Not so silver linings playbook

Ontario logger Gord Griffiths is looking to retire, but he’s concerned about who in the next generation is willing to take over the reins, given a constantly changing logging playbook from Ontario’s Ministry of Natural Resources.

By Tony Kryzanowski

Gord Griffiths loves logging but after nearly 50 years working in the industry, this veteran Ontario logger plans to retire.

The question he has, though, is who will step in to take the place of retiring loggers like him, given the amount of paperwork that is keeping loggers in the office when they’d rather be out in the cutblock.

Gord’s son, Patrick, began working with him a while back, which allowed Gord to semi-retire. But then Patrick said, ‘no thanks’ to taking on the responsibility of an entire logging fleet. Patrick decided to continue to work as a feller buncher owner-operator instead; that way, he avoids all the hassles of dealing with the brown envelopes that seem to arrive at the contractor’s office daily. Gord understands his reluctance.

“If you came out of high school today and were looking for an occupation, it would be easier to become a doctor than to become a logger, because once you have learned all the body parts, they are all the same in everybody,” says Griffiths. “This industry keeps changing and changing.”

Griffiths owns Hollyn Timber, based in Vermilion Bay, about 45 kilometres west of Dryden, in northwestern Ontario. The company is a stump-to-dump, year round contractor that harvests about 150,000 cubic metres annually, primarily for Resolute Forest Products.

Resolute recently re-started its stud mill in Ignace, has built a brand new dimension sawmill near Atikokan, and has significantly upgraded its sawmill in Thunder Bay.

Hollyn Timber’s log diet consists of both hardwood and softwood. Hardwood is sold to Weyerhaeuser in Kenora, and chip material is sold to Domtar in Dryden. Their main species are spruce, jackpine, fir and poplar, ranging anywhere from 6” to 20” in diameter, depending on the area where they are logging. The ratio of softwood to hardwood also varies widely.

Hollyn Timber are shareholders in a Sustainable Forest License (SFL) group called the Dryden Forest Management Company, and they also have an overlapping logging license within an SFL area owned and managed by Resolute Forest Products east of Dryden. Griffiths is not only responsible for harvesting and
delivering his timber, but also marketing the wood, which is a somewhat unique approach that Ontario has taken to forest management. It has its pros and cons.

Griffiths says that Hollyn Timber is fortunate to be logging in northwestern Ontario, where there are quite a few buyers for the wood, but he gives Resolute right of first refusal on all wood harvested from their SFL. He agrees that during the recent industry downturn, having the ability to sell his own wood fibre was actually an advantage versus contractors simply contracted by forest companies to offer stump-to-dump logging services, because they have control over their own destiny.

“We were actually quite busy through the downturn because of our flexibility,” he says. “We were able to find niche markets for our wood.” However, there is additional pressure on logging contractors with this approach. Recently, he received a phone call from a regular client saying they would not be accepting any hardwood that week as they were taking some downtime. By that afternoon, he had received another phone call from a different client, wanting to purchase that same hardwood.

“If you had asked me Monday morning where our roundwood trucks were delivering, I would have given you a totally different answer by Wednesday,” says Griffiths. This approach requires careful planning, to ensure that processing of certain sizes and species of timber takes place within a time frame when a market for certain wood products exists. For example, Hollyn Timber ensures that its slashing does not extend too far ahead of its market demand for certain products. Griffiths says that it is also important to maintain tight control of sorting at roadside by species, length and size. Transportation cost is the main determining factor of how far Hollyn Timber will go to market its wood products.

The company logs primarily in the vicinity of Dryden and north of Sioux Lookout. Forestry in general is critically important to the economy in northwestern Ontario, with several communities dependent on jobs from the forestry sector. Keeping it vibrant over the years has been challenging, given the aggressive approach the Ontario government has taken at times toward environmental protection.

“Our provincial government doesn’t appear to be very supportive of the forest industry,” says Griffiths.

In addition to providing detailed forest management plans through their SFL groups, Ontario loggers must also adhere to the guidelines and restrictions set out in the province’s Endangered Species Act, with the Ministry of Natural Resources (MNR) providing a new booklet of the forest management operating ground rules every year. That area of Ontario is also within the province’s sensitive and contentious woodland caribou conservation area. To some extent, that explains the number of brown envelopes arriving at the company’s office. For his part, Griffiths hopes he never sees a caribou because it would likely require an immediate adjustment to his logging operations.
“The system is more expensive to operate because if you build a road, you want to bring all the wood you can to the road,” says Griffiths. “If you have to leave patches and bypass it, there is a cost to that. There is also the stress of trying to keep up, especially with the species at risk, to identify all the new things that keep coming on stream.”

Over his nearly five decades in logging, Griffiths has been engaged in a variety of wood supply activities. In addition to delivering logs in both tree length and cut-to-length (CTL) dimensions, until recently he was also engaged in on-site chipping for Domtar’s pulp mill in Dryden. At one time, he owned two Peterson Pacific chippers. Now, he’s sold his chipping fleet and is down to a couple of feller bunchers, skidders, a loader and road building equipment. He has six direct employees.

To complement his fleet, Griffiths has chosen to work with a number of owner-operators to handle certain aspects of his operation. For example, both his delimbing and slashing are conducted by owner-operators. Griffiths says that if he can find enough reliable owner-operators to fill certain key functions in his business, he may be tempted to hold on for a while, as long as he can sneak away to his lake cabin with his wife and grandkids more often. The challenge is finding those reliable owner-operators, as the recent downturn in the forest industry caused many to shut down or leave the area. But he continues to search.

The Hollyn Timber fleet consists of a Tigercat 845C feller buncher equipped with a GN Roy 5300 head, a Timberjack 608 feller buncher, two John Deere 848H skidders purchased about a year ago, and a Timberjack 660 skidder. For roadbuilding, they use a Case 240 backhoe and a Hitachi 200 backhoe, a Champion grader as well as a Caterpillar D5 dozer. Their log loader is a Caterpillar 322 loader. He contracts his log haul to owner-operator truck drivers.

Griffiths says he tends not to favor any equipment brand over another, but places service support at the top of his list when it comes to making a purchase. He says given the remote locations where he logs, having that service support is critical to maintaining workflow. One change he has noticed among all the equipment dealers is how much harder it is to obtain parts in the event of a breakdown.

“At one time, if you had a breakdown at two in the afternoon, if you ran to the dealer for a part, you could be running by the next morning. Now, you could be waiting as long as a week for a part because they have to bring it in from somewhere,” says Griffiths. “During the downturn, I think each dealership was having difficulties so they cut their inventories to stay afloat. But even though the situation is supposedly picking up again now, it seems like they are sticking with the same business model that they developed during the downturn.”

Griffiths opted for the midsize Tigercat 845C feller buncher a few years back because he says he wanted a lighter machine working in this rocky environment. While he may have sacrificed some production, he is saving on the general wear and tear on his undercarriages, which he says get beat up a lot in this environment. The rocky terrain also takes its toll on tire chains on the skidders. The terrain they log in can also vary widely from