

This 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” online at: <https://www2.gov.bc.ca/gov/content/industry/forestry/competitive-forest-industry/forest-industry-economics/fibre-mill-information>

Alert: This report does not include the mill events occurred across Q4 2018 and early 2019 that have been captured by the Quarterly Mill Status Report—Q4 2018.

Mill Openings:

- On February 1, Skeena Sawmills Ltd.’s subsidiary Skeena Bioenergy, entered a long-term agreement with the international supplier Pacific Bio-Energy of Prince George to ship all of its pellet production to Japanese power producers via the port facilities in Prince Rupert and Vancouver. The new plant is expected to produce 75,000 tonnes of pellets per year, adding 22-25 new jobs. About 75%-80% of wood fibre will come from waste from the current Skeena Sawmills Ltd.
- In March, Kalesnikoff Lumber (Castlegar) announced to invest \$35 million in a new mass timber manufacturing facility in Slocan, B.C., adding 50 new jobs. This investment will include construction of a new building, (110,000 square feet), and the purchase of processing equipment and technology from global leading companies. The new plant is expected to start operation by the end of 2019.
- In January, West Fraser temporarily curtailed its Chasm, 100 Mile House, and Chetwynd sawmills for three weeks due to lumber price declines, high log costs and log supply constraints, reducing the company’s production by approximately 50 million board feet. The company also shut down its Williams Lake sawmill for a week for capital upgrades.
- In February, Aspen Planers temporarily closed its Merritt sawmill for a week due to the log supply shortage and low lumber prices.
- In February, Conifex temporarily curtailed its Fort St. James sawmill for three weeks because of high log costs and lumber market conditions, affecting 150 employees. This curtailment, together with the company’s previously announced curtailment (started in Jan 2019), will result in an approximately 28% production reduction in the first half of 2019.
- In February/March, Canfor temporarily curtailed its Houston sawmill (Feb 19 - Feb 22), Mackenzie sawmill (one week in February), and Vavenby sawmill (Feb 11 to Mar 22) due to constrained log supply and high log costs. These curtailments reduced Canfor’s production by about 40 million board feet, which was in addition to the 150 million board feet of production decrease in Q4 2018/early 2019.

Temporary Mill Curtailments:

- On January 16, the Parallel Wood Products Ltd. (a re-manufacturing plant) in Williams Lake temporarily curtailed its graveyard shift, affecting 12 workers.
- On January 25, Catalyst shut down its Powell River pulp and paper mill for 14 days to fix a boiler leakage issue, affecting 100 employees.



Temporary Mill Curtailments (Continued):

- In March, Western Forest Products temporarily curtailed its Port Alberni sawmill (four weeks) and Cowichan Bay sawmill (two weeks) due to market conditions, affecting 270 employees.

Mill Investments:

- In January, Pacific Bio-Energy in Prince George signed two contracts (worth \$500 million) with Japanese power producers to supply 170,000 metric tonnes of pellets per year to fuel two new biomass power plants in Japan.
- In February, Western Forest Products announced to purchase the Columbia Vista sawmill in Vancouver, WA, U.S. Columbia Vista currently has 90 employees and produces 60 million board feet per year of Douglas fir products for the U.S. and Japan markets.

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](#).