

## Carmanah no winner for MB?

*Report says logging the upper valley would yield only 2.4%*

By Anne Fletcher

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VANCOUVER — A Toronto-based environmental group, arguing that there's no longer any economic benefit to logging in Vancouver Island's Carmanah Valley, is asking the British Columbia government to preserve the entire valley.

Environment Probe, a research organization associated with the Energy Probe Research Foundation, Friday released a detailed technical analysis of timber values in the Carmanah Creek watershed.

The report, using data from MacMillan Bloedel Ltd. and the B.C. forests ministry, concludes the net result for society from logging the upper portion of the valley would be, in fact, a loss of nearly \$300,000.

Last April, the B.C. government set aside just over half the valley — 3,592 hectares — for a provincial park to protect a stand of

giant Sitka spruce, the largest-known trees in Canada.

However, MB, which holds the tree farm licence for the valley, was given permission to log the upper area, subject to stringent harvesting conditions.

The Environment Probe report, by forestry researcher Adam White, puts the economic costs of harvesting the upper valley — including log-barging costs to Howe Sound and profit allowances for sub-contractors — at \$49,002 per hectare. The gross timber values are estimated at \$48,644, leading to an overall loss of \$108 per hectare or a total of \$297,212 if the area were logged.

With the most valuable timber now contained in the park, the report says, MB would end up harvesting the rest of the trees over a normal 70-year cycle with only a 2.4% return on investment, given a current value of profit of \$823,000.

The current value of the revenues the government could expect from the area is \$1.77 million or \$92,000 a year over the harvesting cycle. The report, challenging the B.C. government's position that it is giving up harvesting revenues of \$600,000 annually from the park area, says that forgone revenue is only \$162,000 a year or \$3.14 million in total.

The report acknowledges the difficulty of measuring intangible non-timber benefits, but concludes that if the benefit from harvesting is relatively low, then non-timber values are likely to be higher than timber values.

"The provincial government has already implicitly conceded to the higher non-timber benefits in the lower half of the valley by committing it to a park," the report says. "Given the relatively low value of the timber in the upper half, the decision to log there cannot properly be justified on an economic basis."