



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

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Wood exports to rise

B.C.'s export of forest products, down 25% in 2009 from a year earlier, are expected to rebound by about 9% in 2010 as housing starts in the U.S. start to rise, says Export Development Canada.

U.S. housing starts currently run at about 500,000 to 600,000 a year -- but 1.4 million new households are being created each year, all of them needing housing. Just having starts catch up to household creation would double the activity, and that should start happening by mid-2010, says an EDC economist.

Earnings, sales still down

Third-quarter financial results are coming in from forest companies, and there are some surprises:

Ainsworth credits its strategic decisions to cut under-performing operations and costs to reach a profit of \$21.6 million for the three months ending in September compared with a \$42.3-million loss during the same period last year. A \$47.8-million foreign exchange gain on its long-term U.S. dollar-denominated debt also helped.

A \$155-million write-down related to West Fraser's Kitimat pulp mill and other sawmill assets contributed to a third-quarter loss of \$198 million. Despite the loss, West Fraser reported earnings of \$42 million before interest, taxes, depreciation and amortization.

Western Forest Products reported a \$16.6-million net loss for the third quarter on sales of \$149.9 million.

Weyerhaeuser shows a drop in net sales of \$1,407 million in the quarter compared with \$2,107 million a year ago. It translates into a net loss of \$56 million compared with a loss of \$3 million in the third quarter



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China trade mission grows sales

B.C.'s trade mission to China wrapped up this week with new sales orders for about 156 million board feet of lumber that Forests Minister Pat Bell said will push exports to China to another record year.

"We're on track to hit 1.5 billion board feet this year, roughly double last year's record. If we keep our focus, we can reach 4 billion board feet by the end of 2011," Bell said.

While they were there, Shanghai adopted a new wood-frame construction building code, and the trade group signed a memorandum of understanding with Shanghai to use wood frame construction in affordable housing.

Area residents praise loggers

At a community meeting held last night, Nukko, Ness, Reid, and Saxton Lake area residents praised the loggers who worked and drove in that area during last winter's haul season. This year's harvesting schedule for that area is much reduced, and traffic volumes will be lighter. CILA member contractor Greg Jacob of LoBar was on hand to field questions and encouraged the community members to call his office if there were issues with any of his vehicles. "We want to work together to make it safe for everybody", says Jacob.

Residents did complain about speeding pickups and service trucks, and were assured of extra enforcement and road maintenance by MOT officials. Harvesting and hauling has already started in the area.



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CILA meetings getting great response

The CILA's meetings and Fuel Efficiency workshops are drawing good responses –more than 20 are registered for tomorrow's PG workshop, 30+ for Williams Lake next Saturday, and 8 already for Vanderhoof on the 28th. We're also looking at Quesnel on Dec 5 if the demand is there. There's still room in all the workshops. You can register by calling us, or just show up – tomorrow, 8am Day's Inn in PG; Nov. 14 - 8am at the Overlander, Williams Lake; Nov 28 - 8am Grand Trunk, Vanderhoof; Dec. 5 - 8am at Sandman in Quesnel.

Northwest says 'give us a chance'

Terrace-area business, First Nations and social service interests have banded together to push Ottawa and the province for help to steer the region away from traditional lumber production and toward promoting economically and environmentally-viable industries that will use varieties of area timber.

Skeena-Nass Center for Innovation in Resource Economics (SNCIRE) wants provincial and federal governments to fund research and initiatives to apply new concepts and ideas on the ground.

In a letter to premier Gordon Campbell and Prime Minister Steven Harper, the group says such funding should be at least as much as the governments have put into pine beetle action committees.

The call comes just days after West Fraser's announcement that it will close its Eurocan mill in Kitimat Jan. 31. Eurocan is the last major operating mill west of the Hazeltons. Forestry activity in the area now is mostly logging and shipping to mills elsewhere in B.C., or exporting them.
