



September 30, 2008

Hon. Shawn Graham, Premier
Province of New Brunswick
PO Box 6000
Fredericton NB E3B 5H1

Hon. Donald Arseneault
Minister of Natural Resources
1350 Regent St, 3rd Floor
Fredericton NB E3C 2G6

Dear Premier Graham & Minister Arseneault:

I am writing on behalf of the Board of Directors of the Saint John Board of Trade to strongly urge your government to support the Report of the Task Force on Investment Opportunities in the New Brunswick Forest Sector, entitled: *Future Opportunities for the Forest Products Industry in New Brunswick*, more specifically its objective of growing the wood supply as the key to improved competitiveness and profitability (p.33). By setting clear timber objectives and increased tree growth on Crown Land, we believe that the province will support the continued investment and modernization of the forest products industry in this Province and sustain jobs and prosperity in our community.

The impact of the forest products industry on the development of the economy, culture and society of New Brunswick cannot be understated. From the mills in the North of the Province to those on the mouth of the Saint John River, the forest products industry spans and affects the entire Province. New Brunswick's wealth of experience and national leading forestry practices make this sector a priority where we have momentum and depth; invest now and secure the future.

A vibrant forest products industry is crucial to the economic, social and environmental wellness of the Greater Saint John region, and the Province. The forest products industry in New Brunswick employs over 16,000 people (with a gross payroll in excess of \$100 million), more than 1,400 of these people are employed in the City of Saint John. Thousands of jobs, directly through production facilities and indirectly through private woodlots, suppliers, shipping and transportation industry, university, community college, and numerous local businesses are dependent upon the health of the industry. In addition, over eight million dollars in property and water and sewage taxes are generated annually direct from the industry.

It is crucial to the Greater Saint John business community that the forest products industry continues to be financially healthy and competitive. The ability for the industry to continue financing its investments is directly contingent upon its ability to locate a reliable supply of raw material. Continued reinvestment and sustained employment and economic impact cannot continue without a secure and growing wood supply.

The provincial government has the opportunity to make the forest industry a key driver of the self sufficiency agenda. Already representing over 9% of the provincial Gross Domestic Product as the industry experiences a severe downturn, our forest product industry stands to exceed the previous peak of \$4.2 billion achieved in 2004 to a projected \$4.7 billion by 2015 if the right elements are aligned. From a single initiative, the province of New Brunswick could set in motion a job creation and a wealth creation engine that would compete with the best forestry jurisdiction in North America.

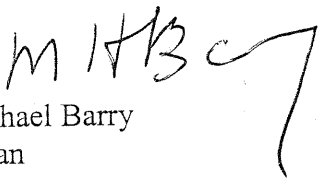
For Saint John specifically, the mills and head office located in our community generate almost 1300 direct jobs, almost \$115 million per year in local wages and benefits as well as over \$145 million in purchases from local New Brunswick businesses. These enterprises also deliver \$8 million in property taxes per year to support the services that ensure the quality of life we enjoy in our City.

As outlined in Greater Saint John's Community Economic Growth Strategy, existing businesses will account for as much as 90% of economic growth in the community. As the forest industry is such a large portion of the Saint John economy, it is imperative to our community's growth that we maintain the critical mass of these professional and skilled workers.

The Saint John Board of Trade is dedicated to fostering an economic climate that enhances growth, prosperity, and an improved quality of life in the community. With more than 1,000 members, representing 600 small, medium, and large businesses and organization and therefore, the interests of more than 30,000 citizens, the Board is a dynamic advocate and the principal voice for the business community of Greater Saint John. It offers a variety of programs, activities, services, and networking opportunities designed to enhance the business prospects of members and the overall business climate of the area.

The Board of Trade supports the growing of more wood on crown land, setting of specific timber objectives on Crown Land, provided that these activities are performed in an environmentally responsible way based on good science.

Yours truly,



Dr. Michael Barry
Chairman

Cc Mayor & Councillors, City of Saint John
Honourable Mary Schryer, Minister for Seniors, MLA Quispamsis
Honourable Jack Keir, Minister of Energy, MLA Grand Bay-Westfield
Honourable Stuart Jamieson, Minister of Tourism, MLA Saint John Fundy
Honourable Ed Doherty, Minister Post Secondary, Labour and Training, MLA SJ Harbour
Abel LeBlanc, MLA Saint John Lancaster
Margaret Ann Blaney, MLA, Rothesay
Trevor Holder, MLA, Saint John Portland
Bev Harrison, MLA Hampton-Kings
Roly MacIntyre, MLA Saint John East
Jim Balcomb, President, River Valley Chamber of Commerce
Rick Demone, President, Kennebecasis Valley Chamber of Commerce