

B.C. forest crisis prompts regulatory review

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On a day when two more mill closures were announced in Fort Nelson, Premier Gordon Campbell launched a new review of forest regulations aimed at helping the ailing industry reduce its costs and grow markets beyond the United States.

Speaking to the annual Truck Loggers Association convention in Vancouver Friday, Campbell also announced that Forests Minister Rich Coleman will chair the Working Roundtable on Forestry to tackle increasing economic pressures, effects of the mountain pine beetle and global warming on the forest industry.

The roundtable will tour B.C. communities hit hard by the combination of U.S. economic troubles and the surging Canadian dollar.

“It will report to cabinet every 90 days,” Campbell told delegates representing independent forest contractors on the the B.C. coast. “We will be acting aggressively and we will be acting for your benefit.”

The previous day, Coast Forest Products Association president Rick Jeffery told the gathering that the last thing the industry needs is another study, but after the premier’s speech, he was optimistic that there is room for improvement on regulation and new strategies for the forest industry.

“This isn’t a study, it’s a working group,” Jeffery told Black Press. “We’re not going to navel gaze.”

Campbell hinted at changes to the province’s traditional forest tenures, the 25-year cutting licences for Crown land based on the volume of wood extraction.

Jeffery said the system means that investment to improve mill productivity results in more stumpage revenue to the B.C. government rather than return on investment for companies.

Truck Loggers Association executive director Dave Lewis said there is interest in moving to area-based tenures, where licence holders pay an annual rent that doesn’t change with the amount harvested. That would encourage producers to let their trees grow when market conditions are poor, and to explore non-traditional revenue sources such as mushrooms or salal from coastal rainforests.

NDP forest critic Bob Simpson agreed that forest licence reform is needed, but he said the

current crisis in forestry has been made worse by the B.C. Liberal government's last effort there in 2003. That resulted in major consolidation of coastal forest companies and their cutting licences, with a focus on high-volume dimensional lumber whose risks are now evident with the collapse of the U.S. housing market.

Campbell also announced that B.C.'s share of the federal government's new Community Development Trust for resource towns will go to retirement packages for older workers, and reduced tuition for retraining those who are temporarily laid off due to forest industry shutdowns.

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