



**May 4, 2009**

**For immediate release:**

### **Forest Industry CEOs correct the record on forestry issues**

The three signatories to this statement wish to set the record straight on what is occurring in our industry today and what we see as critical for it to survive and thrive in the future.

First, to those who are quick to blame the current B.C. government for the woes of our industry we can only say it is either a clear demonstration of their lack of understanding of BC's core business, or that they are willing to play politics with the lives of the thousands of people who depend on forestry. Simply put, B.C.'s forest sector is blessed by having the world's largest housing market as a neighbour. That also means we are heavily dependent upon the U.S. home-building market which has collapsed. That collapse is not something our governments can fix.

Secondly, the NDP has advocated opening up the Softwood Lumber Agreement and we cannot help but think that indicates a fundamental lack of understanding of the agreement. To renege on that deal today would be high risk in the extreme and would undoubtedly lead to costly legal wrangling and duties at the border which in turn would further jeopardize the economic stability of B.C. companies, their employees and the communities in which they live and work.

We have modern, efficient mills today that are the result of the confidence provided by our tenure system in B.C. Without that certainty, our three companies could not have invested the hundreds of millions of dollars to build and rebuild the mills we have in the last few years. The NDP have talked of blowing up the tenure system in B.C. and we can tell you that there has never been a more powerful reminder of the lack of a strong business investment climate we had during the NDP government of the 1990s. They do not seem to appreciate the link between security of tenure and the ability to encourage the investment required to remain competitive in a global business. The NDP forestry policies of the past discouraged investment in B.C. and resulted in significant costs being imposed on our industry. Those costs damaged our ability to compete. Many of the policies being put forward by the NDP of today are just as discouraging.

Finally, we would be remiss if we did not credit Premier Gordon Campbell for being a champion for our industry. The Premier has set the course in opening up Asian markets, in developing new uses for BC wood products, in expanding BC as a showcase for the use of wood products whether it be in iconic structures like the expanded convention centre or Olympic skating oval.

For the first time in our history, our provincial government has a Wood First policy that ensures B.C. government building projects first consider how best to use wood products and in that manner establish B.C. as a global showcase for the use of wood products.

In conclusion, our industry is in the midst of the worst crisis since the Great Depression. We are going to get through this and we believe there is a bright future for forestry in B.C. and for the tens of thousands of us who depend directly upon it. It will be a different industry with new products, new applications and new, growing markets. But realizing that future requires everyone working together and strong leadership.

Our entire industry and those who are employed within it have benefited from the leadership of Gordon Campbell and his team. We appreciate that leadership as being critically important to the future and sincerely hope that British Columbians will ensure it continues.

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