

A MEETING WITH MINISTER DONALDSON

By Jennifer Kramer

Photo: Brian Denehy



The TLA executive spend much of their volunteer time lobbying Minister Doug Donaldson, Minister of Forests, Lands, Natural Resource Operations and Rural Development about current issues facing logging contractors and the forest industry on behalf of the TLA membership.

At this year's convention, the TLA executive re-enacted a typical meeting with the Minister in a question and answer session. The following paraphrases their discussion.

TLA executive: The Contractor Sustainability Review (CSR) changes apply only to the Bill 13 timber harvesting contract regulation, which represents roughly only 20 per cent of the contractors in this province. The other 80 per cent are not Bill 13. If these proposed changes don't flow through to those contractors, what commitment do we have from government that you'll relook at this issue?

Minister Donaldson: We intend for the new factor-based rate model to be a

standard practice throughout the province, I'll personally be keeping a close eye on how that rolls out.

TLA executive: Why were some of the recommendations in the CSR not chosen to be implemented, such as a contractor being able to refuse work in the event of a rate dispute?

Minister Donaldson: The right to refuse work is something that falls under labour laws. But I believe the new rate model will lead to better practices and a better relationship and there will be less of a need for the right to refuse work. That's what I hope.

TLA executive: How do you see the CSR tying into the Coast Revitalization Initiative (CRI)?

Minister Donaldson: I think significantly in the planning. I heard from you that, predictability is key in being able to hire and keep people and being able to look into financing equipment.

The part that the CRI plays in the predictability part of the sustainability review recommendations is in

planning—in the increased focus between BC Timber Sales, First Nations and industry and in planning and getting that in place early, rather than sometimes having things blow up afterwards and leading to delays.

The other part from the CRI process involves changes to the *Forest Range and Practices Act*. Those changes will involve improving forest stewardship plans; it's the public trust part.

The public will have better ability to see what's happening in their own backyards as far as cutblocks and road plans, but that kind of detail and information has to be more available in forest stewardship plans, and therefore it also helps in predictability that contractors are looking for.

TLA executive: Without adding further disruption and uncertainty, how can government fulfill its political interests while at the same time accept the realities of log exports and how they affect our industry?

Minister Donaldson: Those two aren't mutually exclusive goals; and we can do it. We're not ready to live with just allowing the trends to continue the way they are, because at a macro level we're seeing less employment on the Coast—in the last 15 years, employment in forestry has been down by 40 per cent.

We don't want to see the trends continue. Lumber manufacturing has declined by 45 per cent in the Coast over the last 15 years. Log exports have increased 155 per cent over the last 15 years.

Those trends aren't good for communities and we want to address them.

On log exports, I'm fully aware, and we're fully aware as a government that log export is part of the economics of how a modern industry is existing on the Coast. Given that, what do we do? We want to ensure that logs in economically viable areas close to communities with mills will go to those mills, versus being exports, and logs that are in harder to access economic areas will still be able to be exported. We're going to fine tune the fee in lieu to address that, but we believe that that's going to create a better situation overall on the log export scenario.

TLA executive: Are there incentives that the government can create for domestic manufacturing rather than changing long-established export policy? Is there a way that we can keep exporting under the long-established policies but still provide incentive to manufacture domestically?

Minister Donaldson: What we've done with the [CRI] is an incentive program. It recognizes that in hard-to-access forests for timber harvesting, there will be a log export component. But the incentive is that we're creating more fibre available for domestic use and local use. That's from an incentive point of view, that's what investors want to hear.

TLA executive: What is the government's plan to address waste in the woods?

Minister Donaldson: Two million cubic metres per year is what is left in the woods. We have other sectors in the industry that want that kind of fibre, like the pulp and paper sector. We're going to implement some increased utilization standards, but we're going to make it also easier on companies by having stumpage assessed both on the primary and the secondary fibre at the same

time. It will make it easier to bring it out of the woods. I think the end result will be that you'll see more available supply to the pulp and paper sector, which employs a lot of people in BC, and also to the bioeconomy sector.

TLA executive: I'm just thinking the mid-Coast, north-Coast areas; there's no market for that wood.

Minister Donaldson: It's going to have to be a business-to-business relationship. There will still be the pay-to-leave, but in fibre recovery zones that we're creating the penalties will be higher to leave, so that will be an incentive to bring waste out. But it's also recognition that the pulp buyers have to understand that price as well.

TLA executive: Is your ministry aware of the problem with waiting for cutting permits and how can you change things that could add some relief to this growing issue?

Minister Donaldson: I think once the information is processed, I understand the 40-day turnaround is achieved. It's just the conditions before the process begins. In some cases, the ripple effect from the forest fires the last couple of years has had an impact on staffing on the Coast and being able to gather the information and process those permits.

There's also consultation processes with First Nations. We're trying to expedite that through some approaches we're taking in developing frameworks around reconciliation; I'm hoping that will lead to less delays.

There are also a lot more First Nations involved in the forest sector now on the coast. I think that's a good trend and so I see fewer delays in the cutting permits from that aspect as well.

TLA executive: What is your government going to do about the claims by the Sierra Club that the NDP government is not doing enough to preserve Vancouver Island's remaining old growth forests?

Minister Donaldson: We value old growth forests, as everybody in the room does for a number of the attributes they bring to the forest ecosystem. Especially for me, related to water retention and water that our communities depend on and water that other uses like agriculture depend on, water that fish depend on. We'll be working with you and environmental organizations to continue our old growth

strategy, which includes sustainably harvesting old growth forest.

It's hard to get to any solution unless you can start with an agreed upon set of facts. That's a first step. We're having discussions with environmental organizations to say let's agree on a state of facts around how much old growth is protected already. How much is harvested, what the impact of that is. Right now, there's not a common agreement on that. Let's get together. You share your evidence, what's your evidence based on? We share our facts. That's where I want to start and I think we're going to get there.

TLA executive: Does the government recognize that stumpage increases, the new Employer Health Tax, increasing carbon tax, and new Professional Reliance legislation are creating conditions that are counter-productive to the cost management of the forest industry; how will your government change this?

Minister Donaldson: The question comes down to competitiveness. I'm not pleased with the trend of major producers investing in mills in south east United States, for instance, or across the border in other places. Sometimes we see there's lots of money being made in BC and then we see that being invested elsewhere and we want to change that.

There's a lot of factors around competitiveness. In BC, society has demanded environmental standards, which don't exist in other places where investments have been made, but I don't think that's something that people in BC would want to see decreased.

There's other jurisdictions that pay minimal wages compared to what is paid to BC forest sector workers.

We see other jurisdictions where safety standards are much more lax, so when we're talking competitiveness, we've got to think about that as well. We should be proud of the standards that we have in BC.

I think that some of the emphasis that I can create as the Minister is the efforts we put into forest innovations, investment in marketing and other countries and in the research and development of new forest products that we support as well.▲