



**VOTE**

# Provincial Election 2007



## Forestry Job Loss

The forest industry is the bedrock of the northern economy. It has annual sales of \$19 billion, and employs 85,000 people. It contributes hundreds of millions of dollars in taxes to federal, provincial and municipal governments to help pay for key priorities like health care, education, and economic development.

But the forest industry is in crisis. Northern forestry communities have lost 32,000 direct and indirect jobs since the McGuinty Liberals took over government in 2003.

The future of Northern Ontario jobs and communities is threatened by the high cost of power. The Liberals have increased hydro rates so much that Northern Ontario paper mills and sawmills now pay more than \$80/megawatt for electricity that costs \$10/megawatt to produce at nearby hydro dams. Paper mills are re-locating overseas and in other provinces like Quebec, Manitoba and BC, where they pay only \$30-\$40/megawatt for hydro.

Paper mills and sawmills need rates that allow them to compete and sustain jobs. The provincial government must implement changes to deal with these costs, which have been identified as central to the job loss across the industry. The implementation of a regional authority to utilize the capacity to produce power at a competitive price and ensure supply is affordable is critical to any job building or retention strategy.

The provincial government must also create a regionally-based timber allocation system. First Nations, northern chambers of commerce, unions and forest-based community groups all have a stake in the future of the forestry sector. Regional timber boards run by representatives of all these groups, along with government, would put the concerns of the community as a whole back into forest planning.

Crown timber in each region should be set aside to meet locally-set objectives, industrial diversification, value-added production and workforce training. Wood harvesting rights of companies should be tied to job creation in the north to create wealth for northern communities. Wood Harvesting Rights, which are allocated to companies by the Ontario Ministry of Natural Resources, should be removed from corporations which do not use the fibre

to create jobs and wealth in Ontario under provisions of the Sustainable Forestry Licences.

There also needs to be an effective review process for all mills marked for shutdown. Companies should discuss alternatives to shutdowns with community leaders, workers and local governments, including a realistic offer for sale. The appointment of a jobs commissioner with a mandate to explore all possible alternatives and ensure that all possible options are investigated is critical. Even when no alternatives to closure can be found, companies must provide reasonable and fair transition measure.

**Ask your Local Candidates:**

Do you support a government strategy to reduce energy costs for mills?

Do you support the creation of a regionally-based timber allocation system in Ontario?

Do you support tying wood harvesting rights of companies to job creation in the north?

Do you support the appointment of a jobs commissioner with a mandate to explore all possible alternatives when mills are slated for closure?