

Forestry agreement delayed

Chris Morris, Telegraph-Journal

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Fredericton - There is a delay in signing the agreement between J. D. Irving, Limited, and the government of New Brunswick under the province's new Crown forestry strategy.

The agreement between JDI and the province, in which significantly more Crown lumber is to be made available in return for major investments by the company, was supposed to come into effect by July 1.

However, the Department of Natural Resources said in an email statement that target date will not be met. It did not spell out the exact nature of the holdup.

"It's not finalized yet, which is not unusual with agreements since they can take longer than anticipated to be finalized sometimes," the department said.

"For now, the work continues on it and we will announce when it's concluded. Also, the detailed block plans won't be done until at least the end of July."

Mary Keith, spokeswoman for JDI, said the target was simply a projection.

"July 1 was the forecasted date issued in March (at the time of the forest policy announcement and related industry capital investments)," she said.

"We are finalizing details now and expect signed agreement shortly."

The forestry agreement between the New Brunswick government and JDI guarantees a 25 per cent increase in softwood allocation for the company's operations.

Natural Resources Minister Paul Robichaud released the memorandum of agreement in the spring, with some of it blacked out, fulfilling a commitment to release agreements negotiated under the plan announced in March to expand industry access to Crown woodlots.

Robichaud has staunchly defended the new strategy, saying it will result in \$600 million in private investment and provide stability for thousands of people who work in the forestry industry.

"After all the studies and consultations over the past 10 years – there have been 12 reports – I believed it was time to act," Robichaud told a luncheon for forestry industry representatives last month.

"We have a responsibility as a government to make decisions for the good of the economy of the province, for the good of a \$1.5-billion industry and for the good of over 22,000 people who are

working in that industry.”

Irving Pulp & Paper already has committed \$450 million for a two-phased modernization of its west Saint John pulp mill in what is believed to be the largest Canadian pulp mill investment in more than 20 years. The company investment – part of a broader \$513-million plan for JDI forestry operations expected to create more than 300 jobs – was announced shortly after the province unveiled its plan to expand cutting on Crown land.

Robichaud was out of the province and unavailable to explain the delay in finalizing the agreement.

The minister and the government have faced intensifying public concern about the new forestry strategy which some foresters have described as unsustainable and which others say was not sufficiently transparent.

Liberal critic Don Arseneault said he would not be surprised if the Tory government, now less than three months from an election, wants to tweak the deal.

“Their polling data is the same as we have so they know people are upset at how secretive they have been on this plan,” Arseneault said in an interview.

“They tried to shove it down peoples’ throats. I think they have no choice but to back down a bit on this and try to find a way to get more buy in.”

A recent survey suggested that most New Brunswickers are opposed to the Crown forest strategy.

A total of 61 per cent of respondents to the poll, commissioned in May by researchers at the faculty of forestry and environmental management at the University of New Brunswick, strongly opposed the decision to increase the amount of wood that can be taken from the public forest by about 20 per cent, or an additional 660,000 cubic metres per year.

Green Party leader David Coon, who is against the new strategy, said the government may be forced to cancel the agreement due to a landmark Supreme Court of Canada decision last week in regards to aboriginal land rights.

“The Tory government would be foolish to proceed to sign a forest management agreement with J.D. Irving given that the Malisset, Mi’kmaq and Passamaquoddy never ceded land in New Brunswick and therefore the implications of the decision are that they still own their ancestral lands,” Coon said.

“Everything has changed in the face of the Supreme Court decision. In fact, I am calling on the government to invoke the Force Majeure from Section 11 of the Memorandum of Agreement ... and cancel this contract.”

The Supreme Court of Canada ruling extended land rights to the Tsilhqot’in people of British

Columbia and put more burden on governments to justify economic development on aboriginal land.

As New Brunswick ponders major projects ranging from shale gas development and oil pipelines to the new forestry plan, David Perley of the University of New Brunswick's Mi'kmaq-Maliseet Institute said the ruling in favour of the British Columbia First Nation should have New Brunswick looking at broader consultation with First Nations communities as a whole.

"It's going to have a major impact," Perley said.