

**Letter to local MPs regarding assistance for forestry workers
and residents of forestry-based communities**

June 12, 2008

Dear Sir:

As you are well aware, workers in the forest industry in British Columbia and other provinces, have been tending, harvesting, transporting and processing our rich forest resource for over a hundred years, and in the process have added tremendous amounts of value to the products, as well as wealth to corporate and government coffers.

The Canadian forest industry is an important bulwark of the country's economy, employing hundreds of thousands of people either directly or indirectly. Indeed, forestry-based towns like Mackenzie and Fort St. James in BC have been economic powerhouses, contributing huge revenues to provincial and federal governments through stumpage, taxes, royalties, and fees of various kinds.

However, as you are also well aware, the forest industry in British Columbia and across the country has been hit by an unprecedented wave of mill closures and layoffs that is causing severe hardship for workers and threatens the very survival of a number of communities. Compounding this problem in the Interior and North of British Columbia is the widespread devastation of our pine forests by the mountain pine beetle in what is being termed as the greatest natural disaster of its kind in North American history.

These mill closures and layoffs are of such magnitude that, because of crippling levels of unemployment, depopulation, loss of tax base, and subsequent cuts to infrastructure, the future of communities like Mackenzie and Fort St. James is in jeopardy, while many other communities, both native and non-native, have been severely wounded. With the latest mill closure, the actual unemployment rate in a community such as Mackenzie is estimated by some to be as high as 90% of the forestry workforce.

As a result of this severe downturn, many workers have already been forced to leave their towns and seek employment elsewhere, which constitutes an incalculable loss to the communities, industry and region. Many are concerned that when the forest industry bounces back, there could be a serious skills shortage as experienced workers have left the region or have taken up employment in some other industry.

Forestry workers and forestry-based communities in BC and across Canada are facing what can only be described as a crisis of epic proportions. The depth of their concern was illustrated in the recent May 23rd rally in Mackenzie in which over 1000 people participated, almost a quarter of the entire population of the town. A key issue for these community members was ensuring workforce and community stability in the midst of this crisis.

An important part of this stabilization is the Employment Insurance benefits (EI) that workers receive through the federal government. To that end, the rally unanimously passed 11 resolutions, one of which calls upon the Federal Government to “extend employment insurance benefits for laid off workers for two more years beyond the present termination date or until the forest industry recovers.”

Over the last few decades, the EI fund, to which both workers and employers contribute, has mushroomed to a staggering \$54 billion. However, under current Federal Government policy, the EI benefits available to forestry workers do not adequately address the unique and unprecedented situation these workers face, especially in regards to eligibility requirements and length of benefits.

Historically, in terms of EI benefits, the federal government has given some latitude, regarding eligibility requirements and extension of benefits, to workers in particular industries and regions that have faced especially severe employment conditions. The Maritimes fishery is an example of such an industry that has received latitude in the past, as have particular regions in the provinces of Newfoundland, New Brunswick, and Quebec.

Given the crisis situation that exists for forest industry workers and forestry-based communities, and the fact that an economic turnaround is not expected for at least two more years, we would ask that the Federal Government consider the following proposals:

1. Designate the forest industry as an industry in crisis and extend benefits to forestry workers in all communities for up to two years beyond the present termination date or until the forest industry recovers.
2. Create a special designation for all workers who live in communities, like Mackenzie and Fort St. James, that have suffered catastrophic job loss, and extend benefits for up to two years beyond the present termination date. This extension would apply not just to forestry workers but also to all workers in these hard hit communities, as there is a significant “ripple effect” that is impacting workers in sectors other than forestry.
3. Shorten the EI eligibility time to 9 weeks for all forestry workers in every community, as well as for non-forestry workers in those communities that have been designated as suffering from catastrophic job loss.
4. Provide emergency EI benefits for self-employed individuals and forestry contractors for up to two years or until the forest industry recovers. In addition, rollback provincial and federal taxes for small businesses (both forestry and non-forestry) in those towns that have suffered catastrophic job loss, like Mackenzie and Fort St. James, and waive any penalties and interest for late payment of business taxes.
5. Increase funding for training and retraining workers, employees, contractors and others who have been displaced by the severe downturn in the forest industry, to

levels whereby these individuals can maintain an adequate standard of living, as well as pay for tuition and other expenses.

6. Restore the Northern Living Allowance to residents of Mackenzie to the full amount it was in years past (rather than the partial amount currently provided). For residents of Fort St. James and other hard hit communities that do not presently receive any kind of Northern Living Allowance, establish the Allowance at the full amount.
7. Forestry workers and their families should not be evicted from their homes. Government to provide low interest loans to those forestry workers who are unable to keep up with their mortgage payments because of job loss.

We would also like to request a meeting with you in the next few days to discuss these proposals that we believe are critical to alleviate the extreme hardship being experienced by forestry workers and their communities. We are also sending this same letter to other members of Parliament in this region.

Thank you for your time and consideration.

Sincerely,

Mackenzie Committee of Concerned Citizens
Fort St. James Committee of Concerned Citizens
Stand Up For the North Committee

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