

SUSTAINABLE JOBS



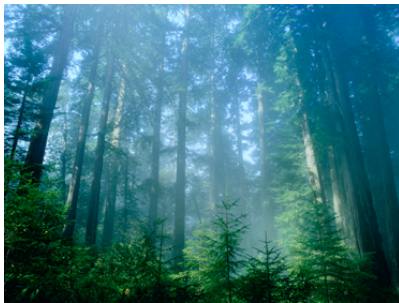
COMMUNICATIONS, ENERGY AND PAPERWORKERS UNION OF CANADA

An Industry In Crisis

75,000 Jobs Lost, 226 Mills Closed, Government Inaction

Bug wood, excessive waste and raw log exports combined with plummeting demand and a rising Canadian dollar is leading to a deteriorating industry, plants closed, jobs lost and a “last man standing” strategy rather than investment in infrastructure and communities.

The forest industry is extremely valuable to our province. More than 84,000 direct jobs, \$22.3 billion annual revenues. The pulp and paper sector has a payroll of \$1 billion a year and pays more than \$600 million a year in tax revenues. The CEP knows that forest jobs are green jobs and this industry can be a key component of a sustainable economy.



Forestry can be green



Raw Log Exports must end



Wood cannot be wasted

What Canadians Need

We need an emergency summit to take urgent measures to save our forest industry. Politicians at all levels need to commit to working together with industry and labour and communities to find a sustainable solution. Government needs to guarantee bank loans to forest companies so that investment and capitol expenditures can occur within the industry, allowing it to diversify into new products for new markets and revitalizing our communities.

Export jobs with every log that leaves

Polls show that British Columbians support ending the export of raw logs so that value can be added to the resource here. A June 2007 Canadian Centre for Policy Alternatives (CCPA) report estimates that almost 6,000 jobs are directly lost to the 4.7 million cubic metres of logs exported out of the province every year. The spin off job losses mount to over 20,000 people who could be working throughout this province. But the provincial government continues to sit on its hands, refusing to impose high fees on the logs headed out of our province.

The solution is simple. The export of raw logs must be banned. The CEP proposes phasing in a total ban over the next five years while ensuring immediately that a stringent and transparent bid process is in place for those domestic mills still operational. These trees belong to all of us. Deeming them to be surplus and shipping them out is not the answer. Shouldn't we be supplying the world with our own finished wood products? Doesn't that help the economy?

This is a green industry, sustainable and viable, but today needs government support. So far, all the BC Liberals have done is make the situation worse. With changes to the Forest Act and a reduction of staff responsible for policing logging, it would appear Premier Gordon Campbell and Forest Minister Pat Bell either do not understand or simply do not care about communities like Kitimat, Campbell River and Mackenzie, all devastated by the forestry crisis.



Communities in Crisis

100,000 Highway Logging Trucks

In 2005 the number of useable logs left on the ground was 3.63 million cubic metres, enough to fill more than 100,000 highway logging trucks. According to a CCPA report, that's enough wood left behind to keep two sawmills running for the entire year. Yet in Campbell River a viable working sawmill is now nothing but a parking lot. The jobs gone, the gear dismantled and scrapped. And the mill next door is on an indefinite shutdown that has lasted all year.

In Kitimat, after 40 years of operations, the pulp mill is closing at the end of January 2010 taking 535 jobs and thousands of indirect jobs out of yet another community in Northern BC. In Mackenzie, the town has gone from boom town to ghost town when the Abitibi paper mill closed and the Pope & Talbot pulp mill went bankrupt. Prince George, Chetwynd, Fort Nelson, Terrace and Quesnel have all been devastated by sawmill closures.

Black Liquor Blackmail & Bug Wood

Pulp companies in the USA now make more money in the form of black-liquor credits than from selling actual product. International Paper announced \$525 million in credits during the third quarter versus \$233 million in pre-tax earnings. With examples like this Canadian companies are at an obvious disadvantage. Making the situation more dire, companies continue to pursue a suicidal strategy of killing off the competition, hoping to be the "last man standing". This doesn't help our economy, our environment or our communities.

Western Canada's mountain pine beetle infestation has left forestry firms with both the short-term problem of how to make money in a tough market from beetle-killed trees, and the long-term risk of a fibre shortage. BC produces about half of Canada's softwood lumber exports.



One quarter of the forest killed



Bugs destroyed 46% of BC's marketable pine



Logs left behind could be jobs in communities

A National Summit

Properly managed and supported, the forest industry can be a green economic driver. Canada needs a national strategy and national policy for this country's forests. The legislative program must begin with a summit of all parties involved. Labour, industry, all levels of government, First Nations and other community groups need to come together to work together. The stakes are too high for this crisis to be ignored any longer.

Innovative solutions are needed, co-operation among all parties is necessary. New products for new markets must be developed. A summit could be the first positive step in solving a crisis that affects the entire country.

