



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

Issue # 560 Week of May 7, 2010

MEETINGS GALORE!

The CILA's Annual General Meeting will be held at the association's offices in Prince George tomorrow (Friday) starting at 10 a.m. We have a packed agenda, with several presentations and updates on not just CILA activities, but government and safety initiatives as well.

This is the last-minute notice – if you're a CILA member and would like to attend, call the office as soon as possible and we'll find another chair.

Earlier this week, more than 30 loggers and truckers met with CILA representatives in Smithers, discussing a wide range of topics that included recent CILA initiatives, logging and trucking rates and regulatory concerns.

That meeting followed similar ones in other communities in this part of the province. The next meeting, mostly for truckers, will be in the Burns Lake/Fraser Lake area in a couple of weeks

Power plant for Tumbler Ridge?

Tumbler Ridge and a Vancouver-based company are close to applying to build a bioenergy plant under the province's Community-Based Biomass Power Call. The bioenergy plant would burn logging waste, supplemented by sawdust from the Canfor mill in Chetwynd, to produce electricity. It will not burn wood pellets.

The biomass power call is seeking electricity production from plants five megawatts in size or smaller, and has a deadline of May 31. The program was announced in April, but its been in the works for more than a year

Wood First policy spreading

The Cariboo Regional District has taken the first step to draft a Wood First policy or bylaw that encourages the use of wood in residential and institutional construction in the region, joining a list of eight other local governments that have passed Wood First resolutions.



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Canfor sees growth, thanks to Asia

Canfor's focus on supplying products to Asia, in particular to China, is paying off.

"There so many opportunities in China, it's really a stretch of the imagination," says Canfor's president and chief executive Jim Shepard.

Commenting that the company shipped 25% of its products to Asia during the first quarter — about half of that going to China, Shepard said about 20% of the company's output stayed in Canada and the rest was exported to the U.S.

Shepard said there is a "growing Asian appetite" for higher grades of lumber, adding that as China develops its urban centres, it will emerge as a dominant market for lumber in the next ten years.

Canfor's first-quarter net income was \$15.6 million compared with \$58.8 million in the first quarter of 2009. Quarterly sales were \$577.9 million, up from \$474.7 million in the same quarter in 2009.

Lumber prices rose 30% in the first quarter – high enough that export duty rates on shipments to the U.S. have dropped from 15% to 10%.

The company operated at 60% capacity in the first quarter and said it will bring on new capacity if and when demand warrants it.

The company is adding a third shift at its Polar division planer mill at Bear Lake, and plans to re-open its Chetwynd sawmill soon.



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News from around the industry

Pacific Carbon Trust has put out a call for forest-based carbon offset projects to help meet its carbon-reduction goals and support the growth of B-C's low-carbon economy. The Crown corporation launched the call, which will target afforestation, select seed, and fertilization projects. Off-set projects will be accepted until June 15.

Fire crews in the Prince George Fire Centre area have had the second-busiest April in the last eight years, responding to 57 wildfires, covering 591 hectares, so far this year. Since 2003 the Prince George Fire Centre has averaged 30 wildfires prior to May 1 each year, affecting an average of 309 hectares.

The union representing workers at Ainsworth Lumber is still without a labour contract. The union recently rejected the company's latest offer, and will meet later this month discuss its next move.

TimberWest's first-quarter log sales revenue for product shipped to Asia was \$49.4 million, up from \$29.3 million in the same quarter last year.

Trade and labour pact spreading

The B.C. government is extending its trade and labour agreement with Alberta and extending it to include Saskatchewan. The three provinces will co-ordinate their international trade efforts, starting with trade mission to China and Japan in May to promote clean technology, natural resources and agriculture.

They also agree to work together on research and development of value-added forestry and carbon capture and storage for energy development.

B.C. and Alberta signed the initial trade pact in 2007. One of its first projects was to study a northern right-of-way for rail, pipelines and an expanded Highway 16.
