

THE FIGHT TO OWN B.C.'s FORESTS



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This photo, taken on MacMillan Bloedel's private land near Nanaimo, B.C. in April 1999 shows fresh second growth forest logging that MB says is not clearcutting. Called "variable retention logging," it's clearcutting with a few small trees left standing here and there. The forest industry is trying to gain ownership to public forest lands so that they can log or sell them essentially as they please.

B.C.'s Big Timber Corporations Want it All

B.C.'s NDP government is poised to do what no B.C. government has dared do in modern history - give away our public forest lands to large timber corporations.

In 1884, the province gave away almost one million hectares of land on Vancouver Island—20 percent of the Island—to the Esquimalt & Nanaimo Railroad Company as compensation for building and operating the railroad. The legacies of this deal include the private land holdings of MacMillan Bloedel Ltd. (MB), TimberWest and others and the virtual elimination of low-elevation oldgrowth forests on southeast Vancouver Island.

Now our government is proposing to trade away control over public land forever to compensate companies for losing the right to log on publicly owned lands recently turned into provincial parks. This proposed land give-away—in lieu of the usual cash compensation—is a desperate, foolish act of a government deeply in debt.

Corporate privatization of publicly owned (crown) lands would forever surrender our children's rights...their right of access to these lands and their right to later decide, through our democratic system, how and for what purpose these lands should be used.

For years B.C.'s timber corporations have pressured our B.C. government to give them concessions. They've argued that they are disadvantaged by "high stumpage fees" (the fees paid to the province for the right to cut our public forests) and "the cumbersome and costly Forest Practices Code" (a set of logging rules enacted in 1995 to, theoretically at least, make sure that logging doesn't degrade streams, soils and wildlife habitat).

Down played are the major reasons for the industry's troubles and lack of profitability: low timber and pulp prices due to a world over-supply, the collapse of Asian markets, competition from southern countries where forests grow quickly and are harvested cheaply, and less high quality wood in B.C. due to years of overcutting. Even Reid Carter, a wood markets expert and Forest Alliance Director, says one of the main reasons B.C. has one of the highest logging costs in the world is that

"We are now in the guts and feathers. We are in the backs of valleys and the tops of the mountains. These are more expensive areas to operate in."

The B.C. government has already caved into many forest industry demands. It has reduced stumpage fees and cut environmental standards in the Forest Practices Code. But these concessions have not satisfied industry, which is seeking even deeper cost cuts at public expense. These multi-national timber corporations now suggest that our public forest lands be given to them as private lands or leased to them for 99 years or longer. They say this will entice them to keep doing business in B.C. They also argue that, "if they own the lands they'll manage them better". But owning land will not change the obligations of the timber corporations. They will remain accountable to their profit-seeking shareholders, not to the long term well-being of local citizens and the land's many values. It's far more likely that the timber companies want more private lands to get instant collateral at the banks and keep themselves afloat so that they can liquidate B.C.'s last remaining oldgrowth forests. They could use their private lands to intensively grow tree plantations as regulation-free as possible without having to concern themselves about protecting other non-timber resources like fish, wildlife, drinking water and recreation.

The record shows that in general, private lands held by large timber corporations are poorly managed for the public good. In the U.S. Pacific Northwest, where there is higher corporate ownership of land than in B.C., the salmon are going extinct. Grizzly bears and wolves are endangered and on the verge of extinction.

On April 1, 1999 the B.C. government announced, to a shocked B.C. public, the first proposed privatization deal, negotiated behind closed doors by the Premier's office and MB. This deal is to compensate MB for its lost opportunity to cut trees on about 7,700 hectares of Timber Licence lands which the company relinquished for new protected areas on Vancouver Island, including Carmanah Pacific and Tsitika Provincial Parks.

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The logs in the foreground were selectively cut from the second growth forest in the background, a small private holding near Courtenay. There was work for the logging crew and profits for the landowner and the forest still stands. Both this and the MB logging shown on the front cover were on flat ground. MB could have done the same.

All photos on this page taken April 1999.

WHO SAID IT?

"We recognize that one of the primary bases of a strong, free and open democracy, such as we enjoy in British Columbia, is the protection of public assets: our Crown lands and those public assets that the Crown lands support — our forests, waterways, lakes and so on."

"Ten years ago we joined thousands across the province in a widespread bid to halt a privatization initiative launched by the Social Credit government. We succeeded. We can't sit idly by today, under the NDP, and give away public lands."

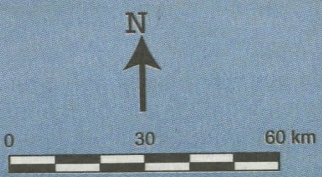
—see back page for answers

Corporately-owned lands on Vancouver

PROPOSED CORPORATE LAND COMPENSATION FOR PARKS ON VANCOUVER ISLAND



- Corporately owned forest lands currently within TFLs that MB wants removed from cut control and raw log export regulations
- Public forest lands that MB wants as corporately forest lands
- MB corporately owned forest lands
- Timber West corporately owned forest lands
- Other corporately owned forest lands
- Public lands formerly under tenure to MB now converted to park lands
- Other park lands



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PROPOSED LOGGING REGULATIONS ON PRIVATE LANDS WON'T PROTECT PUBLIC VALUES



Another example of recent MB logging on its private lands. Note the few tufts of low-value trees left. This road and logging, right next to the South Nanaimo River, would not be permitted under the Forest Practices Code. Under industry's proposed new regulations for private land logging, MB would not even have to leave this narrow strip of trees next to salmon and trout streams. Photo taken April 1999.

Big timber corporations already own about 15 percent of Vancouver Island. This is more land than is protected in parks on the Island! Although the corporations say that their lands are well managed, they aren't (see photos this page). And the new regulations they're proposing won't make the management better!

The private timber lands already owned by timber corporations, except for some areas within Tree Farm Licences, are not subject to the laws and regulations that citizens have insisted on to protect the environment from bad logging practices on public lands. Now, to quell fears about the MB land deal, the B.C. government is telling citizens that it will put in place new regulations governing logging on private lands.

But the proposed new regulations won't protect the public's interests. They've been written by the timber corporations (who, remember, want to lower their costs and increase their profits) and the government has not yet let the public see them. But we have learned that:

- There will be no required riparian buffers along fish streams. Companies will be allowed to log right to the edge of salmon streams, the only requirement being to leave 10 -20 trees every 100 metres.
- There will be no requirement for logging plans or approvals of logging by government agencies. This means no chance for public input!
- There will be no mandatory protection of critical wildlife habitat. Ministry of Environment can only ask corporations not to log endangered species habitat for one year. Long-term protection is at the discretion of companies and subject to compensation.
- The government is considering more tax breaks to the companies and even tougher trespass laws!

This is a grand sell-out of public rights and interests! Instead of giving away our public lands to timber corporations, the B.C. Government must:

- Keep our public lands in public hands! No selling, trading or transferring of public lands into the private hands of timber corporations.
- Scrap the sham regulations for private lands that have been written by industry for its own benefit.
- Replace our currently inadequate laws with tough new forest practices laws that truly protect fish, water, wildlife, soil and natural forest ecosystems. Make these tough new laws apply to logging on both private and public lands, so timber corporations that already own lands can't degrade them any more.
- Don't remove any existing corporately-owned private lands from TFLs. At least, as part of the TFLs, they are managed under the same laws and regulations, including the Forest Practices Code and regulations on the rate of cut, that apply to public lands.

...Continued from page 1

The deal is: either pay MB \$83.75 million in cash or, in lieu of cash, give MB up to 30,000 hectares of public land as fee-simple private lands.

MB has picked the candidate lands it wants (see map above), many of which are prime real estate. **As part of the land-give-a-way option, the government also agreed to reduce cut controls and environmental constraints on up to 90,000 hectares of existing MB private lands which currently are regulated like public lands because they had been "rolled into" Tree Farm Licence tenures. This does not look like an intent to manage lands better for the public good!**

Two weeks after the MB privatization deal was announced, Deputy Premier Dan Miller floated the idea of privatizing up to 25 million hectares of land—about one-quarter of B.C.! Given that only about 30 million hectares of B.C. land grows commercial forests of any value, this means Miller is proposing to give the forestry corporations ownership over almost all of B.C.'s valuable forest land!

B.C.'s Forest Minister, Dave Zirnheld, responded to Miller's trial balloon saying we must start a "dialogue" on the issue. Premier Clark responded by denying any intention to privatize B.C.'s publicly owned land, failing to mention the MB deal his government just negotiated.

June 30, 1999 is the deadline that government has set to decide whether it is to be cash or land for MB. There's a public review process about the MB deal (see back page of this paper), but time is short!

This may be the most significant public policy decision you ever have the chance to change. If you care about the rights and options available for our children, including their right to decide in the future how to best use and manage the lands of B.C., speak out about this MB land grab deal now. If MB gets the private lands it wants now, it's the beginning of a slippery slide of B.C. citizens into corporate serfdom!

ver Island are not better managed



TimberWest clearcuts its private land oldgrowth forest on Buttle Lake immediately adjacent to Strathcona Provincial Park, in full view of park goers. Not even the park boundary stopped them. The B.C. Environment Minister gave the company a permit to build a logging road through the park so it could have easier access to more private timberlands.



TimberWest, this land's new owner, broke an informal agreement made by the past landowner to leave an oldgrowth corridor along the CPR heritage hiking trail. Ignored the pleas of local trail-users, TimberWest clearcut on the steep mountainside right over the trail near Mt. Arrowsmith. A ring count of one of the Douglas fir stumps revealed that the tree cut by TimberWest was over one thousand years old. Photo by Scott Tanner taken December 1998.



Sign exposes fifty-year clearcut rotations on private TimberWest lands. Fifty-year rotations do not

The Secrets of TimberWest's "Success"

TimberWest Timber Trust is B.C.'s largest private landlord. Most of the 337,000 hectares of forest land corporately owned by TimberWest is on Vancouver Island. B.C.'s other big corporate forest land owner is MacMillan Bloedel Ltd. (MB) which owns 224,000 hectares of forest land in B.C., also mostly on Vancouver Island.

TimberWest is a relatively new company that bought out other timber corporations, including Crown Zellerback and Pacific Forest Products. TimberWest is upfront about how the exploitation of its private lands makes it such a profitable company:

"Logs from our private timberlands are not tied to any particular manufacturing facility. They can be sold to the customer offering the best return, including International customers..."

Our private lands are also free from government stumpage fees and administrative costs associated with the Forest Practices Code. On a harvest of 1.8 million cubic metres this currently represents annual cost savings of \$75 million."

TimberWest 1997 Annual Report

TimberWest sells most of its high-value oldgrowth wood as raw logs to foreign customers who reap the value-added jobs that should belong to B.C. workers. The company says their prime oldgrowth Douglas fir forests are worth over \$1,000 a cubic meter of wood.

TimberWest is also, because of its private lands, into the land development business.

"About 5,500 hectares of our private lands are located near fast growing communities or in prime recreational areas on Vancouver Island. Here the value of the real estate is considerably more than the value of continued timber production. As opportunities arise we plan to sell these lands... There is also the potential for this portfolio of higher use properties to expand...significant portions (of

have easier access to more private timberlands despite the fact that the Parks Act says such permits can only be issued for the preservation or protection of a park. Photo taken January 1999.



Large clearcut estimated to be about 300 hectares in size on second-growth private lands owned by TimberWest in the Nanaimo Lakes region of Southern Vancouver Island. This gently sloping land, like much of the private land held by TimberWest and MB on southeastern Vancouver Island, would be perfect to practice eco-friendly selection logging.



TimberWest is rapidly clearcutting its private lands on the Beaufort Mountains right behind Port Alberni, despite protests from local citizens who fear the impacts on salmon streams which flow from these mountains. Alberni Valley residents want the government to purchase and protect the Beaufort Mountains.

TimberWest lands. Fifty-year rotations do not maintain the biodiversity and structure of Douglas fir ecosystems, where trees normally live for centuries. Photo by John Werring, taken in spring 1999.

private forestlands) are situated in the southeast region close to five of the country's fastest growing communities."

TimberWest 1997 Annual Report

TimberWest's secret to business success also includes its recent negotiation of a sweetheart deal with the B.C. NDP government. In January of 1999, TimberWest traded 2,000 hectares of mostly oldgrowth forest to the government so that four new parks could be created in exchange for \$500,000 cash, ownership of 3,000 hectares of prime second growth lands and the removal of 61,000 hectares of their private lands from Tree Farm Licence constraints. No longer would they have to limit the rate of cut or meet Forest Practice Code standards on those lands, a concession alone worth millions of dollars a year. No wonder TimberWest executives were reported to have been laughing on their way to the bank.

Do the citizens of B.C. want the TimberWest model to be the future of forestry in the province?

Proposed privatization of public forest lands threatens rarest of B.C.'s ecosystems

Some of the public lands proposed to be privatized in the MB land deal are located in one of B.C.'s most endangered ecosystems, the Nanaimo Lowlands. This unique ecosystem extends from Campbell River to Victoria along the east coast of Vancouver Island and onto the adjacent Gulf Islands. The Mediterranean-type climate and long growing season here support one of the smallest, rarest and most biologically diverse ecosystems in Canada. Over 85 percent of Vancouver Islanders live in this area and the population is growing. A century of intense urban development and logging has caused this to be one of B.C.'s two most degraded ecosystems (places with the greatest loss of natural environment).

Today, less than 2 percent of the Nanaimo Lowlands region is protected. Much of that is already highly modified and heavily used for recreation. Most of the remaining wildlands are in private holdings, so there are few conservation options available. As the corporately-owned forest lands are logged—most of them on short fifty to sixty year rotations—the need for natural habitats for birds, other wildlife and salmon, will increase.

The highest and best use for the remaining pieces of forested public lands—which are few and far between—is to protect them as parks. Transferring into private corporate hands any of the remaining public forest lands in the Nanaimo Lowlands region would greatly diminish the local quality of life and could condemn this ecosystem to extinction.

ADVANTAGES TO PUBLICLY OWNED FOREST LANDS

- Every citizen of B.C. is a "shareholder" in the province's publicly owned lands. Publicly owned (Crown) lands are a Canadian legacy that was not squandered nor forsaken despite the pressures of a global depression and two world wars. It is the true wealth of Canada.
- On publicly owned lands citizens have the right, through elected governments, to decide the best use of the land, who gets access to the resources, and under what terms and conditions the land may be used. The public can require that water quality, fish and wildlife habitat, soils and recreational opportunities are protected.
- Public forest lands have many uses including logging, tourism and recreation. All generate jobs, revenues to the public purse and sustain local economies. Corporate forest lands have one purpose: wood fibre for corporate profit.
- Almost all the licences to log public forest lands are held by big timber corporations. Fees related to logging on public lands (stumpage and royalty payments) go to the provincial government and benefit all citizens.
- Keeping our forest lands in public hands leaves open the option for our government to reallocate forest licenses. We could replace the current forest tenure system with tenures that give local communities the control to manage public forest lands on ecologically-sound, sustainable principles. Communities have a strong vested interest in managing public lands better because the local quality of life and the security and prosperity of future generations in the region depend on it.
- Retention of publicly owned lands enables a fair resolution of Native Land Claims. Corporatization of public lands could necessitate either very expensive buy-backs of land to settle the claims or back room deals to divide up the land between big timber corporations and First Nations which would result in deep public resentment.



Guard shack at entrance to one of TimberWest's private land holdings on Vancouver Island. Sign visible only on exit.



Locked gate and sign prevent people from seeing MacMillan Bloedel's private land logging practices in the drinking water supply area of Greater Nanaimo. Both photos above taken April 1999.

DISADVANTAGES TO CORPORATE OWNERSHIP OF B.C.'s FOREST LANDS

- Corporate landowners have the right to deny public access to "their" land. They put up fences and gates, preventing citizens from getting to lakes to fish or even just to hike.
- If, in the future, the public wants to protect private lands to create needed parks, save critical habitat for endangered species or protect other values, they must buy back the land. The price tag may be so high that these conservation measures become unaffordable.
- On private lands, the B.C. public does not have the right to prescribe logging methods—like no clearcutting—nor to set the rate at which the forest is cut down in order to sustain jobs, protect water quality, conserve wildlife, prevent flooding, or protect other public interests.
- There are no restrictions on raw log exports from logging on private forest lands, which loses us manufacturing jobs.
- The public does not share in the wealth generated from logging private lands (through stumpage) and the public does not have the power to ensure that the profits from logging private lands stay in B.C. to create more local jobs and wealth.
- The public cannot prevent the sale of private forest lands for urban, industrial or other development.
- The public cannot prevent the sale of private forest lands to other large timber corporations even if it concentrates lands and forest resources in fewer giant companies. The public also does not have the right to prohibit foreign corporations from owning land in B.C.
- Large corporate landowners have consistently opposed protection of public interests and the full range of forest values if it means reducing the profits they can make from maximizing timber and fibre production.
- No matter how badly corporations manage their lands, it is impossible to kick them out.

Pay MacMillan Bloedel Ltd. in Cash NOT IN LAND!

By June 30, 1999 B.C. must decide what MB will get for the company's loss of logging opportunities and 7,663 hectares of oldgrowth trees MB owned in Timber Licenses that were saved in new B.C. parks:

communities near where the large blocks of public land are earmarked for privatization into MB hands.

It's probably too late to revisit the outrageously high figure of \$83.75 million settled on for cash

although payments to MB are spread over five years, it has to enter the entire \$83.75 million on this year's books, before the next election. But past financially disastrous decisions don't justify "selling the farm".

...the MB deal

- a gift of up to 30,000 hectares of public lands (which would become private MB lands) plus regulations lifted on another 90,000 hectares of MB lands.

The B.C. government has contracted the services of a Victoria Lawyer, David Perry, to gage public opinion on these two options and report back to government before the June 30 deadline. Perry admits he has no specific terms of reference for his job. He does not plan to hold public meetings in Vancouver or Victoria. He only plans to meet privately with some First Nation leaders, some environmentalists and hold hearings in some of the

government from giving MB title to as much as 30,000 hectares of public lands and de-regulating a further 90,000 hectares—a deal worth hundreds of millions of dollars to MB!

What's really driving this bad-for-B.C. deal? \$83.75 million works out to about \$20 for every citizen of B.C. That's just one-third the money wasted on *FastCat* ferry cost over-runs and less than one-quarter of the cost of bailing out Skeena Cellulose, an antiquated pulp mill that still loses money. The government's worried that,

MB's President, Tom Stephens said, perhaps long to check, that his company would prefer cash so they could invest it where it would make the most profit (including outside B.C.) **Let's just give him the cash!**

Paying cash is better than giving away our kids' rightful inheritance. Keeping our public lands out of corporate hands keeps open the options for future generations and for communities to hopefully, eventually truly manage our public lands for their full range of values and keep the wealth and jobs generated by our forests at home.

We must **ACT NOW** to save our publicly owned forests for our children's children!

Write, phone or fax the Premier of B.C. and explain how strongly you feel about giving away public forest lands to timber corporations as "compensation deals" for new parks.

Explain how important you think it is to have a stronger Forest Practices Code that protects fish, wildlife and water quality on both public and privately owned forest lands.

Address: Premier, Legislature Buildings Victoria, BC V8V 1X4.
Fax: 250-387-0087 Tel: 250-387-1715

Contact David Perry, the lawyer the B.C. government has hired to coordinate public input the MB land vs. cash compensation deal at 250-380-1566. He can tell you where meetings will be held and how you can meaningfully comment.

CREDITS

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Answer: Top quote: Gordon Wilson in B.C. Legislature, June 8, 1993, *Hansard*. Bottom quote: Garry Worth, Pulp, Paper and Woodworkers of Canada, March 31, 1999 press release.

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HANDS OFF
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LANDS**

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