



Quarterly Mill Status Report - Q1 2018

The Quarterly Mill Status Report provides the latest information on mill openings, closures, disruptions, investments, and other mill events in British Columbia (B.C.). For the latest available list of active mills, please refer to the “Major Primary Timber Processing Facilities in British Columbia” report (Mill List report) online at: <https://www2.gov.bc.ca/gov/content/industry/forestry/competitive-forest-industry/forest-industry->

Mill Openings/Re-openings:

- On Jan 8, Tolko resumed the reconstruction of their burned mill and office areas of their Lakeview sawmill in Williams Lake. This mill was damaged by fire last November, resulting in 75 temporary job losses and payment reductions for 170 workers. About 40 impacted workers are performing maintenance and protection. Another 30 have been placed at Tolko’s Soda Creek and Quesnel sawmills. The remaining 100 workers are either on EI or found other work. This mill is likely to reopen in Fall 2018.
- On March 1, BKB Cedar Manufacturing reopened their cedar post and rail mill in McBride after a year-long rebuild and repair. The manufacturing plant was totally demolished by fire due to overheating motor in April, 2017, affecting 35 employees. This mill has restarted with six crew members.
- In April, ROC Holdings began construction of Skeena Biofuels, a \$20-million pellet plant in a warehouse beside Skeena Sawmills. The new plant aims to hire 10 – 15 people and produce about 75,000 metric tons of pellets per year.
- In February, Gorman Bros Lumber Ltd. reduced its third shift due to the dwindling supply of beetle-killed pine, affecting 20 employees.
- On Mar 15, the Norbord OSB mill in 100 Mile House temporarily suspended operations for a month due to fibre supply shortages caused by last summer's wildfire and severe winter weather conditions. Operations are expected to recommence in mid-May this year.
- In April, Vaagen Fibre Canada shut down its Midway sawmill due to log shortages caused by the 2017 fire season, affecting over 50 employees. According to the 2016 B.C. Mill List report, the estimated annual output capacity of this mill was 154 million board feet. The mill resumed its production in early May upon the sufficient fibre flow.
- On Apr 16, Catalyst Paper shut down one paper machine in Powell River for three weeks due to fibre interruptions from the usual supplier in the Okanagan area. There was no job impact. The primary driver for this production cutback is the shortage of fibre, making it uneconomical to run the paper machine. The substantial increase in anti-dumping duties for some of Catalyst’s paper products also caused the production cut.

Temporary Mill Shutdowns/Shift Reductions:

- On Jan 20, a major fire occurred in Terminal Forest Products’ sawmill in Vancouver. The fire lasted about three hours and three workers injured. A burning acetylene tank sparked the blast in the basement caused this fire. The mill hires around 150 people.

Mill Investments and Upgrades:

- In February, the Lower Nicola Indian Band Development Corporation, Stuwix Resources Ltd, and Aspen Planers (Aspen) signed a long-term MOU to set out a framework for negotiating business



agreements to contribute to Aspen's timber supply and support First Nation community with forestry jobs. The Lower Nicola Indian Band has a long-term timber licence in the amount of 50,000 cubic metres per year. These logs will be supplied to Aspen's Merritt mills.

- In March, Pinnacle Renewable Energy Inc. planned to redevelop the Smithers particle board facility for pellet production. The plant is expected to reopen in Q3 2018, creating 30 jobs. The plant is co-owned by the Smithers Pellet Limited Partnership (70 percent interest) and West Fraser (30 percent interest). Planned annual output capacity is about 125,000 tonnes. Most of their products will be transported by rail to Prince Rupert and exported to Asia and other countries.

Contact: This report is prepared by the Economic Services Branch of the Ministry of Forests, Lands, Natural Resource Operations and Rural Development. Please email your questions to mill.survey@gov.bc.ca.

Sources: Company news releases, media reports, analytical information, and government contacts. Please note this list is not comprehensive and may miss some events that occurred in small mills. Image courtesy of valli_mark / [CC BY 2.0](#).