

MOVING CANADA'S ECONOMY FORWARD

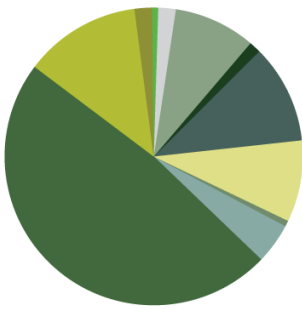
The Canadian Wood Pallet & Container Association (CWPCA)

WHO WE ARE

As the leading national advocate for the wood packaging material industry in Canada, the CWPCA supports 165 members, and services an additional 448 registered facilities through our Heat Treated Wood Products Certification Program.



Membership Distribution



- British Columbia (13)
- Alberta (15)
- Saskatchewan (2)
- Manitoba (6)
- Ontario (75)
- Quebec (32)
- New Brunswick (3)
- Newfoundland and Labrador (1)
- Nova Scotia (3)
- United States (13)
- International (2)

In Canada, 80% of the production comes from Quebec and Ontario. About 84% is sold into the domestic market while the rest is mainly exported into the United States.

CRITICAL TO ALL SUPPLY NETWORKS

Availability of our packaging products directly impacts key tertiary industries:

- Pharmaceuticals
- Nuclear
- Food and Grocery
- Technology
- Military
- Transportation



INDUSTRY

The wooden pallet and container manufacturing industry produces wooden barrels, baskets, boxes, buckets, containers, container parts (shook), dunnage, crates, drums, skids and pallets.

\$1.1 Billion

In 2018, manufacturing revenues reached \$1.1 billion, an increase of 15.9% from the previous year.

FACTS

→ The average revenue per company in 2019 was \$1.1 million, ranging from \$30,000 to in excess of \$10 million.

→ In 2019, exports were at \$135.4 million and imports were at \$105 million.

→ The US is Canada's biggest trading partner, accounting for \$130,322,247 of exports and \$97,435,633 in imports.

Our goal is to grow and strengthen the Canadian supply chain for many years to come.



MOVING CANADA'S ECONOMY FORWARD

We are the foundation of the Canadian supply chain.

Supporting thousands of jobs across Canada, CWPCA members manufacture essential products that directly impact Canadian consumers and the national economy:

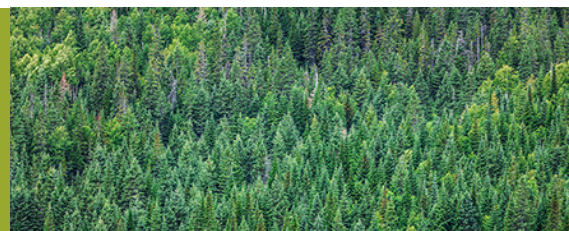
1 WE ARE ESSENTIAL TO THE SUPPLY CHAIN

Without wood packaging, supply chains stop. Pallets, crates, cable reels, fruit and vegetable boxes, dunnage, etc., are an integral part of the national and global supply chain. We build the platforms that carry 90% of the goods purchased everyday by Canadian consumers, including food and medical supplies.



2 WE ARE ENVIRONMENTALLY SUSTAINABLE

Wood can be regenerated, repaired, reused and repurposed, and our sector holds the highest landfill avoidance rate of any packaging product, at 95%. We promote the complete utilization of harvested timber by using off-grade lumber not suitable for other sectors. We use wood harvested from Canada's sustainably managed forests, the largest in the world.



3 WE CONTRIBUTE TO THE NATIONAL ECONOMY

Sales are over \$1 billion annually, and most of this revenue is created within the Canadian market. Demand for our products is markedly increasing. The US remains our primary export destination, and our markets are co-dependent. Exports consist of wood packaging sold as a commodity, as opposed to pallets under shipments of goods.



WITHOUT WOOD PALLETS AND CONTAINERS, THE SUPPLY CHAIN HALTS.

LABOUR SHORTAGE CHALLENGES

The wood packaging material industry is in dire need of labour. Like lumber, demand for our products is higher than ever before, but due to unforeseen consequences of the pandemic, supply is low. Manufacturing pallets is physically demanding which deters employment interest in our sector. Coupled with historically high employee absenteeism and turnover, our labour challenges are causing production issues and product shortages. We recognize the need to invest in technology to offset labour shortages.



OUR ASK:

The CWPCA is requesting increased access to federal employment programs designed to offset labour shortages. And as we move toward automation as the long-term solution, federal grants in the technology and innovation space would help us to strengthen the consumer supply chain and bolster the national economy.

