



## INDUSTRY IN CRISIS

The summer of 2019 will undoubtedly be remembered as one of the worst summers for the BC forest industry. Low lumber prices combined with high stumpage rates has created what everyone keeps referring to as the “Perfect Storm.” This is a small consolation to the hundreds of affected workers, families and communities that rely on our industry to make a living, pay and collect taxes and contribute to the overall economy. The numbers are higher when you stop to consider the subsidiary employment that our industry creates through equipment manufacturers and all the other suppliers that it takes to keep the contracting communities moving.

**I encourage all contractors whether you are a member of an association or independent, to use every opportunity to ensure that the people of this province understand exactly how much of a contribution you make to not only the economy but also to the sustainability of the working forest land base.**

Throughout this downturn, I have spoken to many contractors regarding their situation about how they are handling the social and financial burden of not having work for weeks and even months. Most of them simply say, “well, you know how it is, we will get through it.” Truth be told, I don’t know how it is, but I do know that they all deserve better than what they’ve been getting. The forest industry generates millions of dollars in revenues for the provincial government every year and now more than ever contractors in BC need government to recognize this contribution and do everything in their power to assist them through these difficult times.

The opposition party has done a good job of travelling the province and getting out to affected communities to listen, but unfortunately listening is all they are capable of doing. Now is the time for all political parties to stop playing

the “blame game” and work together to find both short- and long-term solutions to get the industry through this difficult time. The ILA has been working with government and the opposition to make sure solutions are being investigated and implemented as soon as possible. We know that we won’t be able to get everyone back to work in the short term and even in the long term things will look different as annual allowable cuts decline, but it’s our goal to ensure that those who are able to withstand the storm are sustainable through the coming years.

This past year, all of the associations have been collectively engaged with

government on the Contractor Sustainability Review. This summer has clearly re-emphasized why now, more than ever, this process results in a favourable outcome for contractors.

This current situation is also compounding an already difficult situation. Aging workforce and a lack of interest by the younger generation has caused a shortage of skilled labour in the forest industry. Employees are now having to look at other employment opportunities to survive and some are having to leave the communities that they have called home for many years. There is a strong sense from employers that once our industry starts to recover, they may not be able to fill the seats with skilled people in order to resume operations.

Government has also begun engagement sessions across the province for the Interior Forest Renewal Initiative, a process similar to the recently completed

Coast Forest Sector Revitalization. We have been encouraging our membership to attend these sessions, if for nothing else than to educate those involved on how certain solutions can and will affect the contractors. Full utilization either on the roadside or at the landing is something that should be carried out, but it needs to be realized that this is a cost that is borne by the contractor, which has to be recognized and compensated for. It has been positive to see so many stakeholders and different levels of government gather to discuss the issues and the hope is that it yields some positive results. If we learned anything from the process during the caribou recovery sessions this spring, it’s how important it is that those of us who are directly affected by land use decisions make sure we continue to try to be part of the solution moving forward.

The ILA will continue to actively work on behalf of our membership to ensure that their concerns are heard and addressed. I encourage all contractors whether you are a member of an association or independent, to use every opportunity to ensure that the people of this Province understand exactly how much of a contribution you make to not only the economy but also to the sustainability of the working forest land base.▲

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