
**CAMPBELL'S LEGACY OF
MISMANAGEMENT**

and

**STEELWORKERS' 10 POINT PLAN
FOR THE BC FOREST SECTOR**

**United Steelworkers District 3 &
USW Wood Council**

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... this industry is going to revitalize itself & there are going to be additional job opportunities ... we think through a diversified fibre flow and an expansion of the opportunities available for participants to get involved in forestry, those employment levels are going to return to where they once were. That's the objective. That's why one embarks upon an exercise like this.

--BC Forests Minister, Mike deJong (2003)

Today there is no question that the Gordon Campbell government's forest policies have failed. Far from stabilizing employment in the industry or creating new jobs, the Campbell government has overseen the loss of over 20,000 jobs since 2001. Rather than stopping a rising tide of raw-log exports, the BC Liberals have opened the flood gates. Instead of improving access to the US market, Campbell and Prime Minister Stephen Harper have helped reduce access to our major forest-products market. Corporations haven't stopped closing mills and investing their profits in the US – they have permanently closed *more* mills and *diverted* more capital to the US.

In addition to watching while mill after mill has closed in BC, Campbell has failed to encourage forest companies to invest in BC; he has also failed on a government promise to improve industry safety. In addition with changes to forest-management legislation, forest companies' environmental performance has deteriorated.

A provincial government consultant's report noted that not only have the government's policies not made things better: in some cases they have made them worse. "*The Forest Revitalization policy changes were designed to permit further adjustments with the view of ensuring a more economically viable forest industry,*" wrote MacAuley and Associates in an April 2007 report on the effects of Liberal policy on the Alberni Valley. "*We believe that these policy changes, together with the private land deletions, while in part necessary to deal with the economic challenges of the Coastal forest sector, have on balance not been of benefit to Port Alberni and have in some cases been detrimental.*"

With respect to forest-sector safety, there has been a similar deterioration of standards. The recent Auditor-General's report said that: "*There's been no detectable impact on death and serious injury,*" in spite of a 2003 promise to *eliminate them*. Affirming warnings from United Steelworkers in 2005, the AG reported that companies have downloaded responsibility for safety onto a myriad of small firms that are ill-equipped to handle it and too wound into a competitive

scramble to afford it. Forest planners, meanwhile, have no responsibility for safety and are, in any event, untrained to deal with it.

Under the “results-based” Forest and Range Practices Act, companies are required to protect forest soils, wildlife habitat and fish streams -- but not the people who work for them or their contractors! No wonder that WorkSafe BC recently ordered the *reintroduction* of forest-sector safety regulations cut after 2001 in the rush to get rid of “job-killing red tape”; WorkSafe’s decision signals the demise of one more Liberal experiment, “worker-killing deregulation.”

On the environmental side, meanwhile, a recent investigation by the BC Forest Practices Board revealed that logging companies are high-grading cedar and spruce on B.C.'s north and central coast, leaving behind thousands of usable hemlock logs. In more than half of 54 sites it checked, the Board found that most of the valuable cedar and spruce was harvested, "*leaving behind areas with extremely limited prospects for an economically viable future harvest and no effective means for reforesting with valuable tree species.*" BC companies used to worry about their “social license” to harvest timber from a public resource; now they are free to consider only their own bottom lines.

Just Bad Luck...

You might say that the Liberals have been the victims of bad luck: on their watch, the price of lumber has tanked due to the collapsing US housing market and the subprime mortgage fiasco. The mountain pine beetle has devastated forests in the BC Interior. The Canadian dollar hit its highest level in 30 years, removing some \$15 billion in potential profits since 2003. Relatively high Canadian interest rates, meanwhile, dampen down firms’ ability to borrow to purchase new plant and equipment.

But companies and governments often *make their own luck*.

The truth is that the Liberals enacted a series of policies that now seem to have been *designed* to bring future problems for forest companies, workers, resource-based communities and the provincial treasury. This began with the wholesale deregulation of the industry early in this decade. That led in turn to widespread contracting out of work to small operators who were forced to compete recklessly for government and corporate contracts. This was a recipe for industry instability; the Auditor General notes that it was also a big reason for the devastating spike in accidents: 43 workers died on the job during 2005 and there are still on average 22 deaths and over 90 serious injuries a year. Liberal policy has also contributed to the current situation in which even the *larger* forest-sector contractors going bankrupt due to their corporate employers’ relentless squeezing.

When the Liberals ditched the Forest Practices Code in favour of the more lax, “results-based” Forest and Range Practices Act, the legislation was largely designed by the big forest companies. It allows companies and their contractors to cut corners and reduce the amount of information available to forest workers or the public in Forest Stewardship Plans. The Forest Practices Board warned recently that: "*The sparse content and limited enforceability of these FSPs complies with FRPA, but makes it difficult for the public and government to hold licensees accountable for results.*"

FRPA has also reduced companies' and regulators' responsibility for worker safety; the Auditor General noted that forest professionals currently do not know enough about worker safety nor do they feel any responsibility for it. Even the Forest and Range Ministry's compliance and enforcement officers claim to have virtually no responsibility for worker safety.

In addition, in spite of promises to the contrary, the Campbell government has allowed a massive escalation of log exports. "*We're not in favour of log exports,*" Campbell told CBC's Daybreak on November 6, 2000. "*We believe that if we get the industry healthy and our regulatory code healthy that we will be able to secure those logs and use them in the most effective way in the Province of British Columbia. We don't want to export logs and export jobs along with them.*"

Something went terribly wrong, however. From a tiny fraction of the total provincial harvest in the 1990s, log exports surged to 3.2 million cubic meters in 2001 and now exceed 5 million a year. A February 2002 order in council allowed export of up to 35 per cent of all the logs harvested in the Kispiox, Kalum and North Kalum Forest Districts. The situation is even worse on federally-regulated private lands: two Vancouver Island private-lands operators are responsible for 90 per cent of all exports – all with the permission and apparent blessing of the Campbell and Harper governments.

Simply put, as Campbell suggested in 2000, *log exports equal job loss*. At the same time that millions of cubic meters of logs are being shipped out annually, at least 46 major wood-processing facilities have *closed* in the province -- including some of the new and upgraded mills that were actually designed to process second-growth Douglas fir. Instead, log exporters are busily shipping this high-quality timber out of BC: TimberWest for instance says that some 80 per cent of its current harvesting -- much of it headed out of the province as raw-logs -- is second-growth timber. More than a quarter-million cubic meters of valuable cedar logs was also exported from federally-regulated lands from April 2005 to March 2006, according to the Wright –Dumont report on log exports. This contributed, according to BC Stats, to the loss of nearly 10,000 forest-sector jobs by the end of 2005 and likely another 10,000 in the past year.

...or Poor Policy Decisions?

Unfortunately, even the "expert panel" that forests forest minister Rich Coleman asked to review the log export situation in 2006 proved either unable or unwilling to grasp the depths of the problem. Campbell's assurances on log exports now long gone, Coleman's two experts ignored the problem of private-lands exports; ignored the underlying economic forces that drive exports to the US and Asia; denied the obvious link between exports and job loss and opened the door to even *more* log exports! Their recommended tax on log exports would apply only to Crown-lands exports, even though by their own reckoning over 90 percent of exports come from private lands.

Similarly, in October 2007, after more than a year of consultations by so-called Coastal forest "czar" and close Campbell insider Ken Dobell, Coleman announced his "Coastal Forest Action Plan". Unfortunately it did nothing to address the flood of log exports and again, opens the door to even *more* log exports, this time from the Queen Charlotte Islands.

The problem of raw-log exports is compounded by that of *waste*. On the Coast today, the amount of timber left behind in the woods plus the volume exported actually *exceeds* the amount being processed domestically, according to a recent report by Ben Parfitt for the Canadian Centre for Policy Alternatives. In the Interior, meanwhile, Parfitt's research indicates not only that the province's mountain pine beetle crisis is being compounded by high-grading of spruce but also that hundreds of thousands of cubic meters of usable timber are being wasted as well, burned by the roadside rather than being used. One spruce tree is being harvested for every two pines, says Parfitt. Surely something is seriously wrong when we have *both* a shortage of wood chips *and* mountains of wood waste.

In spite of the Campbell government's promises to increase value-added production, meanwhile, secondary processing of BC timber has actually *declined*. And along with the fall in value-added manufacturing has gone value-added *employment*. The Canadian Forest Service says that while the number of value-added jobs *grew by 23.6 per cent* from 1991 to 1999, since 2001 value-added employment grew by only 2.7 per cent – growth that will now have been more than wiped out by the collapse of the industry in 2007.

Independent Lumber Remanufacturers' Association president Russ Cameron told *Business in Vancouver* that his membership in BC has declined from 120 companies to 92; he adds that since 2002 more than 20 remanufacturing facilities have closed; 634 jobs have been lost and most companies' profits have declined. In a recent submission to the House of Commons Finance Committee, Cameron notes that: "*We conclude that the governments of Canada and British Columbia have simply taken over the role of the US Department of Commerce in ensuring that the Canadian independent value-added sector remains at a disadvantage to our US competitors.*"

As a result, between 1999 and 2004 Western Diversification Canada reports that *over a thousand* BC secondary-manufacturing companies went out of business. In the overall forest sector, over 10,000 jobs were lost from 2001 to 2005, says Statistics Canada; the *Vancouver Sun* reports that 10,000 more have been lost in the past year with the latest surge in mill closures. In spite of all the log exports and the rush to harvest mountain pine beetle-damaged wood, even logging and forestry jobs disappeared.

In addition, with all the sawmill closures, BC pulp mills are now threatened by a *shortage* of wood chips. For example, the *Vancouver Sun* reports that Catalyst Pulp and Paper will keep shut at least one of its paper operations until the housing crisis eases, a direct result of TimberWest's recent closure of its Elk Falls sawmill. Catalyst's Elk Falls pulp mill will take the hit when TimberWest permanently closes its mill in May, 2008. Yet Minister Coleman *defended* TimberWest's decision to close its last remaining manufacturing plant.

Fraser Pulp Chips manager Lloyd Brown hit the nail on the head recently when he announced that the Surrey-based independent mill was going out of business. He said provincial policies have led to a log shortage, ratcheting up cost for his independent sawmill and undermining its markets. At the same time, Brown noted that the Harper government's softwood lumber tax has lopped 15 per cent off his and other sawmills' margins.

On the whole today, then, British Columbians are benefiting *much less* from a resource that *they own*. In addition to overseeing the wholesale dismantling of manufacturing, the Campbell government also dismantled the half-century-old "social contract" between forest-sector workers, communities, companies and government.

Since the old Social Credit government of W.A.C. Bennett, in the interests of jobs and community stability companies were constrained to process timber locally, control their cut to even out annual harvest levels and submit proposed tenure transfers for government review to make sure they served the public interest.

No more.

In the name of the “free market” the BC Liberals gave companies nearly-unlimited rights to partition and transfer licenses, close processing facilities, regulate their annual harvest levels, take lands out of tree farm licenses and develop forest lands as real estate, all without ministerial oversight or review.

In October 2007, for instance, financially-troubled forest company Pope & Talbot put more than 6400 hectares of private land in the Kootenays up for sale, even though much of it is part of a tree farm licence and *can't legally be sold*. Yet the company was already advertising the land through global real-estate dealer Colliers International, offering ‘significant lake frontage and some development potential’ along the Upper and Lower Arrow Lakes and Kettle River. But more than 70 per cent of the land offered for sale is part of tree farm licence 23 -- to be sold for development it would first have to be released from the TFL by the provincial government. Forests minister Coleman said he hadn't even seen P&T's request to have the land removed.

More recently Weyerhaeuser closed its Kamloops sawmill, parceling out its *publicly-owned* timber rights between West Fraser and Interfor, neither of which wants to run that mill. Yet the forest minister said there was nothing he could do about the loss of 200 good-paying, family-supporting jobs in Kamloops: “*My hands are tied,*” he claimed, not mentioning that *his own government* tied them.

In addition, the government “clawed back” 20 per cent of Coastal licensees’ tenure lands – the result was that many of these forests have actually been taken out of production, further restricting sawmills’ access to logs and pulp mills’ access to chips. Reliance on the market to solve our problems has *not* made BC more successful but it *has* made employment more precarious and communities less stable.

Perhaps most significantly, the Campbell Liberals supported Stephen Harper’s ill-advised Softwood Lumber Agreement with the US government. In an apparent effort to smooth relations with US President George Bush, Harper concluded a deal that not only erased Canada’s succession of legal victories before NAFTA panels, the World Trade Organization and US Courts; he also allowed the US to impose punitive measures against Canadian lumber exporters. A 15- per cent border tax replaced a 10.8 percent combined US duty rate; a so-called “surge mechanism” discourages investment in Canada, while the US kept over \$1 billion in illegally-collected duties. Ironically, just a few days after Harper announced Canada’s capitulation, a US federal court declared *illegal* the American duties and ordered the US government to give back all of the money Canadian companies had paid until then.

The softwood lumber agreement also encourages Canadian companies to export *even more* raw logs because while lumber is subject to the border tax, logs enter the US duty-free. The Harper-Bush deal also encourages the outflow of Canadian forest companies’ profits -- firms are investing in the US to avoid paying the border tax. Firms including West Fraser, Canfor and Interfor have used their “cash back” from the Harper-Bush deal to buy US sawmills.

Yet in spite of all these concessions, the powerful US lumber lobby has not stopped for a moment its harassment of Canadian lumber exports: it simply moved them to the forum of binding arbitration where two challenges have already been made and a third is about to be launched. No wonder that last spring University of Alberta forum heard the two architects of the deal both say it will likely fail: *"This agreement does not provide for long-term resolution of this dispute,"* said Doug Waddell, former federal assistant deputy-minister for international trade. *"The agreement will not be durable ... the dynamics going on in business are changing so quickly,"* added Grant Aldonas, former U.S. undersecretary for commerce.

Yet the Campbell government *supported* the deal despite warnings from many BC industry leaders. *"We have received sufficient assurances that the Province's concerns with the softwood lumber agreement have been addressed,"* the Premier told reporters. *"While not perfect, the agreement is a reasonable deal for British Columbia and will provide greater stability and certainty."* Perhaps he was thinking about his *own* fiscal stability and certainty: in spite of the impact on workers, companies and communities, the BC government banked over \$360 million in softwood taxes for 2007 – effectively a transfer of potential forest-sector investment capital into the province's general revenue fund. Nonetheless, the 2008 budget papers reveal that BC will lose some \$1 billion in timber revenues as a result of the collapse of the industry.

How Did We Get into This Mess?

British Columbians should be asking themselves *why* the Liberals enacted such ruinous policies.

Certainly this government has an *ideological* preference for market-driven solutions. Campbell displayed this bias when he told the 2002 Truck Loggers Association convention that *"people in this province are energetic and creative, and... if we allow them to compete, they will win."* But in the past, governments have sometimes risen above their own or their supporters' ideologies should they prove contrary to common sense or the public interest.

But Perhaps the Liberal government had *other* compelling reasons to enact their program and stick with it. Back in 2003 the heads of what were then the three largest forest companies in Coastal BC raised hopes of between \$750 million and \$1-billion in investments over the next ten years, promising creation of "world-class" mills by upgrading existing mills and creating new ones to create thousands of new jobs.

But the CEOs of Weyerhaeuser, TimberWest and International Forest Products, now widely known as the "Three Amigos", also wanted some favours in return: lower wood costs, a new collective agreement with industry workers, settlement of aboriginal land claims and new laws governing forest practices. Those "Three Amigos" also raised hopes of a "vibrant, growing value-added industry," while committing to investments in research and development and market development.

The BC government eagerly complied, encouraged no doubt by the combined \$536,000 those firms' contributed to the Liberal Party from 2001 to 2005. The FRPA, the government-imposed collective agreement of 2004 which gave Coastal employers the unilateral right to order shifts and hours of work, the 20-per cent clawback -- for which companies were richly compensated -- and the new market-based stumpage regime might be seen as the government's response to the "Three Amigos'" demands. And we now know that in the past decade forest companies have handed the BC Liberals *over \$6.5 million* in campaign donations!

Unfortunately, by now it is painfully obvious that the Three Amigos' promises were nothing but a pack of lies. Weyerhaeuser has now almost totally left Coastal BC and returned to the US, selling its lands and virtually all its mills. Since then Weyco has nearly completely left Interior BC as well, having sold all but one sawmill and most of its timber rights. TimberWest, meanwhile, has transformed itself into a major log exporter and *real-estate* developer. Instead of creating jobs it has closed *every* sawmill it owned, contracted out virtually its entire workforce and sold off its logging equipment.

Interfor *has* invested -- in the US -- while permanently closing three of the six coastal mills it had in 2003. In December, 2007 it announced the "indefinite" closure of another mill. Most of its recent profits and its cash-back from the lumber deal went into sawmill investments in Washington and Oregon. Only a tiny fraction of the up to \$1 promised in 2003 has been invested; in terms of net investment, many more mills have been closed and nearly as many jobs as the Amigos *promised* have in fact *disappeared*.

But unfortunately, it's not just the Liberal government that has been left holding the bag. Forest workers have seen their mills closed, their good-paying jobs contracted out; their workplaces made more dangerous. Communities have seen the loss of economic opportunities, local spending and tax revenues. And BC citizens have seen the deterioration of the province's number-one employer and major source of the revenue we need for social programs.

In addition to the costs associated with lost jobs and the price-tag attached to concessions to forest companies, BC's forest-sector revenues have fallen drastically: prices paid for access to Crown timber have fallen by 30.7 percent since 2004-5 and as noted, finance minister Carole Taylor recently conceded that the province will lose \$1 billion in forest revenues over the next three years.

It's Time for New Ideas and a Change of Direction

We absolutely *must* stop the bleeding and turn things around. British Columbians don't want the government to be constantly looking over the shoulders of companies and workers. But we *do* want an activist government that will work with us to ensure that *we* receive a greater share of the benefits from the forests that *we* own. We want our forests managed in the public interests, not just so that big corporations can get the laws *they* want in exchange for campaign dollars.

This is the intent of United Steelworkers' plan for the BC forest sector. Approximately 30,000 Steelworkers work in the BC forest industry. We join most British Columbians in our desire for policies that work *for people*, taking into account our need for good-paying, stable jobs; a diversified, modern forest industry; stable resource-based communities and the revenues required to pay for health care, education, child care and other quality programs for people.

As advice to British Columbians, then, Steelworkers have produced our Ten-Point Plan, a package of proposed policies, programs and initiatives that would help revive our slumping forest sector. We would welcome any questions, suggestions or comments on this package. And we encourage an open debate about new, forward-thinking forest policies that will work for all British Columbians.

STEELWORKERS' TEN-POINT PLAN FOR THE BC FOREST INDUSTRY

1. Get tough on safety

According to BC's Auditor-General, 22 forest workers are killed on average and over 90 severely injured every year. This is unacceptable. The AG recommends tough measures to enforce and follow-up on existing safety rules and punish those who fail to comply. We agree with the AG's proposals.

In addition, workplace safety committees should be given additional legal protection so that they can enforce without fear of reprisals workers' right to refuse hazardous work. Forest planners should be legislatively required to build safety into their plans and be held responsible should they fail to do so, especially if that leads to a fatality or injury. In addition, all coroner's recommendations and coroner's jury recommendations should be backed up by an implementation process: dual sign-off by a provincial tribunal and a workplace committee. A dedicated prosecutor should be empowered to launch Criminal Code actions in connection with workplace accidents where warranted. And there should be a legislated day of mourning – an industry-wide one-day shutdown after every fatality.

2. Stop the outflow of raw logs

Increase the tax on exports of unprocessed logs with an *equivalency tax*, equal to the difference between a given log's export price and its domestic price. The tax should apply to all timber harvested in BC, both private and public.

This prohibitive tax would virtually *stop* the outflow of timber that might otherwise be processed in BC, levelling the playing field for domestic sawmills, pulp mills and wood manufacturers who currently cannot afford to pay the premium prices that US and Asian buyers pay for the top-quality timber. It would also reduce the current practice of exporting duty-free logs rather than processing lumber, which faces a 15-per cent border tax.

The provincial and federal governments must discourage in particular export of valuable cedar and Douglas fir logs, which are ideal for domestic value-added processing.

3. Provide incentives to domestic manufacturers

An equivalency tax would increase the domestic supply of logs, driving down the price paid by BC wood manufacturers, sawmills and pulp and paper mills. This in itself would help increase domestic manufacturing and help specialty wood manufacturers get the timber they need.

But the government could do more. The collection of stumpage should also be *shifted* from the stump to the back door of the mill or manufacturing plant or the exporter's loading dock. If the rate of the tax remained flat or virtually flat, then the more value imported to the wood, the less tax payable relative to the value of the finished product. At the same time, removing the tax or royalty from the stump would further reduce the amount domestic processors would have to pay for logs -- without impacting provincial revenue.

4. Encourage investment in domestic manufacturing

All of British Columbia's revenues from the border tax on lumber exported to the US (\$360 million in 2007) plus any log-export revenues should be placed in a dedicated fund for forest-sector investment. A public board would review applications on the basis of their contribution to value-added production, industry diversification, training and skills upgrading or creation of infrastructure. No big bureaucracy; just a board and a handful of staff to research projects and decide whether they should be funded.

In addition the federal and provincial government should aggressively encourage BC companies to invest in future productivity and industrial diversification by taking advantage of the high Canadian dollar to purchase machinery and equipment. When US lumber markets recover, those firms would be well placed to take advantage of new opportunities. And measures such as machinery-tax incentives and accelerated write-offs are *not* countervailable.

Companies, as well as provincial and federal agencies, should also be encouraged to do more research and development and market development work, for instance to find new uses and new markets for Coastal hemlock or beetle-damaged pine, in biofuels and fuel pellets, for example.

5. Require domestic processing as a condition of all forest licenses

The government should ask stakeholders to contribute to provincially and regionally-based targets and strategies for sawmilling, manufacturing, biofuel production and pulp and paper; compliance with these resulting goals, objectives and targets should become a condition of all forest licenses.

To gain access to public timber, licensees should be required to produce *domestic-processing plans and strategies* to ensure that the timber they harvest finds its way to domestic processing facilities. Companies without processing facilities of their own should be encouraged and enabled to set up joint ventures or cooperative manufacturing facilities. A company's failure or refusal to ensure domestic processing would immediately trigger a review of its license.

6. Get tough on wood waste

Currently companies in both the Coast and Interior are harvesting millions of cubic metres of timber that is simply left behind in the woods. Although firms should be encouraged to cut the full profile of the cutblocks they harvest, they should also be discouraged from harvesting timber for which they have no planned end-use or market.

The government should impose tough new utilization standards that require companies to bring in for processing all the trees they harvest; Such standards must of course ensure that sufficient amounts of woody debris are left on the ground to rot and return needed nutrients to the forest. The government should also increase access to timber for small-scale salvage loggers through the Small Scale Salvage Program.

In addition, on the Coast the government should require companies to process or sell the hemlock they log or face reductions in logging quotas so that our forests are not over-cut and our most-prevalent coastal tree species wasted. Give companies a stipulated timeframe in which to use or sell the log; then assess the stumpage plus a non-utilization fee and allow access to the timber for other operators: log salvagers, manufacturers and biofuel producers.

In the Interior, measures to deal with waste must be developed as one element in an overall post-mountain pine beetle strategy, including a concerted reforestation strategy similar to the old FRDA agreements; a manufacturing and industry-diversification strategy and measures for training, retraining, skills upgrading and relocation assistance for affected workers. One element of this should be to reduce current harvest of spruce and other non-pine species.

7. Reform or Abrogate the Canada-US Softwood Lumber Agreement

The Canada-US Softwood Lumber Agreement negotiated by George Bush and Stephen Harper in 2006 has done incalculable damage to our forest sector and penalized lumber exporters. The 15-percent border tax that replaced the 10.8-percent US combined duty rate has encouraged companies to export logs and close BC sawmills, since logs enter the US duty free while lumber is taxed. Companies are discouraged by the so-called surge mechanism from investing in productive new mills. Meanwhile the powerful US lumber lobby continues to harass Canadian exporters through repeated resort to arbitration.

It's time for the BC Legislature to reconsider the deal. It should establish a review committee to consider its implications for BC workers, communities, companies and the forest sector; within 120 days of its formation, the committee should recommend future action: move toward abrogation of the deal or find ways to reduce its devastating impact. Remember: before the Harper-Bush deal, Canada was close to *winning* at NAFTA, the WTO and in the courts.

8. Introduce an accountability clause in forest licenses aimed at protecting workers and communities

Gordon Campbell's government has given companies a free hand to close mills and processing plants: at least 46 major wood-processing plants are known to have closed since May 2001. As the landlord, government must represent the *public* interest and a mill closure is seldom in the public interest. Before a facility is closed, government should therefore recover the right to intervene to try to keep the plant operating, find a buyer or make other arrangements to protect workers, their families and their communities.

Even where closure proves unavoidable, measures should be in place to ensure that people impacted by it will land whole: retraining opportunities, relocation assistance and severance packages should be mandatory.

9. Develop a reforestation, afforestation and intensive silviculture strategy

Recently Premier Campbell has mused out loud about a cap-and-trade emissions plan, another element of his so-called "green plan". Instead of another "back-of-the-envelope" scheme, British Columbians need a fully worked-out reforestation and afforestation program similar to the highly-successful federal-provincial FRDA II plan. This is especially needed in response to the mountain pine beetle crisis in the Interior where the BC government has committed far too little of its own resources.

In addition, we should be identifying sites in all regions of BC that would benefit from and be appropriate for a concerted intensive-silviculture program: fertilization, thinning and pruning to produce more of the high-quality timber we need for specialty and value-added products, as well as inputs for pulp mills and power generators. In Sweden over 30 percent of pulp mill inputs come from thinning. A concerted reforestation strategy needs to take into account the need for jobs, community stability, forest ecosystems and commercial viability.

Some sites currently not forested, meanwhile, might be appropriate for afforestation, for instance to help meet British Columbia's commitments to deal with climate change and carbon sequestration.

10. Develop a training strategy aimed at retaining workers and stabilizing communities

Ironically, while jobs are being lost in the forest industry, thousands of BC workers are going to Alberta and Saskatchewan due to high labour demand in the oil patch. Through a combination of loss of skilled trades-people to the oil patch and retirement, BC's forest sector will need to train thousands of skilled workers in the coming decade. In addition, a changing industry will require many people with new skills. Yet companies and the BC government are actually cutting apprenticeships and training.

Apprenticeships, skills development and upgrading must be requirements of forest licensees and the BC government needs to invest more in forest-sector training to keep people in resource-based communities.