to top up the hourly wages of low-income essential workers. Upon hearing of this initiative, the CWPCA proactively contacted the provinces and asked for consideration where our industry is concerned in accessing these funds. **Our sector employs many who qualify as both low income and essential.**

Preliminary responses from the provinces seem to point to these funds being made available to health care (e.g. Long Term Care) employees and grocery store clerks and will not be available to other sectors. While we have no issue with either of these types of jobs being incentivized, the grocery clerk inclusion is somewhat questionable given that they are most likely not employed by small independent grocers. It is likely that these companies are 1) not struggling to survive and 2) likely able to absorb a \$2 per hour wage top up without government assistance. One must understand that the retail grocery sector ceases to function unless it is supplied with wood packaging, and that the small, privately held businesses that supply the country's wood packaging are far less prepared to absorb additional costs than these large corporations.

With regards to an elevated awareness of the industry, we would like to offer you the opportunity to engage us in conversation and correspondence aimed at explaining the very complicated dynamics of our industry. We would love to tell our story, so that those of you responsible for small business and other industry in Canada better understand why we are so important to all Canadians.

We have attached, for your review some statistics and comments from our members identifying and explaining how COVID-19 has affected our sector. We know that we are not alone in our position through the pandemic, however feel that sometimes our industry's contributions to Canada's infrastructure often go unnoticed, and we truly wish to change that.

On behalf of all the men and women who make up what is a truly unique industry, I thank you for your time and consideration of the contents of this letter. I wish to re-extend the invitation to further dialogue surrounding the Canadian wood packaging industry.

Respectfully,



Scott Geffros
General Manager
Canadian Wood Pallet and Container Association