



B.C. jobs from B.C. resources: United Steelworkers

Burnaby, B.C. 5 January, 2012 – The United Steelworkers (USW) is responding to the B.C. government’s interest in exporting more raw logs by telling the province “don’t bother.” Instead, the union representing forest workers says it’s time to rebuild B.C.’s wood-manufacturing sector.

In a brief delivered to the Ministry of Forest, Lands and Natural Resource Operations, the USW demonstrates how log exports have undermined forest-products manufacturing in BC. The union outlines how the current government’s wide-open policy on log exports has distorted the domestic timber pricing structure, killed manufacturing plants and jobs, undermined the forest industry by severing the former link between timber harvesting and wood processing and has promoted China’s competitiveness over B.C.’s.

The USW is advocating a new market configuration that creates BC jobs from BC resources by taking into account workers, manufacturers and communities, not just big log export companies like TimberWest and Island Timberlands.

In recent months, the provincial government has conducted a consultation aimed at increasing log harvesting while also meeting the needs of domestic sawmills. The government’s options paper appears to search for ways to allow even more log exports.

“Under the current policies those two goals – increasing harvesting and helping sawmills – are incompatible,” says Steelworkers Wood Council chair Bob Matters. “We need to change the policy regime to ensure that we get more B.C. jobs out of B.C.’s resources.”

To do that, says Matters, the government must immediately double the fee-in-lieu of manufacturing currently levied on exported timber, use the tax system to further restrict exports, change the system under which B.C. collects resource rents to facilitate moving wood “up the value chain” and direct funds that the province receives under the Canada-U.S. Softwood Lumber Agreement toward enhancing wood manufacturing.

“We’re at a crossroads,” Matters says. “We can either go all the way down the slippery slope of exporting most of our wood or reap the potential employment and revenue benefits that come from a strong, vibrant manufacturing base.”

The USW submission on log exports to the Ministry of Forest, Lands and Natural Resource Operations is available at <http://www.usw.ca/districts/3/news?id=0309>

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