

Log Export Policy in British Columbia: A Chronology

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Date	Title	Level of government	Comment
1865	Land Ordinance	Colonial	Introduced to British Columbia system of granting rights to cut timber without alienating land.
1867	The British North America Act	Federal	Legislation enacting the federation. Assigns management of resources to Provinces.
1871	B.C. joins Confederation	Federal / Colonial	
1884	Timber Act	Provincial	Enabled granting of timber licences and to set royalties.
1888	Land Act (amendments)	Provincial	Mills in proportion to land grants, first mention of tax on export logs.
1891	Land Act (amendments)	Provincial	Restricted all timber cut on Crown land to British Columbia use and manufacturing. (the first restriction on log export)
1901	Land Act	Provincial	Added possibility of specific exemption to export logs.
1903	Land Act (amendments)	Provincial	Imposed tax on non-royalty land, those Crown granted before 1887, refundable upon local use or manufacturing.
1906	Timber Manufacture Act	Provincial	Included 1901 restrictions and applied to private land Crown granted land after 1906.
1907, Dec.	Order-in-Council # 901	Provincial	Reserved all land not already alienated or under lease or licence to the Crown. Probably the most important piece of land legislation in British Columbia since it set the "tone" of Provincial land administration for the next 100 years. Determined that most land within British Columbia would remain vested with the Crown.
1909	Timber Manufacture Act (amendments)	Provincial	Provisions for exemptions to export logs added.
1910	Fulton Commission	Provincial	Calls for the creation of a Department of Forests, a province-wide forest inventory, protection of forests from fire, that funds be put into forest management and that the "Commissioners thoroughly endorse the general principle adopted by the Government of prohibiting the export of logs".
1912	(First) <i>Forest Act</i>	Provincial	Enables British Columbia government to restrict timber cut on Crown land granted after 1906 to use in province unless exempted by Lieutenant Governor in Council.
1914	Timber Royalty Act	Provincial	Assigned royalties definitively to timber leases and licences and pulp leases and lands that were Crown granted after 1906. Royalties in place before this, but no consistent policy.
1916	<i>Forest Act</i> (amendments)	Provincial	Amendment gave Lieutenant Governor in Council authority to permit export of logs generally and permit the export of unmanufactured timber from areas adjacent to the boundaries of the province where it can be shown to be uneconomic due to topographical reasons. First move away from a strictly surplus criterion.

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1918		Provincial	British Columbia government establishes Log Export Advisory Committee (LEAC) made up of manufacturers, loggers, exporters, labour, and Government. Committee reviews log export applications, and based on its knowledge, makes recommendations that are usually followed. Change over time to be three written refusals from domestic mills.
1924	Timber Royalty Act Amendment	Provincial	Annulment of Timber Royalty Act. Royalty now specified within <i>Forest Act</i> .
1929	Supreme Court of B.C.	Provincial	Practice of charging a royalty on lands that were Crown granted prior to 1887 and then granting a rebate for manufacture within the province found to be unconstitutional. (McDonald-Murphy Co. Ltd. vs. Crown)
1940, July	War Measures Act	Federal	Prohibited unmanufactured export of Douglas-fir and other "listed" items.
1940, Dec	War Measures Act	Federal	Expanded prohibition to all true firs.
1942	War Measures Act	Federal	Prohibited export of all unmanufactured wood products unless specifically exempted.
1945	Report of the Commissioner (Sloan I)	Provincial	Chief Justice Sloan points out that (then) most log exports from British Columbia are from federal lands and that control of export from these lands is a federal matter since the Province "can not interfere with the export of logs from these areas within this classification". Sloan went on to state that the federal government had exercised log export control as a war measure and suggested that the control principle be continued "in the post-war period of transition to a planned system of Forest Management".
1947	Exports and Imports Permit Act	Federal	War control focus. Allows federal government to draft "Export Control" list.
1969	Policy Amendment	Federal	Ministry of Industry, Trade and Commerce introduces restrictions on log exports from old Crown granted land similar to British Columbia's restrictions on logs from Crown tenures. (federal LEAC)
1969	Policy Amendment	Provincial	Chip Export Advisory Committee meets for the first time.
1973, Oct	Policy Amendment	Provincial	Export Tax raised to \$2/cunit from \$0.50/cunit.
1974, Feb	Policy Amendment	Provincial	Export Tax raised by species to between \$2 to \$40/cunit; average tax is \$10/cunit.
1975	Policy Amendment	Provincial	Surplus now means to advertise in Vancouver and local newspapers for 2 weeks without domestic offer to purchase.
1976	Royal Commission on Forest Resources (Pearse)	Provincial	Dr. Pearse recommends a number of changes to export policy including the notion that the export tax be used to control log exports in lieu of the administrative system (LEAC).
1978	Ministry of Forests Act (New) Forests Act	Provincial	Major re-wording of legislation regarding forest management following the Pearse Royal Commission. Includes: language in log export sections to write permits for unharvested timber (i.e., other criteria than surplus and adjacency to Provincial boundaries). Three criteria for export defined—surplus, cannot be processed and/or transported economically by or to a facility within British Columbia, and exemption would prevent the waste or improve the utilization of timber cut on Crown land. Cabinet delegates some of its responsibility to the Minister (up to 15,000 m ³ of harvested timber).

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1980	<i>Forest Act</i> (Amendment)	Provincial	Exemptions may be granted for up to 15,000 m ³ of harvested logs and an unspecified maximum volume of unharvested logs meeting one of the three export criteria outlined above.
1980, Oct	Policy Amendment	Provincial	Standing Economic exemptions permitted for small private forest land holders.
1981	Policy Amendment	Provincial	Fee-in-lieu raised to 20% effective August, 1981.
1983	Special Log Export Policy Committee (Trebett Committee)	Provincial	Recommended retention of LEAC, but reduction in size to 9 members, streamlining administrative procedures, tightening administration to prevent "contrived domestic surpluses", and use of export markets on limited scale to prevent the collapse of isolated communities. Recommended what became "Standing Economic" and "area-based" exemptions.
1984	Policy Amendment	Provincial	Minister announces the first formal policy changes invoking the two new unharvested timber criteria. Economic exemptions issued for a percentage of hembal stands upon demonstration that these stands were otherwise not economically harvestable.
1985, June	Policy Amendment	Provincial	Tightened policy regarding standing Economic exemptions. Also established Timber Export Advisory Committee to review standing economic exemption applications separate from LEAC—called TEAC. TEAC and LEAC combined into TEAC. The harvested surplus system was to cease at the end 1985. This policy was invoked to allow companies time to re-tool, modify operations and build new plants for value-added products.
1985, July	Order in Council	Provincial	Created log export exemptions within the so-called "Tidewater" area of British Columbia's North Kalum (now Nass) TSA. Area-based exemption permits export of 100% of the timber within the TSA boundaries. Amended a number of times and still in force. Fee-in-lieu is \$1.00/m ³ .
1985		Provincial	Many standing Economic exemptions granted throughout much of the coast—on small business Timber Sale Licences all over and major licencees cutting permits within the North Coast, Mid Coast and Queen Charlotte Island TSAs.
1986, June	Notice to Exporters, Serial No. 23 Under the Export and Import Permits Act	Federal	Lays out the process for export of logs from land under federal export jurisdiction within British Columbia. Surplus is determined as a result of reasonableness of an offer. Extenuating circumstance is also considered.
1986, July	Policy	Federal	Prohibited export of all cedar from federal land due to a 35% tariff on Canadian cedar shingles imposed by the United States.
1986, July	Order in Council	Provincial	Created the first of the Mid Coast, North Coast and Queen Charlotte Island Area-based exemptions to apply on Provincial land harvested. No volume limits were put into place initially. Fee-in-lieu started at 15% of the 3-month average domestic selling price. Cedar and yellow-cedar and high grade fir and spruce excluded initially. High grade of all species excluded later. Terminated in 1992.
1986, July	Notice to Exporters	Provincial	A new Provincial Harvested Surplus procedure was enacted whereby the Ministry of Forests conducted the advertising instead of the exporter. Other procedural changes.
1986, July	Order in Council	Provincial	Ministerial oversight delegated downward.
1987, Aug	Notice to Exporters	Provincial	Fee-in-lieu on harvested surplus exemptions now 30% of the difference between export and domestic prices; 15% in the case of Standing Economic exemptions.

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1987	Order in Council	Provincial	Minister extends the terms of the three coastal Area-based exemptions to 1988.
1988, June	Order in Council	Provincial	The 1988 extension of the Mid Coast, North Coast, Queen Charlotte Area-based exemption changed the terms allowing only 40% of the first 10,000 m ³ of harvested volume and 20% of the volume harvested over 10,000 m ³ on each timber mark, to a total of 10,000 m ³ .
1988	<i>Forest Act</i> Amendment	Provincial	Minor changes in log export. Fee-in-lieu increased on Provincial Harvested Surplus to 40% of the difference between export and domestic price. Fee-in-lieu on Economic exemptions unchanged.
1989	Policy Amendment	Provincial	Fee-in-lieu increased to 100% of the difference between the export and domestic price for Provincial Harvested Surplus. Excluded small business until the end of 1989.
1990	Order in Council	Provincial	The "Market Logger" order for the "Northern Area" (North Coast, Kalum, Nass, Kispiox and Cranberry TSAs) approved a maximum volume to 20,000m ³ and set the term at 2 years from February 1991. Replaced earlier 1990 Order-in-Council 817 when it expired. Cedar and yellow-cedar excluded, but high grades of other species permitted.
1996	Federal Court of Canada	Federal	K.F. Evans Ltd. applied directly to the Minister of Foreign Affairs for an export exemption rather than refer the application to TEAC, then a Provincial body. Minister declined to allow export of the logs covered by the application. Court accepted the argument that the process was flawed and that by delegating his decision to TEAC, the Minister had abdicated his decision-making responsibility, or at least fettered his discretion.
1998	Notice to Exporters, Serial No. 102 Under the Export and Import Permits Act	Federal	Federal export procedures to determine surplus re-written. These closely parallel the Provincial surplus exemption criteria. TEAC separated into TEAC (Provincial) and FTEAC (federal).
2000	Order in Council	Provincial	Permitted export for a 10-year term all timber and wood chips produced from the Iskut / Boundary Supply Block within the Cassiar TSA. Fee-in-lieu is \$1.00/m ³ .
2001	Federal Court of Canada	Federal	TimberWest Forest Corp. initiates an action against the Government of Canada which seeks a decision by the Court "that the Notice to Exporters Serial No. 102 is <i>ultra vires</i> and of no force or effect" and "that the <i>Export and Import Permits Act</i> does not authorize the establishment of a unique legislative and administrative scheme applicable to the export of logs harvested from privately owned land in British Columbia."
2003	Order in Council	Provincial	Permitted export from the North Coast, Kalum, Nass, Kispiox, Cranberry TSAs and Nisga'a treaty land for a 1-year term (extended) for 35% of the harvested volumes and a \$1.00 /m ³ fee-in-lieu.
2003, Nov	Regulation	Provincial	Manufactured Forest Products Regulation. Removed the definition of manufactured forest products from the <i>Forest Act</i> and placed in a regulation.
2004	Order in Council	Provincial	Fee-in-lieu on the coast changed to vary between 5% and 15% of the 3-month average log domestic selling prices for old-growth and second-growth timber.

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2006, March	Order in Council	Provincial	Blanket exemption granted for the Mid Coast TSA in support for a proposed dry land log sort north of Bella Bella to be constructed and operated by the Heiltsuk First Nation. All Mid Coast licencees may use the exemption which permits up to 35% of the harvested volumes.
2006, Aug	Log Export Review Committee	Provincial	Minister appoints two experts to conduct a review of rationale for log exports and the impacts of log export regulation.
