
Chin, Ben PREM:EX

From: Chin, Ben PREM:EX
Sent: Thursday, April 6, 2017 11:04 AM
To: Smart, Stephen PREM:EX
Subject: FW: Softwood Op-Ed
Attachments: OP-ED_PCC_Softwood Taking a Stand_draft 3.doc

Can you see if Glacier will take this op ed?

From: Kay, Maclean PREM:EX
Sent: Thursday, April 6, 2017 10:57 AM
To: Chin, Ben PREM:EX
Subject: Softwood Op-Ed

Attached.

Maclean Kay
Communications Manager
Office of Premier Christy Clark
(250) 387-1369

OPINION-EDITORIAL

Taking a Stand: United Action on B.C. Softwood Lumber

By Premier Christy Clark
Province of British Columbia
(April 7, 2017)
(657 words)

There's an old proverb – "the wind does not break a tree that bends." In B.C., a province defined by nature and built on the forestry industry, we understand that very well.

These days, the wind is blowing from the south – which means trouble for our founding industry. While we have created a vibrant, diverse economy, forestry still plays a crucial role. Forestry provides direct jobs to 60,000 workers and their families. Over 140 communities throughout B.C. rely on it.

The current softwood lumber dispute with the United States places many of those jobs – and the communities that depend on them – in jeopardy. That's why we are taking a stand to ensure united action.

Yes, international trade agreements are a federal responsibility, but half of Canada's softwood lumber exports to the U.S. come from B.C. So we are working closely with Ottawa to ensure that any future agreement considers B.C.'s interests.

Last November, the U.S. industry launched trade action against Canadian softwood lumber producers, alleging Canadian forest companies were subsidized.

I cannot be clear enough: this is not true. But US timber barons and mill owners want to restrict Canadian lumber to raise prices and line their pockets.

By law, the U.S. Department of Commerce is investigating that complaint. Later this month, they will make their preliminary determination. Most likely, this will mean duties levied on B.C. companies.

Unfortunately, we have been down this path before. We learned a lot from the last softwood lumber dispute, which lasted from 2001 to 2006, starting with the importance of diversifying our markets. In 2001, 82 per cent of our softwood lumber exports went to the U.S. That made us vulnerable.

So, in 2003, we opened a lumber marketing office in China. Over the next nine years, we saw a 2,000 per cent increase in exports to China. When the U.S. housing market crashed, it was lumber exports to China that kept many mills open. We're working on a similar strategy in India, and opened an office there in 2012.

We're also increasing support for forest dependent communities, through the extension of the \$75 million Rural Dividend for another year to \$100 million; and through our recent \$150-million investment in the Forest Enhancement Society of B.C. to plant tens of millions more trees, creating up to 3,000 jobs.

To work to get a fair deal, we've appointed David Emerson as our special envoy to the U.S. He has met with our Ambassador, senior American leaders and U.S. consumer groups worried about empty lumber yards and rising prices.

We know we're in for a battle. But in the long term, we will get a fair deal for three reasons: First, we're not going away. We will pursue every strategy the law allows. Second, Americans want the same thing we do: housing that's affordable and jobs to build those houses. American lumber companies can't produce enough to keep up with demand; and when the price goes up, U.S. consumers will speak up. And finally, every time these U.S. industry allegations are tested in an impartial court – they lose. Because the facts are on our side.

In the short term, the U.S. seems determined to levy unfair and illegal duties on B.C. softwood – and that will have an immediate effect on the communities that depend on a healthy forestry industry.

Earlier this week I wrote to the Prime Minister to ask for his government's support to:

- Continue the diversification of markets and wood products
- Support displaced workers, through financial support and retraining; and
- Support affiliated industries and suppliers that may also be affected by the dispute.

We've adopted a three-pronged approach ensuring B.C.'s forest sector is resilient, that we have community supports in place until we're able to reach a deal on softwood lumber, while we continue to fight to get a fair deal.

British Columbians are resilient. Our forest sector is resilient. Standing together, we will not break – and we will win.