

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

**Date:** Mon, 1 Apr 2002 21:19:45 -0800

**From:** Ernie Crist <CristE@dnv.org>

**To:** "FONVCA (E-mail)" <fonvca@fonvca.org>,  
Mayor and Council - DNV <Council@district.north-van.bc.ca>

**CC:** Directors Team <managecomm@district.north-van.bc.ca>

Crist.

Hi Darryl:

Thank you for sending me the response of your friend re this matter. WE already know about the lies and we certainly know about the corruption that goes back to the days when the Empire Loyalists moved to Canada from the US and were given special privileges and when huge tracts of land were handed over to the Hudson's Bay and the CPR to mention but two examples. And speaking about corruption, why do you think our Senate is appointed rather than elected. So what else is new. It is all part of the same corrupt system that needs to be overhauled.

On the Lumber issue the question is whether we at the municipal level can exert some pressure to do something through the UBCM (Union of British Columbia Municipalities) Convention to help the suffering communities, including the workers and their families, and help get this issue resolved. Your friend seems to think that it is all a waste of time. Maybe so, but to do nothing will maintain the status quo for sure. It is the same thing as not voting on election day because "Bell's boobs" are all the same. The point is that we have the power to change it. There is no law which says that we have to elect "boobs".

There is one aspect that has already been brought out in this debate and that is that unlike in the US where the lands are privately owned and logging rights sold to the highest bidder, in BC timber rights are going to the big monopolies at a 30 % discount.

I hate to admit it but the US has a point when they say that this is a form of subsidy. Hopefully this whole debate will raise the level of understanding which is always the first step to making changes and moving forwards.

Ernie

> *Darryl,*

> *Both sides have told so many lies about this subject over the*  
> *years that the truth is shrouded - coloured by each groups' self interest.*  
> *Certainly a part of the problem is that some of the Cdn companies have*  
> *failed to modernize. If you listen to big labor then the only thing that*  
> *matters is creating jobs, no matter what the cost. Logic (ie - past*  
> *experience) tells me that:*

- > 1) Unions will distort the issues in their own self
- > interest.
- > 2) Governments are almost always extremely
- > inefficient at running things. If it's public
- > lavatories they usually have twice as much
- > staff as they need - you can only pee between
- > 9am and 4pm - there are all kinds of other rules
- > that call for a beaurocracy to administer them.
- > Forests are run in approximately the same way.
- > If I have any inclination it's something like the
- > one expressed by Timberwests' boss in todays'
- > Vancouver Sun Financial section. Ernie Crist -
- > and for that matter Bells boobs can't do much
- > more than make ineffective noise!

> >

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

> > > From: Ernie Crist [SMTP:CristE@dnv.org]

> > > Sent: Tuesday, March 26, 2002 10:44 PM

> > > To: FONVCA (E-mail)

> > > Cc: Mayor and Council - DNV; Directors Team

> > > 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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 <a href="#">Part 1.2</a>	<b>Type:</b> application/ms-tnef <b>Encoding:</b> base64
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