

July 31, 2019

VIA EMAIL

The Honourable Amarjeet Sohi
Minister of Natural Resources
Amarjeet.Sohi@parl.gc.ca

The Honourable Chrystia Freeland
Minister of Foreign Affairs
Chrystia.Freeland@parl.gc.ca

The Honourable Patricia A. Hajdu
Minister of Employment, Workforce Development and Labour
Patty.Hajdu@parl.gc.ca

With copy to:

Jeffrey Biggs, Director, Natural Resources Canada
jeffrey.biggs@canada.ca

RE: Federal Assistance for Forestry-dependent Communities

Dear Ministers Sohi, Freeland, and Hajdu,

British Columbia's forest industry has long been foundational to the provincial economy and one of the largest employers in the province, supporting 140,000 jobs – or 1 in 17 jobs in the province. One out of every four manufacturing jobs in B.C. is in forestry, providing family-supporting jobs and driving the economy in 140 forestry-dependent communities across the province.

Today, the B.C. forest sector is facing significant challenges that are directly impacting our employees, communities and operations across the province. Following the mountain pine beetle devastation and two consecutive years of destructive wildfires, B.C.'s timber supply is declining. Timber shortages have driven up log costs; when combined with punitive tariffs imposed by the U.S. on Canadian softwood lumber, and volatile lumber markets, these challenges have created the perfect storm of conditions leading to the current crisis.


Industry has been making every effort to access available timber and keep people working. However, under current conditions, many operations are simply not viable, which is forcing difficult decisions to close, or curtail, production to rebalance mill capacity with available timber


supply. With these decisions, communities and employees are suffering. In the last two months alone, since May 1, 2019, there have been more than 45 announcements of curtailments or closures of B.C. forestry operations. Attached to this letter is a list of all the closures, shift reductions, and curtailments representing an impact to thousands of workers.

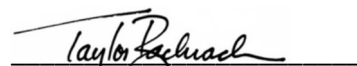
Collectively – as industry, communities, and the B.C. government – we are urgently seeking the assistance of the Government of Canada to support our communities and workers in transition. We seek your guidance on how to access this assistance, whether it be through the Softwood Lumber Action Plan, or other federal programs.


Managing through this crisis will require a collective effort with industry, government at all levels, communities and employees working together. We hope to meet with you as soon as possible to discuss this challenge, seek your advice, and discuss a path forward.


Respectfully,

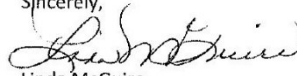

Joan Atkinson
Mayor, District of Mackenzie



Art Kaehn
Chair, Regional District of Fraser-Fort George


Taylor Bachrach
Mayor, Town of Smithers

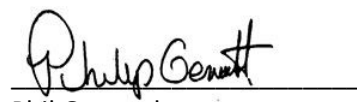

Carol Leclerc
Mayor, City of Terrace



Walt Cobb
Mayor, City of Williams Lake

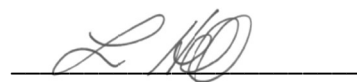
Sincerely,

Linda McGuire
Mayor – Village of Granisle

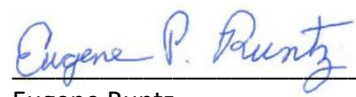

Dolores Funk
Mayor, Village of Burns Lake


Mayor Lorraine Michetti
Village of Pouce Coupe


Phil Germuth
Chair, Regional District of Kitimat-Stikine


Kris Olsen
Mayor, Village of Queen Charlotte


Lyn Hall
Mayor, City of Prince George

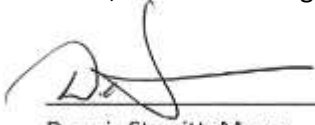

Eugene Runtz
Mayor, McBride



Brad Sperlina
Chair, Peach River Regional District



Gerry Thiessen
Mayor, District of Vanderhoof



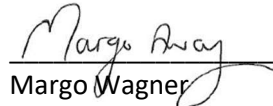
Dennis Sterritt, Mayor
Village of Hazelton



Owen M. Torgerson
Mayor, Village of Valemount



Sarah Storey
Mayor, Village of Fraser Lake




Margo Wagner
Chair, Cariboo Regional District



Dale Bumstead
Mayor, City of Dawson Creek



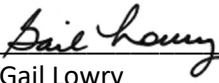
Brad Layton
Mayor, Village of Telkwa



Gary Foster
Mayor, Northern Rockies
Regional Municipality



Susan Yurkovich
President and Chief Executive Officer
BC Council of Forest Industries



Gail Lowry
Mayor, District of New Hazelton

Enclosure(s): List of Closures, Reductions, and Curtailments

Enclosure: List of Closures, Reductions, and Curtailments

Please note that this information is was compiled in early July 2019 and is based on publicly available information and/or information provided by companies. This information may not be comprehensive or complete and is subject to change.

Permanent or Indefinite Closure

- Tolko in Quesnel – 150 workers impacted
- Norbord in 100 Mile House – 160 workers impacted
- Louisiana Pacific in Fort St John – 190 workers impacted
- West Fraser in Chasm – 176 workers impacted
- Canfor in Vavenby – 172 workers impacted
- Teal Jones in Honeymoon Bay
- Canfor in Mackenzie – 265 workers impacted

Shift Reductions

- Tolko in Kelowna – 90 workers impacted
- Aspen Planers in Merritt – 50 workers impacted
- West Fraser in 100 Mile House – 34 workers impacted
- Western Forest Products in Chemainus
- Canfor in Prince George – 65 workers impacted

Temporary Curtailments

- Canfor – all operations in Bear Lake, Chetwynd, Elko, Fort St John, Houston, Prince George, Radium Hot Springs, Taylor, Vanderhoof impacting over 1,600 workers
- West Fraser – all operations in 100 Mile House, Chasm, Chetwynd, Fraser Lake, Quesnel, Smithers, and Williams Lake, impacting 1,070 workers
- Conifex in Fort St James – 4 weeks, impacting 180 workers
- Canoe Forest Products in Canoe – 2 weeks, impacting 150 workers
- Conifex in Fort St James - 9 weeks to date, impacting 132 workers
- Conifex in Mackenzie – 6 weeks, impacting an average of 115 workers over the period
- Tolko in Armstrong and Soda Creek – 2 weeks
- Interfor in Castlegar – 11 days, impacting 152 workers
- Interfor in Chase – 11 days, impacting 191 workers
- Interfor in Grand Forks – 11 days, impacting 107 workers
- Paper Excellence in Powell River
- Western Forest Products in Duke Point
- Western Forest Products in Ladysmith
- Western Forest Products in Saltair – 1 week
- Western Forest Products in Duke Point
- Western Forest Products in Ladysmith
- Western Forest Products in Saltair – 1 week