

OPINION-EDITORIAL

SOFTWOOD LUMBER AGREEMENT BENEFITS B.C.

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(582 words)

The NDP's promise to rip up the softwood lumber agreement shows blatant disregard for B.C.'s forest industry, forestry-dependent communities and, most disturbingly, the families that depend on those forestry jobs.

Both provincial NDP leader Carole James and her boss, federal NDP leader Jack Layton, have said they would tear up the agreement if given the chance. There simply isn't a more reckless or damaging move for our forest sector. Carole James' claim that B.C. would be better off without the agreement is, quite frankly, dishonest.

The softwood lumber agreement returned \$2.4 billion in duties to B.C. to be invested in upgrading our mills and strengthening the province's forest industry. That's \$2.4 billion that is now being used by forest companies to ensure they can compete in these challenging times and secure jobs. Carole James and Jack Layton would take that away for no other reason than to make a political statement.

Before the softwood lumber agreement, B.C. forest companies were faced with punishing duties of close to 30 per cent on lumber exported to the U.S. – our number one customer for B.C. wood. As a result of the agreement, duties that previously went south of the border now come back to British Columbia. Over the next three years we expect to receive \$569 million from the softwood lumber export tax. That's money that will be used to build schools, hospitals and provide services right here in British Columbia. Carole James would take that away, divert that money to American sawmills competing with B.C. companies, and then raise your taxes to make up the difference.

Because of the softwood lumber agreement, we now have an export tax that is capped at a maximum of 15 per cent, and is reduced when lumber values are high. If the agreement was cancelled, the U.S. would immediately levy massive tariffs in excess of 30 per cent on B.C. wood at a time when our industry and communities can least afford it. The Council of Forest Industries (COFI) says scrapping the impact of scrapping the agreement would be "devastating."

The NDP wants to rip up an agreement that ended decades of turmoil and brought billions back to B.C. because they have a vague notion that they can eventually work out something better. But while the NDP tilt at windmills, our industry and communities would be bled dry. It's a dangerously uninformed position that puts the livelihood of thousands of people at risk for no good reason.

Perhaps we should not be too surprised. Last week our government announced that effective in January 2009, B.C.'s building code will be amended so six-story structures can be built with wood - a move that will create a new market for B.C. wood, job opportunities for B.C. workers,

and could save homebuyers thousands of dollars. Yet Carole James and the NDP are against the new building code..

British Columbia's forest sector is already working hard to meet the challenge of a high Canadian dollar and collapsed U.S. housing market. Tearing up the softwood lumber agreement now would take the legs out from under the businesses and families who depend on forestry in this province. Our government is committed to defending the softwood lumber agreement because it's good for B.C. It means money, it means jobs, and it means stability.

The fact that the NDP would even consider tearing up the softwood lumber agreement tears a huge hole in their credibility when it comes to doing what's right for B.C.'s forestry-dependent families.