

## INFORMATION BULLETIN

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Ministry of Forests and Range

## LOG EXPORT REVIEW AVAILABLE ONLINE

VICTORIA – A comprehensive review of the Province's log export policy has been received by Forests and Range Minister Rich Coleman and is now publicly available on the ministry's website at <a href="https://www.gov.bc.ca/for">www.gov.bc.ca/for</a>.

Entitled "Generating More Wealth from British Columbia's Timber," the report examines the rationale for log exports from private and Crown lands and their effect on harvesting, log markets, workers, communities and the forest products industry. It was prepared by Don Wright and Bill Dumont, who were appointed by the minister in August to conduct a review of log exports.

The nine recommendations contained in the report propose a significant shift in the administration of log exports. The report concludes that log exports are a symptom, not a root cause, of underlying economic challenges affecting the coastal forest industry. The authors advocate a flexible level of log exports tailored to economic circumstances.

The authors state that changes to log export policies should enable fairer cross-border trade with the United States, improve the economics of hemlock and balsam harvest on the Coast, and stimulate new investment in B.C.'s forest industry.

If adopted, the recommendations would directly link the fees paid by log exporters to the lumber export tax that recently came into effect under the softwood lumber agreement. Under current circumstances, this would mean significantly higher fees for the export of Crown logs to the United States.

As well, the recommendations propose providing private forest landowners with freer access in log trade with the United States in exchange for freer trade in lumber originating from private lands in British Columbia. In the absence of an exemption for British Columbia lumber, the report proposes maintaining the existing surplus test with some modifications for log exports from private lands. The authors recommend that the Province continue to prohibit the export of high-grade Crown red cedar and yellow cedar logs, but replace prohibition of export on lower-grade cedar and high grades of other species with higher fees for exporters.

The recommendations also include considerations for small landowners and tenure holders, First Nations and other new entrants into the forest sector.

During the review, the authors met with nearly 400 stakeholders and considered nearly 100 written submissions from communities, First Nations, labour, forest companies, independent sawmills, industry associations, private forest landowners, individuals and interest groups.

The minister will now ask stakeholders for their comments about the recommendations, due back to him by Jan. 31, 2007.

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