

## LETTER TO THE EDITOR

July 9, 2008

The Editor  
Victoria Times-Colonist

Your recent editorial paints a gloomy picture of a forest industry with no hope and certainly doesn't reflect the message I'm hearing in my travels from workers, industry, and communities.

While the forest industry is facing significant challenges right now, those involved and affected by the industry are proud that forestry is and will remain a key economic driver in British Columbia. They support a shift to a new invigorated model that builds strong rural communities. They are excited about innovations to existing products and new opportunities to make better use of our timber resource.

To create the impression that forestry policy changes such as the removal of appurtenancy are the root of the current downturn is simply wrong and distracts from the strategies that will bring long term success for our forest dependent communities.

In fact, since the policy changes, on the Coast forest companies have made about \$360 million in capital investments since 2004. And the policy changes have allowed B.C. to maintain its market share, despite the adverse market conditions.

Since 2003 when the changes were implemented, British Columbia has maintained its market share of between 18 per cent and 19 per cent of the US softwood lumber market while the rest of Canada has seen a decline in its market share. In 2003, B.C.'s market share was 18.1 per cent and that actually increased to 18.8 per cent by 2007. By comparison, the rest of Canada saw its market share decline from 16 per cent to 13.2 per cent.

To deal with the current challenges we need to remain focussed on new opportunities.

Take one example: wood products make up nearly 95 per cent of the value of construction materials used in residential housing. But when you look at commercial and institutional construction, it is only 19 per cent. That is a huge untapped market for our forest products – and commercial construction is less prone to cyclical downturn. That's why we need to look at changing the B.C. building code to enable greater use of wood in larger buildings and facilities.

It's solutions like these that we need to pursue. By working together – communities, First Nations, industry, and governments – we can ensure a bright future for our forest industries.

Sincerely,  
Pat Bell  
Minister of Forests and Range