



Also Serving – Interior Logging Association (ph 250-503-2199) & North West Loggers Association (ph 250-635-6801)

Issue # 526 Week of August 24, 2009

Lumber market rally due

B.C.'s lumber industry can expect a "decent rally" in early 2010, says Patricia Mohr, a commodities expert at Scotia Capital. Housing starts in the United States are a critical gauge of health for the province's lumber sector. They are beginning to recover and are expected to jump early next year, Mohr said. "You are finally going to see a rally — a decent rally in lumber and oriented strand board."

Even a modest increase in housing starts can lead to more robust prices, she said, because the log supply has been severely curtailed. "Mills have not been maintaining big log decks and in some parts of the country, for example on Vancouver Island, there have been many logging contractors who have simply left the business."

CILA offering training, info

The CILA plans a series of meetings this fall and winter with members and non-members across the region, offering updates on association activities, issues we all face, and opportunities for specialized business training for contractors and subcontractors in the forest industry.

The training packages will be offered in two modules, one covering human resources issues, the other focused on business capacity-building.

The first meetings will take place in 100 Mile House Sept. 11, starting at 6.30 p.m., and in Williams Lake Sept. 12, starting at 8 a.m., followed by the training workshops from 11 a.m. to 3 p.m.

The meetings will be held in 11 communities between now and mid-December, providing information and training opportunities to contractors from more than 30 communities across the CILA area.

For more information, contact MaryAnne Arcand, the CILA's Executive Director in charge of membership services.



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We just keep growing . . .

The CILA welcomes our two most-recent new members, Fjellgaard Logging from Prince George and OB Trucking from Quesnel. Both companies are family-owned trucking operations. If you run into Jack or Louise Emslie from OB, or Gary, Allan or Pauline Fjellgaard, say hi, and welcome them to the CILA.

Loans help companies move ahead

Five companies involved in forestry in the Central Interior got some welcome help from the federal government this week in the form of repayable loans via Northern Development Initiative Trust. The loans will help them become more efficient and competitive, and will create new jobs:

Conifex got \$8.5 million to help modernize the lumber-drying and finishing equipment at its Fort St. James operation -- the old Pope and Talbot mill it reopened in March.

Del-Tech Manufacturing will receive \$5.5 million to build a \$15-million thermal oil plant and lease it to Canfor's Mackenzie sawmill and improve its energy efficiency.

Northwest Wood Preservers will get \$2 million to purchase a fingerjoint plant and build a complimentary new pellet plant on the Vanderhoof Specialty Wood Products site.

Pinnacle Pellet Williams Lake will receive \$1.9 million toward at \$6.8-million biomass decontamination, preparation and dehydration system at its Williams Lake operation, and Pinnacle Pellet Meadowbank, south of Prince George, will receive \$250,000 to install a \$733,000 biomass decontamination and preparation system to its plant.



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SNIPPETS -- News from our industry

The Mackenzie pulp mill will be in mothballs for some time yet – the province is getting it ready for winter after talks aimed at finding a new buyer fizzled several weeks ago.

Pulp prices are rising, and Catalyst Paper plans to restart one production line at its Vancouver Island Crofton pulp mill in early October. The mill was shut down indefinitely in February.

The Bank of Canada says it will intervene if necessary to make sure a rising loonie won't derail the economic recovery. Our rising dollar has hurt the forestry sector particularly hard, squeezing sales of paper, lumber and building products, leading to mill closures and job cuts.

Lots of work on wildfires yet

B.C.'s wildfire season is far from over, with more hot, dry days in the weather forecast, and the Central Interior is getting its share of the action.

There are large wildfires burning near Clinton, and in Tweedsmuir Park southwest of Burns Lake, and smaller fires are burning in a band southwest of Williams Lake down to Lillooet.

CILA member contractors and truckers involved in fire control activities might want to double-check their CILA Guides on required equipment and the proper procedures to get payment for fire control costs. If you've misplaced your guides, call the CILA office and we'll send you fresh ones.
