



13 January 2012

Honourable Bruce Northrup
Minister of Natural Resources
c/o Department of Natural Resources
Communications Branch
1350 Regent Street
Fredericton, NB
E3C 2G6

Dear Minister Northrup,

On behalf of the members of the Saint John Board of Trade we respectfully submit this letter outlining our view and recommendations regarding the recently released (October 13, 2011) *REPORT BY THE NEW BRUNSWICK CROWN LANDS TASK FORCE*. Over the past few years, the Saint John Board of Trade has made several submissions to the provincial government regarding the economic impact of forestry in our Province. We agree with the Task Force's belief that "the forest industry is very important to the New Brunswick economy today and in the future".

Our community clearly understands the importance of a vibrant and growing forest sector. Saint John is the hub for forest products manufacturing in New Brunswick providing significant employment and economic activity in our area. Consumer spending alone is estimated above \$115 million/year which significantly benefits many local retailers and service providers. Additionally, the sector anchors a diverse cluster of hundreds of small and medium enterprises as well as research endeavors and post-secondary institutions in Saint John and across the Province. Forest products in New Brunswick are also one of the largest ITC employers and have been internationally recognized for sophisticated forecasting models, GIS and GPS applications. Many are members of the Saint John Board of Trade.

The forest sector is a capital intensive business and demands continued investment in people and technology to keep pace with global competitive realities as well as new and emerging product development. Saint John is fortunate to have investors in forest products manufacturing that are achieving world class productivity, a 50% reduction in carbon footprint as well as mill investments in new technology.

We understand that sustainable timber supply is the crucial ingredient and that Crown Land is the vital foundation sustaining these jobs and economic activity. We appreciate the effort the Province has made to better understand the importance of a secure Crown wood supply for jobs as well as the revenue generating opportunity from this renewable public asset.

The revenue generated is greater than just the Crown royalty per tree. As the Report notes that each cubic metre of wood harvested from Crown land is worth \$49.56 to governments when tax revenues from employees in the sector are added.

The Saint John Board of Trade supports a competitive and growing forest sector and the hundreds of New Brunswick businesses and institutions that depend on it.

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To this end we support the following highlighted in the report:

- Establish an economic goal; of achieving \$4 billion in forest products shipments from New Brunswick operations.
- Expand the Protected Natural Areas land base to 12%, completely within the defined Conservation Forest zone.
- Clearly establish, for the foreseeable future, the area of Crown forest to be Protected Natural Areas, and Conservation Forest Zone.
- Establish a Special Operating Agency to oversee Crown land forest management with fibre production as its primary objective; and clear performance measures, responsibility, accountability, transparency and independence.

The Forest Products industry in Saint John alone, accounts for \$100 million in payroll through direct jobs. The amount of people employed, both directly and indirectly, totals 2800. The wages of those employed in Saint John by a major forest products company are 113% higher than the New Brunswick average wage. The province receives three times the average provincial tax from these higher wages which support our provincially funded institutions.

The Saint John Board of Trade is a nationally accredited business organization 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 organizations 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. The elected Board of Directors is representative of the diversity of the membership and their concerns.

The Saint John Board of Trade respectfully recommends the Province of New Brunswick move forward in implementing the recommendations from the Report by the New Brunswick Crown Lands Task Force highlighted above, encourage the creation of value added products to sustain economic activity, and require independent third party audits and certification to ensure environmental performance by industry.

Sincerely,


John Warrington
Chairman


Imelda Gilman
President



connected!
member of the canadian chamber of commerce network

CC: Honourable David Alward, Premier of New Brunswick
Honourable Margaret-Ann Blaney, Minister of Environment and MLA Rothesay
Honourable Blaine Higgs, Minister of Finance and MLA Quispamsis
Honourable Trevor Holder, Minister of Tourism and Parks and MLA Saint John Portland
Mr. Bev Harrison, MLA Hampton-Kings
Mr. Carl Killen, MLA Saint John Harbour
Dr. Jim Parrott, MLA Fundy-River Valley
Mr. Glen Savoie, MLA Saint John-Fundy
Ms. Dorothy Shephard, MLA Saint John Lancaster
Mr. Glen Tait, MLA Saint John East