

British Columbia Mill Status Report

January – March, 2017

The Mill Status Report provides updated information on openings, closures, disruptions, investments, and other news of major timber processing facilities in British Columbia. For the latest available list of active mills, please refer to the Ministry of Forests, Lands and Natural Resource Operations' "Major Primary Timber Processing Facilities in BC" report at:

http://www2.gov.bc.ca/assets/gov/farming-natural-resources-and-industry/forestry/fibre-mills/mill_report_2015_final.pdf

Mill Opening:

Pacific Timber, a subsidiary of Tahtsa's Group, rebuilt an old Corewood sawmill in Houston. The upgraded Corewood sawmill started operation in the first quarter of 2017. Canfor's sawmill in Houston supplied low-grade materials to Corewood sawmill to make other wood products, while Canfor and Pinnacle's pellet plant in Houston received residuals from Corewood mill for wood pellet manufacture. Corewood sawmill's management anticipated a production estimate of 120,000 to 160,000 board feet per shift at the beginning of operation. New jobs were created in Burns Lake and Houston.

Mill Disruptions:

- In January, two minor fires occurred at Domtar's pulp mill in Kamloops:
 - On January 4, the mill closed for one day due to a small fire on site. Some wood fibre was present in the steel-clad walls and caught fire. The fire caused minimal damages and no injuries.
 - On January 19, Kamloops Fire Rescue crews were called to the mill due to a small dust fire in the steam plant area. Crews were on scene for more than three hours. The fire caused minimal damages and no injuries.
- On January 30, Tolko Kelowna sawmill was closed temporarily as a tugboat operator died when his tugboat sank. This man worked at the Tolko mill for 25 years. The mill resumed its land operations on February 3.
- On March 9, Elite Forest Products closed its Malakwa sawmill as a result of a fire. The fire destroyed the sawmill operation and about half of the buildings at the site. More than 30 firefighters brought the fire under control. The mill's plant was saved. No injuries were reported. The mill was closed for the winter 2016 and supposed to reopen on March 10, 2017. Due to this fire, it is unknown when the mill will reopen.

Mill Changes in Ownership:

The Sinclair Group acquired four Vanderhoof companies - L&M Lumber, Premium Pellet, Nechako Lumber, and Nechako Green Energy. The Sinclair Group previously held 50 percent ownership through Robert Stewart Holdings and Ivan Andersen Holdings. The change in ownership did not affect the four mills' operations or employment.

CONTACT: This report is prepared by staff of the Competitiveness and Innovation Branch of the Ministry of Forests, Lands and Natural Resource Operations. Please contact us at mill.survey@gov.bc.ca or call 250-356-7932 for your questions.

SOURCES: The sources include company news releases, media reports, information provided by analysts, and government contacts. Please note this list is not comprehensive and may miss some events that occurred at small mills.