

January 5, 2024

Honourable Bruce Ralston
Ministry of Forests
PO Box 9049 Stn Prov Govt
Victoria, BC V8W 9E2

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

Dear Minister:

Re: Enhanced Provincial Support for the Crofton Mill and its workers

I am writing on behalf of the Municipality of North Cowichan to request enhanced provincial support for the Crofton pulp and paper mill and its workers represented by Public and Private Workers of Canada (PPWC) Local 2 and Unifor Local 1132. With the current challenges in the global pulp and paper market, we are increasingly concerned about the long-term future of this site, which is both our biggest employer and taxpayer in North Cowichan and the broader Cowichan region. To lose the Crofton pulp and paper mill would be devastating to our residents who are directly and indirectly dependent on Paper Excellence for their employment, and to our Municipality, which annually receives \$4.5 million in property taxes from Paper Excellence, accounting for more than 13 per cent of our tax base.

This letter delves into specific operational aspects and policies impacting the mill's sustainability and productivity.

- **Coast Fibre Recovery Zone (FRZ) Maintenance:** We understand that the FRZ has helped increase the availability of pulp logs by ensuring more comprehensive utilization of logs and reducing waste in the bush. This zone is crucial for supplying economical pulp logs to the mill. We urge the continuation and possibly the expansion of this zone to sustain and enhance these benefits.
- **Forest Enhancement Society of BC (FESBC) Funding:** The FESBC plays a pivotal role in facilitating the utilization of wood that would otherwise be uneconomical. For instance, we understand the funding provided to the Atli Chip Plant near Port McNeil has been critical, and that without this support, the plant, which supplies chips to both the Howe Sound Pulp & Paper and Crofton mills, would face operational challenges due to the scarcity of pulp logs. A long-term commitment to FESBC funding would support continuity and expansion of such projects.
- **Support for the Sawmill Sector:** The success of pulp mills like Crofton is closely linked to a robust sawmill sector. Issues such as the backlog of cutting permits, currently numbering around 700 provincially, and the performance of BC Timber Sales, are major concerns. These issues

reduce the overall wood availability and impact the supply of residual chips, vital for the Crofton mill's operations. Prompt resolution of these issues is critical for maintaining a steady log flow.

- **Promotion of Commercial Thinning Practices:** Following insights from successful international models like Finland, we advocate for increased commercial thinning in BC. This practice not only enhances fibre production but also serves as an effective fire management tool, reducing wildfire risks. Implementing such practices will benefit both the industry and the communities.
- **Enhanced Support for the Wildfire Risk Reduction (WRR) Program:** While the WRR program has predominantly been focused on the interior regions, its applicability and expansion to coastal areas are becoming increasingly important due to longer, drier summers and heightened wildfire risks. The program's effectiveness in regions like the Kootenays, where it has aided in fireproofing communities and reducing wildfire intensity, should be a model for similar initiatives on the coast.

The combined impact of these specific areas of focus - the FRZ, FESBC funding, sawmill sector support, commercial thinning practices, and the WRR program - is vital for the continued success and sustainability of the Crofton mill and the high-paying unionized jobs that it provides in our municipality and the regional economy.

We appreciate the Ministry's attention to these matters and look forward to collaborative efforts involving North Cowichan, Crofton mill workers and the broader community towards innovative and sustainable forestry practices that align with provincial goals.

Thank you for considering our request for enhanced support.

Sincerely,



Rob Douglas, Mayor
Municipality of North Cowichan

mayor@northcowichan.ca

cc: Honourable Brenda Bailey, Ministry of Jobs, Economic Development & Innovation
Richard Manwaring, Deputy Minister, Ministry of Forests
Geoff Dawe, President, PPWC Local 2
Tanner McQuarrie, President, Unifor Local 1132
Doug Routley, MLA, Nanaimo-North Cowichan
Quinton Hayward, Chief Forester, Paper Excellence
North Cowichan Council