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# Mill town thinks outside the forest

### The Greening of HEARST

**Faced with the staggering loss of about 42,000 forest-industry jobs over the last five years, at least one Northern Ontario town is looking at the trees in a different way and hoping to build a sustainable future**

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HEARST, Ont.—Tractor-trailers loaded with logs and wood products spray slush as they race across the Trans-Canada Highway, about as far north as you can get in Ontario before needing a plane.

Against the backdrop of this town's main thoroughway stands a colossal wall of neatly assembled logs, harvested from the surrounding Hearst Forest and destined for the Tembec Inc. sawmill beside it.

It's an impressive sight for an outsider, and a kind of welcome sign for early spring tourists – a symbol of Hearst's proud industrial heritage. But two town seniors, sipping their coffees at a Harvey's fast-food outlet just down the street, remember something much bigger. The town has seen better times, they say, before listing off mill closures and layoffs that continue to weaken the area's economic pulse.

Hearst, like many neighbouring communities, is at a crossroads. Over the past five years about 42,000 forest-industry jobs have disappeared in Ontario, and small northern towns such as Hearst, Moonbeam, and Smooth Rock Falls have borne a disproportional brunt.

The town is being stretched. Something's got to break.

"It's declining slowly," says Ghislain Jacques, owner of the local Villa Motel. A former quality control manager for Columbia Forest Products, the continent's biggest maker of hardwood plywood and Hearst's largest employer, Jacques was let go early last year and out of work for six months before deciding to buy the Villa.

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Columbia's Hearst facility, punished by escalating energy costs and facing intense global competition, is fragile these days. It slashed its workforce by 30 per cent in recent years and it's not clear when the cuts will stop. The motel, on the other hand, offers a stable living. The highway brings in a regular flow of business — hunters, tourists, or passers-through in need of rest.

"This was probably a very secure move for me," says Jacques.

It's also, he hopes, just a temporary one. Sitting in a lecture hall at the local university, Jacques and 220 community peers listen to presentations at a two-day conference on economic sustainability and the creation of "bioeconomies." They're there to gather information and brainstorm; to share ideas and collaborate with their neighbours on an economic vision aimed at long-term survival.

A dominant theme quickly emerges: Use the latest technologies to turn the vast volumes of wood waste from logging activities and sawmills into green fuels, renewable power, bioplastics and natural materials, with an aim to creating new streams of revenue for the community.

Green is in, they say. Global warming is top of mind, and greenhouse gas emissions need to be dramatically reduced. If the world is looking for cleaner alternatives, then why couldn't Hearst help supply them?

It may be a dramatic departure from the past, but it's a plan – something to aim for, says Jocelyn Blais, project co-ordinator with the Hearst Economic Development Corp.

"For the last 50 years people have relied on pulp and paper mills and sawmills, and it's not working any more," says Blais, who co-organized the conference and is helping lead Hearst's economic transformation. "Morale has fallen, and people haven't been as proactive. They're starting to get scared, and believe the only option they have is to move away.

"What we're trying to say is that there is a future. We just have to organize ourselves differently and have a different vision."

Surprisingly, the spark for this period of self-reflection and the decision to hold a conference didn't come from within the community. It came from California.

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Los Angeles-based Convergence Ethanol Inc., a penny-stock start-up, approached local officials in Hearst nearly two years ago with an ambitious plan to build a cutting-edge biofuel production plant in town that would make ethanol out of wood waste and forest debris – plentiful materials in a town built around sawmills and surrounded by trees.

The proposal excited town officials, and an agreement was signed committing to the initiative. But, the opportunity emerged so quickly it caught the community off-guard. "We were not ready for such a drastic change," says Blais, explaining that there was no sense of vision, no road map to guide negotiations.

Convergence Ethanol has since run into financial difficulty and is embroiled in a shareholder lawsuit, putting the project in limbo. But in many respects it was a blessing in disguise. If the proposal served as a wake-up call, a sign that the town needed to empower itself by learning about new technologies and emerging markets, then the delay provided a chance to engage and educate the community.

The ethanol plant may still be built, we're right at the beginning of a wave," he says. "It could be six months from now, or a year. Our vision is to prepare the community for that day, because it's coming."

Part of that preparation was the launch of the Hearst Bio-Com Project — the "bio" representing bioeconomy, biomass and bioproducts; the "com" highlighting the need for community communication. The town also unveiled plans for the Hearst Green Technologies Centre, a future tourist site to create awareness of biofuels, biochemicals and alternative uses of local forest materials and products.

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But the April bioeconomy conference, which was sold out, showed how serious the community has become. Only 150 guests were expected, but overwhelming interest forced organizers to accommodate more than 220 – impressive for a remote town of roughly 5,000. They were even able to recruit environmentalist David Suzuki as a keynote speaker, drawing in townsfolk from neighbouring communities.

At the conference, presenter Luc Duchesne, president of Sault Ste. Marie-based Forest BioProducts Inc., emphasizes the importance of entrepreneurship. He doesn't sugar-coat his talks, preferring instead to jolt the audience with a dose of realism.

"The world is no longer flat, and the Easter Bunny is not going to create jobs for us," says Duchesne, drawing confused stares from the crowd.

No government or large company is going to save the day, he continues. "What's going to make the difference is a new breed of entrepreneur. In business, what works comes from people who have a fire in their gut. These are the people who will be defining the bioeconomy."

In between presentations citizens gather for coffee and juice in the University of Hearst auditorium. Discussion is productive, and ideas are flowing. There's talk of setting up a research and development centre on bioenergy, perhaps in partnership with another university. Others like the idea of using gasification or pyrolysis technologies to turn wood waste into electricity, which can then be sold at a premium into the provincial grid.

At an end-of-day networking session attendees are broken up into groups of six or seven and given a magic marker with some paper for writing down thoughts. "Let the creative juices just flow, have lots of fun, and make sure you really communicate with each other," says businessman Paul Allaire, of local firm Villeneuve Construction, who is leading the session. "Try to imagine a vision for the future 10, 15, 20, 100 years from now, and put some legs to that vision."

There's a lot at stake, and pressure to get it right.

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Capping off the conference is an environmental sermon from David Suzuki, who puts on a good show and even draws applause from some sceptics in the crowd. Suzuki, in the past a sharp critic of forest industry practices, applauds Hearst for its pursuit of renewal.

"I just think this is very, very exciting," he later says while enjoying a cup of lager. "I'm going to come back in a year and see how far they've gotten."

The question, however, is whether the town can tap the potential that so many have highlighted over the three-day conference; whether local entrepreneurs have the drive — that fire in their belly that will bring Hearst into the 21st Century.

Jacques, at the Villa Motel, seems eager to try. He explains the benefits of running his own business instead of working for a big company like Columbia. "Hearst is an entrepreneurial town, and now I'm one of them. I'm free," says Jacques, now able to step back and participate in some of the new projects as they emerge. "I'm very much enthusiastic about this town's new focus."

He glances across at the hundreds of people in the room who have just heard Suzuki's speech, and smiles. "This is the way to go."