Who are the Truck Loggers?

- 525 community-based businesses reliant on the forest industry
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What does the Truck Loggers Do?

- We represent the independent coastal forest harvesting sector where they cannot

Coastal British Columbia vs New Zealand

Very much the same – but very much different

TLA - Representing the independent coastal forest harvesting sector
TLA - Representing the independent coastal forest harvesting sector

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Key to issue today

- Lack of profitability in the industry
- Many causes
- “The Perfect Storm”

“The Perfect Storm”

- Loss of market share
- Rising Canadian dollar
- Competition from lower cost producers such as Europe and Russia.

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“The Perfect Storm”

- The continued decline of the coastal AAC
- Ongoing environmental pressures
- Interior Pine Beetle epidemic

TLA - Representing the independent coastal forest harvesting sector

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“The Perfect Storm”

- Uncertainty around First Nations
- Lack of government understanding
- Labour unrest – brief strike 2004
- Significant decline in safety record

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As a result – by 2005

- Lack of profitability in entire coastal forest sector
- Lack of new investment in manufacturing
- Mill closures across coast – loss of markets
- Loss of jobs
- Significant rise in log exports

The Clear Need for Change

- 2003
  The Forest Revitalization Act

- 2004
  New Coast Master Agreement
  BC Forest Safety Council
Forest Revitalization Plan

- Tenure restructure
- New stumpage system
- “Fair market rates”

Tenure restructure

- Loss of stable contracting jobs
  - Bidding for timber
  - Significant layoffs – older workforce
  - No new entrants – labour shortage
- Significant tenure provided to smaller organizations
  - Communities
  - First Nations
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New Stumpage System

- 20% of harvest
  - Bid on standing timber
  - Very competitive
  - “Spiral to the bottom”

- New organization – BC Timber Sales
  - Conflicting mandate
  - Opportunities may be limited

Fair Market Rates

- New rate dispute mechanism for replaceable contracts
  - No consideration for profitability
  - What constitutes “fair” or “market” given variability of logging chance
  - Risk of manipulation by majors
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Other Initiatives / Results

➢ New Coast Master Agreement
  ➢ Significant change to shifting
  ➢ Increased contracting out
  ➢ Reduced payments for travel time

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Other Initiatives / Results

➢ BC Forest Safety Council
  ➢ Industry led
  ➢ Support for contractors with safety programs
  ➢ Concerned about cost of programs being shared
Other Initiatives / Results

- Industry Consolidation
  - Less buyers for logs
  - Less opportunity to sell logging services

Looking Forward

- Continue lobby for fair treatment of contractors
- Support for education on resources
- Lead effort to make logging a “profession”
- More community control of logging and forest management
Thank you