



Press release

LACK OF FEDERAL GOVERNMENT SUPPORT FOR FORESTRY COMPANIES THREATENS JOBS IN CENTRAL CANADA

142,475 Hardworking Canadians Need the Federal Government's Support

April 19, 2017 – The Ontario Forest Industries Association (OFIA) and the Quebec Forest Industries Council (QFIC) have expressed disappointment that, despite numerous meetings and discussions that have taken place with the federal government over the past several months, the government has not yet confirmed its intention to provide an effective loan guarantee program at commercial rates to the forest industry.

“By not providing loan guarantees to the forest sector, Canada will be subjecting the industry to immediately crippling duties and costly litigation,” said Jamie Lim, President and CEO of OFIA. She continued, “the federal government is ignoring its mandate to invest in growing our economy, strengthen the middle class, and helping those working hard to join it.”

Andre Tremblay, President and CEO of QFIC stated, “the socio-economic fallout from such punitive actions, without an effective loan guarantee program, on the hundreds of communities and the 142,475 people directly employed by the Quebec and Ontario forest sector will be devastating.”

Tremblay and Lim expressed doubt that expanding overseas markets will be effective in the short-term stating, “if the government is seriously considering this as a short-term solution, are they prepared to subsidize the costs of shipping lumber to the west coast to access these new markets?”

Furthermore, Michel Vincent, Chief Economist at the Québec Forest Industry Council stated, “developing opportunities in new markets is an essential long-term strategy for the sector, however, there should be no expectation that this will be a solution to the immediate and punishing effects of duties on Canadian lumber into the United States.”

In the absence of federal assistance to the sector, Quebec's provincial government has made a commitment to support their industry. Lim stated, “at the end of the day we hope that the federal government will do the right thing and develop a program to assist our sector. However, we also expect the Ontario provincial government to follow Quebec's lead and make a commitment to supporting our industry.”

Tremblay concluded, “during this time of uncertainty, let us work together to ensure that no worker, no region, no family is left behind.”

About OFIA

Ontario's renewable forest products sector supports over 170,000 direct and indirect jobs in over 260 Ontario communities. OFIA believes that by working with government to address key competitive issues, secure long term access to affordable and accessible fibre and promote the province's 21st century forest products sector, Ontario will be the number one jurisdiction in Canada for today's green and growing renewable sector.

About QFIC

The Council speaks on behalf of Quebec's forest industry. QFIC has over 200 members. Quebec's forest industry generates \$15.8 billion in sales each year with nearly \$4 billion in wages and benefits, including close to \$1.5 billion that is returned to governments in the form of taxes paid by companies and workers.

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SOURCE: Ontario Forest Industries Association

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