



INSERT DATE

Honourable Ravi Parmar, MLA
Minister of Forests
PO Box 9049 Stn Prov Govt
Victoria, BC V8W 9E2

Via email: FOR.Minister@gov.bc.ca

Dear Minister Parmar

Re: Future of our local forest industry

Despite its recent struggles, the forest industry continues to be a major part of our local economies, providing high-paying jobs while contributing millions of dollars in taxes every year that we use to pay for municipal services and build critical infrastructure. In North Cowichan, the Domtar pulp mill in Crofton and the Western Forest Products sawmills and remanufacturing plant in Cowichan Bay and Chemainus employ 571 workers and contribute \$5.5 million per year in North Cowichan property taxes. In Nanaimo, Harmac Pacific (division of Nanaimo Forest Products Ltd.) employs 360 employees and has contributed \$2.3 million in property taxes in the most recent year (2024).

In the face of softwood lumber duties, U.S. tariffs, and the declining Annual Allowable Cut (AAC), we are increasingly concerned about these companies' ability to continue operating in our communities. We understand that softwood lumber duties and tariffs are beyond your control as Forests Minister, and we appreciate all your advocacy on behalf of forestry communities against these unfair trade practices that are causing so much harm to our local workers and their families.

However, the AAC is within the control of the Ministry of Forests, and based on your government's most recent projections, we are bracing for a continued shortage of fibre that will impact the viability of local pulp mills, sawmills and other forestry operations in communities like ours, while putting union jobs at risk. We are already seeing the effects of the fibre shortage in North Cowichan, where Western Forests Products has announced a two-week shutdown in March and April due to a lack of timber. Your Mandate Letter from Premier David Eby includes as a priority to "Work with all partners, including Indigenous governments, toward ensuring a sustainable land base to enable harvest of 45,000,000 cubic metres per year, while fulfilling our commitment to protect old growth." Yet Budget 2025 projects that in 2025, only 30,000,000 cubic metres will be harvested on Crown land, further declining to 29,000,000 million cubic metres by 2027. Note that in 2024 the AAC was more than 60,000,000 cubic metres.

In response to these concerns, we are calling on your Ministry to undertake the following actions:

- **Commit to the promised AAC of 45,000,000 cubic metres for 2025 and maintain these levels for future years.** We anticipate a continued decline in volume harvested, compounded with softwood lumber duties and U.S. tariffs, will potentially devastate the forest industry and result in the closure of more mills, meaning communities like ours will lose family-supporting jobs and major taxpayers, exacerbating the already high cost of living that our residents are facing. It is critical that industry is given a level of certainty on future fibre supply so that they can plan for investments in existing facilities for the long term. This fibre must be financially viable to ensure the sustainability of our local forestry operations. Although the government has committed to this target, there is currently no plan or timeline to achieve it within this fiscal year or the next. Industry cannot survive with the targets and forecasts published without a clear plan and timeline.
- **Streamline the permit and regulatory processes for timber harvesting.** Your government has made commitments to fast-track approvals for the housing and mining sectors, and we would like to see a similar approach to timber harvesting, with metrics to allow the government and industry to measure success. The backlog of cutting permits and the performance of BC Timber Sales are major concerns. These issues reduce the overall wood availability for sawmills and impact the supply of residual chips, which are vital for the operations of our pulp and paper mills. Prompt resolution of these issues is critical for maintaining a steady log flow.

We appreciate your attention to these matters and would be happy to meet with you, company representatives, and local workers to discuss how to address these concerns and ensure our forestry industry has a stable future in this growing economic uncertainty.

Sincerely

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Leonard Krog
Mayor
City of Nanaimo

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Rob Douglas
Mayor
Municipality of North Cowichan

cc: City of Nanaimo Council
North Cowichan Council
Chris Stoicheff, Senior Director of Public Affairs, Domtar
Brad McCrae, Director, Governmental Relations, Western Forest Products Inc.