

**Subject:** [Fwd: Fw: Notice of Motion - Softwood Lumber - Report Councillor Crist.]

**Date:** Wed, 27 Mar 2002 16:15:07 -0800

**From:** Brian Platts <brian\_platts@telus.net>

**To:** Corrie Kost <kost@triumf.ca>

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**Subject:** Fw: Notice of Motion - Softwood Lumber - Report Councillor Crist.

**Date:** Wed, 27 Mar 2002 11:30:50 -0800

**From:** "Anita Montgomery" <anitamontgomery@hotmail.com>

**To:** <pat.munroe@shaw.ca>

**CC:** <Valdes@dnv.org>, <managecomm@district.north-van.bc.ca>, <Council@district.north-van.bc.ca>, <fonvca@fonvca.org>, <CristE@dnv.org>, "David Ostrem" <david.ostrem@attglobal.net>, "Don McGregor" <don.mcgregor@attglobal.net>, "Eric Boycott" <eric.boycott@attglobal.net>, <ted.ishida@shaw.ca>, "Yuichirou Shinohara" <yuichirou\_s@hotmail.com>

----- Original Message -----

From: Anita Montgomery <anitamontgomery@hotmail.com>

To: Eric Andersen <eric@seatrade.ca>

Sent: Wednesday, March 27, 2002 11:13 AM

Subject: Re: Notice of Motion - Softwood Lumber - Report Councillor Crist.

> Mar 25

>

> Dear Pat

>

> I saw your comments about the lumber dispute and I think this issue is more

> complex than it appears on the surface.

>

> Just to let you know that our company Vanport Canada and another Cowichan  
> lumber (we are in the district they're in the city) manufacture lumber  
with

> logs that are purchased 100% from the open market similar to the system in  
> the U.S. and we are still subject to this duty.

>

> Also, let's not forget the last time this issue was taken to the WTO,  
Canada

> won it's case against the allegations of unfair subsidies. Our logging and  
> stumpage system has not changed from the last ruling of the WTO, so what  
> does that tell you.

>

> The bottom line is that this Trade Protectionism pure and simple and the  
> cost will be borne by the Canadian industry and the US consumer.

>

> regards

>

> Anita Montgomery

>

> ----- Original Message -----

> From: Eric Andersen <eric@seatrade.ca>

> To: Anita Louise Montgomery <anitamontgomery@hotmail.com>

> *Sent: Wednesday, March 27, 2002 9:06 AM*  
> *Subject: Fw: Notice of Motion - Softwood Lumber - Report Councillor Crist.*

>  
>  
> > *For what it's worth*

> >  
> > ----- Original Message -----  
> > *From: "Ernie Crist" <CristE@dnv.org>*  
> > *To: "FONVCA (E-mail)" <fonvca@fonvca.org>*  
> > *Cc: "Mayor and Council - DNV" <Council@district.north-van.bc.ca>;*  
> *"Directors*  
> > *Team" <managecomm@district.north-van.bc.ca>*  
> > *Sent: Tuesday, March 26, 2002 10:44 PM*  
> > *Subject: FW: Notice of Motion - Softwood Lumber - Report Councillor*  
*Crist.*

> >  
> >  
> > > *A MESSAGE FROM ERNIE CRIST:*

> > >  
> > > *I received a request from a District resident to bring the Softwood*  
> *Lumber*  
> > > *issue to Council's attention. The request was coupled with an appeal*  
*to*  
> > > *support the concerns of all those affected by this controversial*  
*issue.*

> > *This*  
> > > *includes residents and businesses in our community.*

> > >  
> > > *Subsequently, I drew up and submitted a resolution for Council's*  
> > > *consideration to be dealt with during last night's Council meeting.*

> > >  
> > > *As there was no seconder to add the motion to the agenda last Monday,*  
*it*  
> > > *will come before Council on April 2. If the motion is seconded I will*  
*be*

> > > *able to introduce and explain it including why this controversial*  
*issue*  
> > *is*  
> > > *of local concern. It will be an opportunity to also dispel some of the*  
> > > *notions about the role of local government where today to " think*  
> *globally*  
> > > *and act locally" is widely accepted as a prerequisite in providing*  
> > *effective*  
> > > *leadership.*

> > >  
> > > *This means that to lead in a world where the center of gravity has*  
> *shifted*  
> > > *from senior levels of government to civic government, it is crucial to*  
> > *also*  
> > > *debate such issues at the civic level. Every challenge from crime to*  
> > *culture*  
> > > *and from employment to housing, and from environment to transportation*  
> > > *occurs in the streets, homes and workplaces of our cities. Gone are*

the

> > *days*

> > *where 90 % of Canada's population was living in rural enclaves with*

> *only*

> > *10% living in cities.*

> > >

> > *Today it is the cities with their huge population concentrations where*

> *all*

> > *the staggering problems of a modern society have to be addressed.*

Indeed

> > *this message is constantly driven home to the delegates attending*

> *Federation*

> > *of Canadian Municipalities (FCM) and or (UBCM) Union of British*

*Columbia*

> > *Municipalities Conventions also attended by members of both Federal*

*and*

> > *Provincial governments. In summary this issue is of importance first*

*and*

> > *foremost to the local communities in this province where the effects*

*of*

> > *the*

> > *global economy are felt directly and instantly.*

> > >

> > *Ernie Crist*

> > >

> > >

> > >

> > *-----Original Message-----*

> > *From: Pat Munroe [<mailto:pat.munroe@shaw.ca>]*

> > *Sent: Monday, March 25, 2002 6:04 PM*

> > *To: Ernie Crist*

> > *Subject: Re: Notice of Motion - Softwood Lumber - Report Councillor*

> > *Crist.*

> > >

> > >

> > *Ernie,*

> > >

> > *The issue of pricing for softwood lumber should be clarified. The USA*

> > *softwood industry is saying that the Canadian producers are getting an*

> > *unfair price advantage by having their prices reduced by a government*

> > *subsidy.*

> > >

> > *This price subsidy, which the USA industry alleges, makes the price of*

> *the*

> > *Canadian product unfairly low and contrary to the agreement between*

*the*

> > *two*

> > *countries.*

> > >

> > *The reason that there is the allegation of a government subsidy is*

*that*

> > *the*

> > *system of ownership of trees for logging in BC & Canada differs from*

> *that*  
> > *in*  
> > > *the USA.*  
> > >  
> > > *In the USA the logging rights are private and are sold on the open*  
> *market,*  
> > > *whereas, in BC & some parts of Canada the trees are on government*  
*owned*  
> > > *lands and the rights are granted by the government to logging*  
*companies.*  
> > > *These rights are held through a tenure system which is part of our*  
> > *colonial*  
> > > *heritage.*  
> > >  
> > > *The system in the USA means that all companies can bid on the logging*  
> > > *rights. In Canada there is not the same competitive approach and the*  
> *price*  
> > > *paid to the government for the logging rights is up to +/-30% lower*  
*than*  
> > *in*  
> > > *the USA.*  
> > >  
> > > *It is because of this that the USA wants a +/- 30% tariff on imported*  
> > > *Canadian softwood. That is, to put it on a level price playing field.*  
> > >  
> > > *The tariff monies are then paid to the USA logging companies.*  
> > >  
> > > *In this way, international companies like Weyerhaeuser can collect*  
*money*  
> > *in*  
> > > *the USA for softwood which they and other companies operating in*  
*Canada*  
> > *are*  
> > > *charged in tariffs. So they do not really lose. In fact they can have*  
*a*  
> > > *gain.*  
> > >  
> > > *Their gain can come because smaller non-international Canadian logging*  
> > > *companies exporting to the USA cannot compete. With the +/-30% added*  
*to*  
> > > *their export price they are unlikely to have buyers in the USA and*  
> > > *therefore, must lower their prices. Since their costs won't allow it*  
> *they*  
> > > *are*  
> > > *threatened with going out of business.*  
> > >  
> > > *Companies like Weyerhaeuser can then buy them out at distress prices.*  
> > >  
> > > *The problem is that the Canadian costs apparently are too high. That*  
*is*  
> > *to*  
> > > *say, they can only be competitive if there is no tariff. The tariff*  
> *would*

> > > *not be there if the logging companies paid a higher price to the*  
> > *government*  
> > > *for the logging rights.*  
> > >  
> > > *Why are our costs so much higher than the USA? That is what we should*  
*be*  
> > > *looking at.*  
> > >  
> > > *But, more importantly, why are our governments not collecting more*  
*from*  
> > *the*  
> > > *logging companies for the logging rights.*  
> > >  
> > > *If the cost of logging rights in BC were higher, the revenues would be*  
> > *here*  
> > > *to give support to health care and other essential services.*  
> > >  
> > > *The difference in what we are getting through the government*  
> > > *royalties/stumpage fees and what we need to get for a level playing*  
> *field,*  
> > > *is being charged as a tariff and going to the USA and Canadian/USA*  
> *logging*  
> > > *companies.*  
> > >  
> > >  
> > > *If all this is so, our governments should be collecting increasing*  
> > > *royalties/stumpage fees in the same amount as the tariffs?*  
> > >  
> > > *By doing this there would not be any tariff, the companies would have*  
*to*  
> > > *operate in a more cost-effective manner, and the additional monies*  
*paid*  
> *to*  
> > > *our government could be used for our much depleted health and social*  
> > > *programs.*  
> > >  
> > > *Pat.*  
> > >  
> > > ----- Original Message -----  
> > > *From: "Ernie Crist" <CristE@dnv.org>*  
> > > *To: "Nathalie Valdes" <Valdes@dnv.org>*  
> > > *Cc: "Mayor and Council - DNV" <Council@district.north-van.bc.ca>;*  
> > *"Directors*  
> > > *Team" <managecomm@district.north-van.bc.ca>*  
> > > *Sent: Monday, March 25, 2002 12:04 AM*  
> > > *Subject: Notice of Motion - Softwood Lumber - Report Councillor Crist.*  
> > >  
> > >  
> > > > *Notice of Motion*  
> > > >  
> > > > *Recommendations:*  
> > > >  
> > > > *That in response to a request by a District Citizen, the Council*

of

> > *the*

> > > *District of North Vancouver make a strong statement in connection*

> *with*

> > > *the*

> > > *Softwood Lumber issue which should include the following*

> > > >

> > > > *1) a strong statement of support for the Canadian negotiating team,*

> > *our*

> > > > *industry and the affected citizens and their communities with*

*copies*

> *to*

> > > *go*

> > > > *to the Federal Government, and the Provincial government*

> > > >

> > > > *2) An appeal to all BC Municipalities to support this initiative by*

> *the*

> > > > *District of North Vancouver as spelled out in 1 mentioned above*

*with*

> > > *copies*

> > > > *to be sent to the Governor of the state of Washington and Oregon*

> > *including*

> > > *a*

> > > > *statement that the recent US decision re the Softwood Lumber issue*

*is*

> > *of*

> > > > *great concern to all British Columbians and has a direct economic*

> *impact*

> > > *on*

> > > > *their BC municipalities and may have long term damaging effects on*

*the*

> > > *well*

> > > > *being of all concerned including US communities benefiting from the*

> > *export*

> > > > *of American products to British Columbia.*

> > > >

> > > > *Rationale*

> > > >

> > > > *In a recent letter a District resident appealed to the Council of*

*the*

> > > > *District of North Vancouver to show support for the Canadian*

> > *negotiating*

> > > > *team, our industry and the affected citizens and their communities*

*in*

> > > > *British Columbia.*

> > > >

> > > > *Mr. Wayne Hunter of 3658 Garibaldi Drive North Vancouver has*

> *suggested*

> > > > *that, in his opinion, the steps taken by the US authorities are not*

> > > > *justified, that they are counterproductive, that they will create*

> > > *hardships*

> > > > *not only amongst Canadian but also; affected American citizens and*

> *their*

> > > > *communities.*

> > > >

> > > > *Mr. Hunter in his letter has pointed out that, this is a question  
> that*

> > > > *affects each and every community and is first and foremost a  
question*

> > *of*

> > > > *principle which should be fought for.*

> > > >

> > > > *cc North Vancouver Chamber of Commerce*

> > > >

> > >

> >

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> >

>