

## Presentation to the BC Old Growth (OG) Panel

The following are key steps in transforming our forests into sustainable ecosystems that allow for long-term jobs - in concert with the recognition of environmental/ecosystem Old Growth values and indigenous stewardship.

### 1) We are calling for a 2020 Moratorium on the Harvest of Old Growth Forests

- As Megan has eluded to, we at SOFT are calling for an immediate moratorium on the logging of OG in BC until such time as enough scientific inventories / assessments, and environmental/ecological evidence and public input has been gathered to determine the future of OG. As well where and what the scientifically proven consequences of both logging and/or leaving OG are.
- The moratorium should stay in place until the regulatory and oversight structure is in place and all of this information throughout the process should all be made public – complete transparency.
- We recognize some OG protections are in place (as outlined in OG Engage BC site), but the complicated laws and regulations are filled with loopholes, along with lax enforcement, have failed to effectively limit OG logging.
- The final outcome of this analysis must be consistent with ecological resiliency, UNDRIP/DRIPA principles and approved by all local communities, before approving any protection areas or continued harvesting in OG. (reflecting Wilderness Committee -WC - requests)

#### In reality, how many Forest Workers would be affected by this moratorium?

- Well according to the Engage BC OG site (and the recent graphic posted there) – between 2014 and 2018 – the average annual harvest province wide is proportionally about 27% OG.
- Our proposed moratorium would impact therefore 27% of the workforce – **27% OG lost jobs**. Regionally the figures would be a little more significant – with Vancouver Island currently harvesting 50% of their annual cut as OG, therefore 50% of forest workers would be out of work on the island.
- So overall, not a complete shut-down of all forest harvesting activities province wide – but a definite scale back and would have significant economic impacts on smaller forest resource-based communities.

### 2) The Forest industry is no longer the backbone of the BC economy:

- With the industry on the ropes – profits are down, mills closing, long labour unrest - this just might be a good moment for a “pregnant pause.” We cannot

keep doing what we have been doing and expect to get different results – *this is the definition of insanity!!*

- This is a time of transformation and an ideal opportunity to manage forests for values other than timber production, which will provide many more, long-term and good-paying jobs for those workers who need to transition – eventually anyway – harvest rates will have to come down once the OG is gone.
- Highlighting the position and trends of the forest industry provincially, lets consider current GDP figures. From 2007 to 2017 the GDP of all primary resource industries have increased, **except for forestry which has dropped -11.4%**. Destination BC cites the BC Forest Industry is at 8% of BC's 2017 GDP or \$1.8 billion. Where as the tourism industry is 43% of the 2017 GDP at \$9.0 billion annually.
- In 2000, the BC timber industry employed 97,131 people in various jobs. But in 2015, only 51,793 forestry workers existed - a 47% drop. In 2017, BC's tourism industry employed 137,800 people in various professions, a 3.6% increase over previous year. These shifts in employments figures illustrate an adjustment in the tourism value and utility in protecting OG, rather than harvesting it. Old-growth is very unique, and represents a strong long-term potential tourism/recreation draw – as Megan has illustrated.

### **3) Forest Communities will require a comprehensive retraining program – due to this moratorium**

- SOFT is not advocating an “employment/make work program”, for these OG jobs could well be permanently lost jobs. Therefore, a better focus we feel would be on retraining for the long term. There will be a need for funding of training programs in all occupations, that are affected by the loss of forestry OG jobs. The use of distance education programs for apprenticeships is strongly suggested. We with SOFT recommend the use Coast Funds Model as an example of economic community re-building:
- The use of the Coast Funds in FN and logging communities currently, has resulted in designed conservation models, that benefit them specifically. In this way, conservation initiatives will be sustained via active community engagement. The Coast Funds Model comments on their success by stating: *“Strong governance, responsible management of funds, community-driven decision making and empowered people result in socio-economic and biodiversity outcomes that reach beyond good conservation.”*
- **We also recommend the re-training of laid off OG loggers as mappers and/or monitors**
  - Granted this would not be a major career shift for the mechanized/older aged workforce, but would represent a sector of the fitter/younger

unemployed, that could functionally shift their careers to a more sustainable direction. The intent would be to teach forestry workers to map, to observe what is being cut, to make reports and suggestions and, if necessary, to institute the process of leveling fines.

- You may ask - where is this money going to come from?
- We at SOFT have given it some thought and suggest government funds currently allocated to prop up a dying industry such as tax incentives and direct and in-direct subsidies, could be a viable source of funding;
- As well bridging loans would be helpful, such as those just recently announced by Forests Minister Donaldson to help individuals fund changes in businesses, is a great initiative to expand during this OG moratorium transition.

#### **4) Decrease - if not eliminate raw log export**

- *“Exporting raw logs in 2016 accounted for the loss of 3,650 mill jobs in BC.”* According to the Tye.
- Without more sawmills, log exports will increase, which leads to fewer job opportunities. Therefore, the vicious circle has been produced we now live in. What does one do to break this cycle? – remove the chicken or the egg??”.
- Value added manufacturing has to be the supporting link to increase local jobs and stabilize smaller communities. It has been the much repeated “double speak” call to action for many decades in BC – regardless of the government of the day. But stopping log exports of any kind – OG included – can only help facilitate a fibre supply for value added entrepreneurs.
- SOFT advocates for the elimination and / or restriction of log exports.

#### **In Summary for this Economic section:**

1. We are calling for a moratorium on the harvest of Old Growth (OG) Forests in 2020;
2. Let’s accept the fact that the Forest Industry is no longer the backbone of the BC economy and begin the retooling that is required;
3. Forest Communities will require a comprehensive retraining program of laid off/transitioning forest workers; and
4. Raw log export is not the solution to this inevitable BC economic transition – raw log exports have to be reduced, if not eliminated.

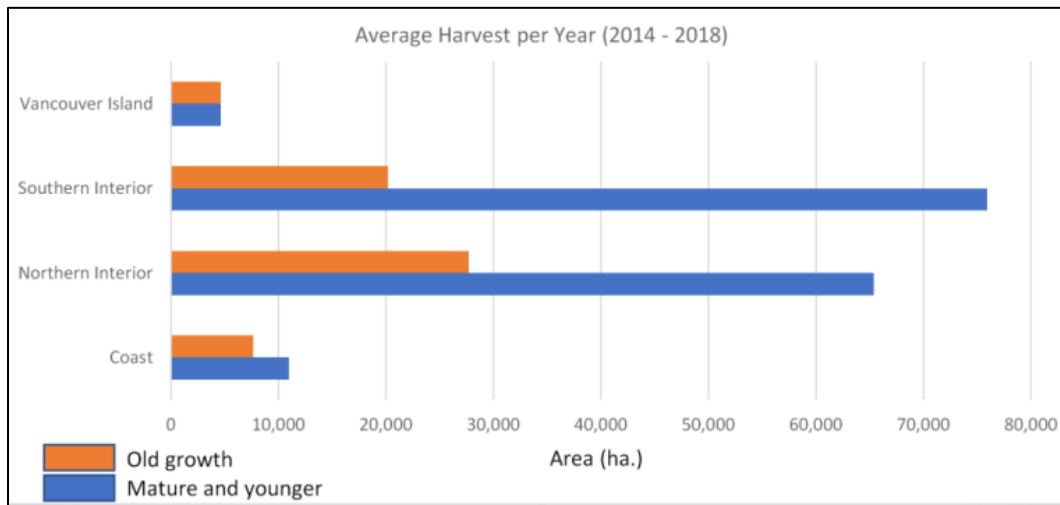
### 1) Moratorium on Old Growth Harvesting

SOFT supports the points made in the fully publication made by the Wilderness Committee - WC June 2019 <https://www.wildernesscommittee.org/take-action/important-forestry-law-open-comment>

#### BC Old Growth Strategy Review website

<https://engage.gov.bc.ca/oldgrowth/>

Annually (based on 2014-2018 data), just over 200,000 hectares of lands are harvested. This represents about 1% of the overall timber harvest land base. Of the annual harvest about 73% comes from non-old growth stands and about 27% coming from old growth. Regionally, the harvest levels are illustrated in the table below.



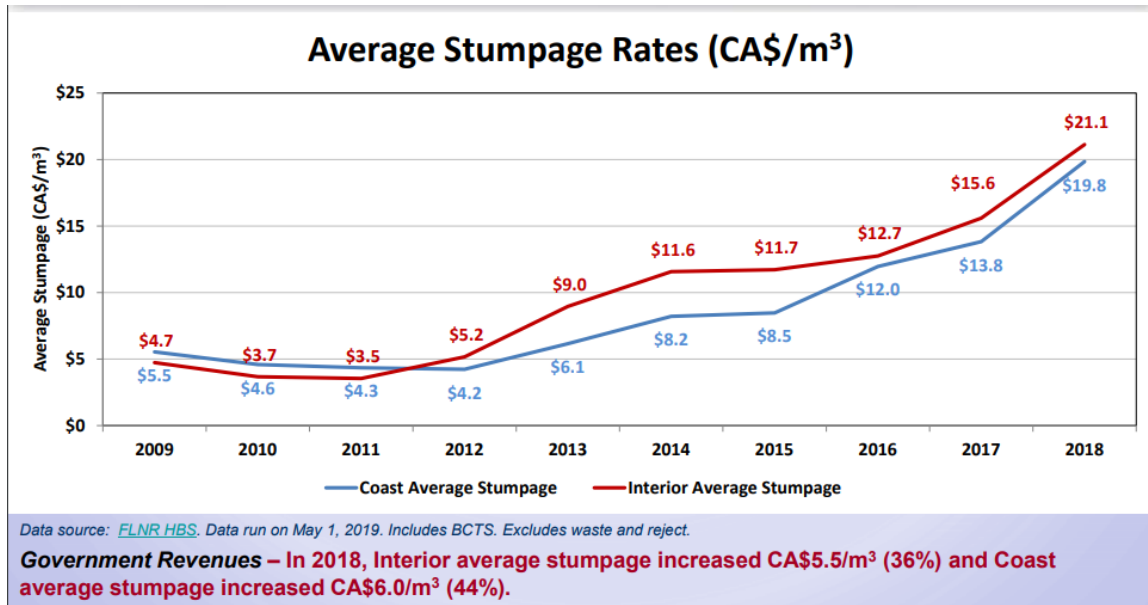
“The conversion of mature and old-growth forests to second-growth stands adds to the diversity of plant species and habitat, while ensuring a sustainable timber supply for B.C.’s coastal communities.”

---

### 2) The Forest Industry in flux

#### BC Old Growth Strategy Review website

<https://engage.gov.bc.ca/oldgrowth/>



<https://engage.gov.bc.ca/oldgrowth/harvesting/>

### DERRICK PENNER Vancouver Sun - December 8, 2019

And rates for stumpage, the fees that forestry firms are charged for the rights to cut timber on Crown land have started to adjust downward, Kahlon added, which is another hopeful sign. Stumpage rates are calculated using a complicated formula based on the market price for lumber and Kahlon said they fell 12 per cent on average in the province’s interior at their last reset and 24 per cent on the coast.

“So stumpage prices are coming down, obviously reflecting where markets are at,” Kahlon said. Still, the province estimates 5,100 workers remain out of work or on reduced schedules across the province, according to the Ministry of Forests, Lands, Natural Resource Operations and Rural Development.

In total, five sawmills have closed permanently, another four are on indefinite hiatus and as of Nov. 29, nine more were on curtailment.

And while Aspen Planers has been able to restore a shift heading into Christmas, Canfor Corp. and Tolko Industries are preparing to close up shop at 15 mills between them over the holiday. Forest Minister Doug Donaldson is in the process of reviewing the transfer of Canfor’s tenures to Interfor related to the Vavenby mill, according to a statement from a ministry spokesperson. Recent provincial legislation requires such transfers of timber rights receive ministerial approval to ensure they are in the public interest, but Blackwell said they are hoping that happens soon.

### Focus Magazine Article Jan 2020

<https://www.focusonvictoria.ca/focus-magazine-jan-feb-2020/defusing-bc%E2%80%99s-big-bad-carbon-bomb-r14/>

The average stumpage rate in BC—the price the Province charges forestry companies for harvesting a cubic metre of tree on Crown land—was around \$23 for both the interior and the coast in 2019 (1). But the average stumpage paid for timber harvested from Crown land by major raw log exporters like TimberWest and Western Forest Products in the Campbell River Natural Resource District was much lower, ranging between \$8 and \$11 per cubic metre.

Smaller companies paid even less—as little as \$5 per cubic metre. Yet raw logs for export were selling at an average price of \$128 per cubic metre through 2019 (2).

Raw logs worth \$4.146 billion were exported from BC to other countries for processing over the past five years (3). This huge overcut—unnecessary to meet domestic and international demand for BC’s finished wood products—has averaged 6.5 million cubic metres per year over those five years, equal to 41 percent of the total cut on Crown and private land on the coast (4). So, claims that high stumpage rates in BC are the problem that needs to be solved seem out of touch with reality.

There were 17,800 people employed in “forestry and logging with support activities” in all of BC in 2018, according to BC Stats (9). This figure doesn’t include BC’s wood products manufacturing jobs, but eliminating log exports wouldn’t affect those jobs since raw log exports create zero manufacturing jobs in BC.

2018 was a very good year for employment in the forest industry. The total volume cut in BC forests, including on both public and private land, was 54.1 million cubic metres. Of that, 30 percent was cut on the coast and 70 percent in the interior. Based on that split, about 30 percent of the employment in “forestry and logging with support activities” was on the coast, or about 5340 jobs. In 2018, raw log exports were at a five-year low of 5.03 million cubic metres, equivalent to 31 percent of the coastal cut. So, eliminating log exports that year would have eliminated about 31 percent of those 5340 coastal logging jobs, or 1650 jobs. It would have also eliminated, or at least greatly delayed, 8.3 megatonnes of emissions.

The Carbon Tax is slated to rise to \$50 per tonne in 2021. If the 5-year-average export cut was ended and the trees left standing, a net reduction in emissions of 11 megatonnes would have an annual value of \$550 million. That’s a lot more than necessary to keep 1650-2000 jobs in a transformative BC Forest-Carbon Service. Do the arithmetic yourself.

**Destination British Columbia - Crown Corporation of BC Government**

<https://www.destinationbc.ca/>

**"GDP by primary resource industry Contribution (From 2007-2017)**

In 2017, tourism (\$9.0 billion) contributed more to GDP than any other primary resource industry...	<b>43%</b>
In comparison, mining contributed \$4.9 billion to the total provincial GDP.....	<b>23%</b>
oil and gas extraction contributed \$3.7 billion.....	<b>18%</b>
forestry and logging contributed \$1.8 billion.....	<b>8%</b>
and agriculture and fish contributed \$1.5 billion (Figure 12) .....	<b>7%</b>

From 2007 to 2017 the GDP of all primary resource industries have increased, aside from forestry which dropped -11.4%. For more information, see Table 7 in the separate Data Tables document."

---

**3) Retraining Program Coast Funds <https://coastfunds.ca/>**

Conservation Economy

- Focus on natural environment
  - Scenic views
  - Clean air
  - Animal sightings
- Restores rather than depletes natural and social capital
- Replanting ecosystems
- Tourism/Tourism guides
- Real estate
- Manufacturing and processing
- Energy
- Forestry
- Development corporations
- Aquaculture (land-based)

Create new jobs

- People remain in communities
- Wages that support households
- Alternative employment for resource extraction workers

Skills Training

- Sector-specific
  - General stewardship
  - First aid & safety
  - Vessel operation
  - Guardian Watchmen
  - Leadership/Management
  - Accounting/Office administration
  - Science/Research
  - Culture
- Therefore, any investment model should follow the Coast Funds example by insisting that “*conservation initiatives be well-designed, well-managed, politically supported (provincially), and well-funded.*” This program holistically increases land and marine protected areas as a way to “address threats to the planet” in a long-term goal context.

---

**4) Decrease - if not eliminate raw log export**

The Tyee article on raw log exports

<https://thetyee.ca/Opinion/2017/02/27/Raw-Logs-Lost-Jobs/>