

Nicola Valley Logging Contractors

Merritt, BC

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Minister Bruce Ralston, Minister of Forests

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We as a group of Nicola Valley Logging Contractors, community members, and business representatives met on May 31, 2023 to discuss many forest industry related issues. The majority of Logging Contractors have not worked since February 2023 with no foreseen work in the near future. This affects employees, local businesses & the basic way of life for many, as well as providing regular revenue to the Province of B.C and the First Nations Communities.

The group met to try to understand the timber permitting process and the barriers in the approval process. There have been very few permits issued in the Merritt Timber Supply Area in the last 6 months, which is causing great concern from a financial standpoint and the mental health of the employees affected. An estimated \$100,000,000 in logging machinery is sitting idle and therefore, approximately 350 direct employees are not receiving paycheques. These are taxpaying citizens that are considering moving out of the province to keep their livelihood. As a group of concerned forest workers and citizens, we would like to have a timeline on permits that are going to be issued for local employment. We understand that the Forest District is issuing permits after technical information and legal regulatory requirements have been met and submitted. Part of this documentation is the required consultation with local First Nations to ensure the decisions are not unjustifiably infringing on Indigenous rights. Our group understands the major bottleneck is in getting the required referrals approved by First Nations. Are these consultations between First Nations, Licensees and Government held at regular intervals? What can our group do to support the consultation process and how can it be monitored so things happen in a timely manner?

Another key issue is the high stumpage rates in the Province of B.C. High stumpage rates and low lumber markets have created a perfect storm, which has handcuffed licensees from moving forward with their business as usual. Our neighbor in Alberta is averaging at \$4.00/meter stumpage rate, compared to British Columbia's average of \$65.00/meter. How are we to compete with that? Our fixed costs of logging are the same, if not more. As a concerned community, we need an alternate solution in short order, or all forest industry-based communities in the Province of B.C. and specifically the City of Merritt and the Nicola Valley will starve and die quickly!!! Rural B.C. will become ghost towns and this will ultimately affect urban areas of our Province since revenues from stumpage and industry related taxes will not be part of the Provincial budget, causing the government to cut services to both rural and

