

Liberal Task Force report says

# Softwood lumber industry in deep trouble

By Dave Chmara

A report investigating the state of the Northern Ontario Softwood Lumber Industry has recently been released by a Federal Liberal Task Force.

Reginald Belair, Liberal M.P. for Cochrane Superior and a member of the Task Force, states, "the facts presented to the Task Force confirmed what we had expected all along: the softwood lumber industry in Ontario is in deep trouble. Sawmill owners have to cope with 30 per cent less revenue (15 per cent export tax on softwood lumber, plus 15 per cent due to the increase of the Canadian dollar against the U.S. dollar)."

Belair says the fierce competition to get into the Southern Ontario market is forcing prices down and creating cash flow problems for Northern Ontario

producers of softwood.

He also says British Columbia lumber producers benefit from not paying an export tax because their stumpage fees have increased: yet these fees are not as high as those for Ontario lumber producers.

"This is a serious injustice to lumber producers of Ontario," says Belair.

The Forest Development Agreement between Ontario and Canada expires March 31, 1989 and Belair says, "there is no indication from the federal government that it is willing to meet with the province in order to renegotiate an agreement whereby transfer payments to the Province of Ontario will occur. The fact that only 50 per cent of harvested areas are regenerated constitutes enough justification for budgeting enough dollars to ensure the sus-

tainable viability of our forest in the years to come."

Belair believes because the forest industry is the largest employer in Canada, and sawmill producers in Ontario have paid \$32 million to the federal government just from the export tax alone, "at least the same amount of money should be transferred to the Province of Ontario to ensure our forests viability."

A summary of the Task Force's findings mentioned the export charge has led to the closing of five sawmills and the loss of 900 jobs to date, with more imminent. The social and economic costs of these losses cannot be sustained for long by Northern Ontario generally, and especially by those communities where the lumber industry is a major if not sole employer.

The Government of Canada

has painted itself and the industry into a corner by agreeing to the softwood charge in the first place, and by mismanaging it ever since.

It was the low value of the Canadian dollar relative to the U.S. dollar, and not subsidized stumpage rates that prompted an increase in softwood exports and led to the initial U.S. countervailing action.

Major economic changes which warrant a review of the charge have occurred since it was first imposed. These include an 18 to 20 per cent depreciation of the U.S. dollar; an increase in Ontario stumpage and area charges; lower Canadian exports to pre-1986 levels; depressed prices; railway transportation deregulation; and a reduction in government road building and modernization assistance.

Two of the more major recom-

mendations the Task Force made to the federal government are:

Immediately negotiate removal of the charge on Ontario softwood exports since it was unwarranted in the first place, and because significant economic changes have occurred since it was imposed.

The Canada-U.S. Free Trade Agreement not prevent government assistance to the industry for modernization and technological improvement.

Belair will be meeting with the Minister of Forestry, Frank Oberle, in the near future, "to impress upon him the urgency of renegotiating with the U.S. Commerce Department the 15 per cent export tax on softwood lumber, and also to strongly argue the need for a new Forestry Development Agreement with the Province of Ontario."

## Women of the Moose meeting report

The Terrace Bay Chapter 1426 Women of the Moose held their business meeting on March 19 with Junior Graduate Regent Sadie Benko chairing the meeting.

Minutes of the previous meeting were adopted as read. Treasurer's report was verified by Annette Landry.

Correspondence was read which consisted of thank you cards from Helen Almos, Clara McDonald and Pam Jones for Birchwood Auxiliary.

Donation to be sent to the Red Cross Society.

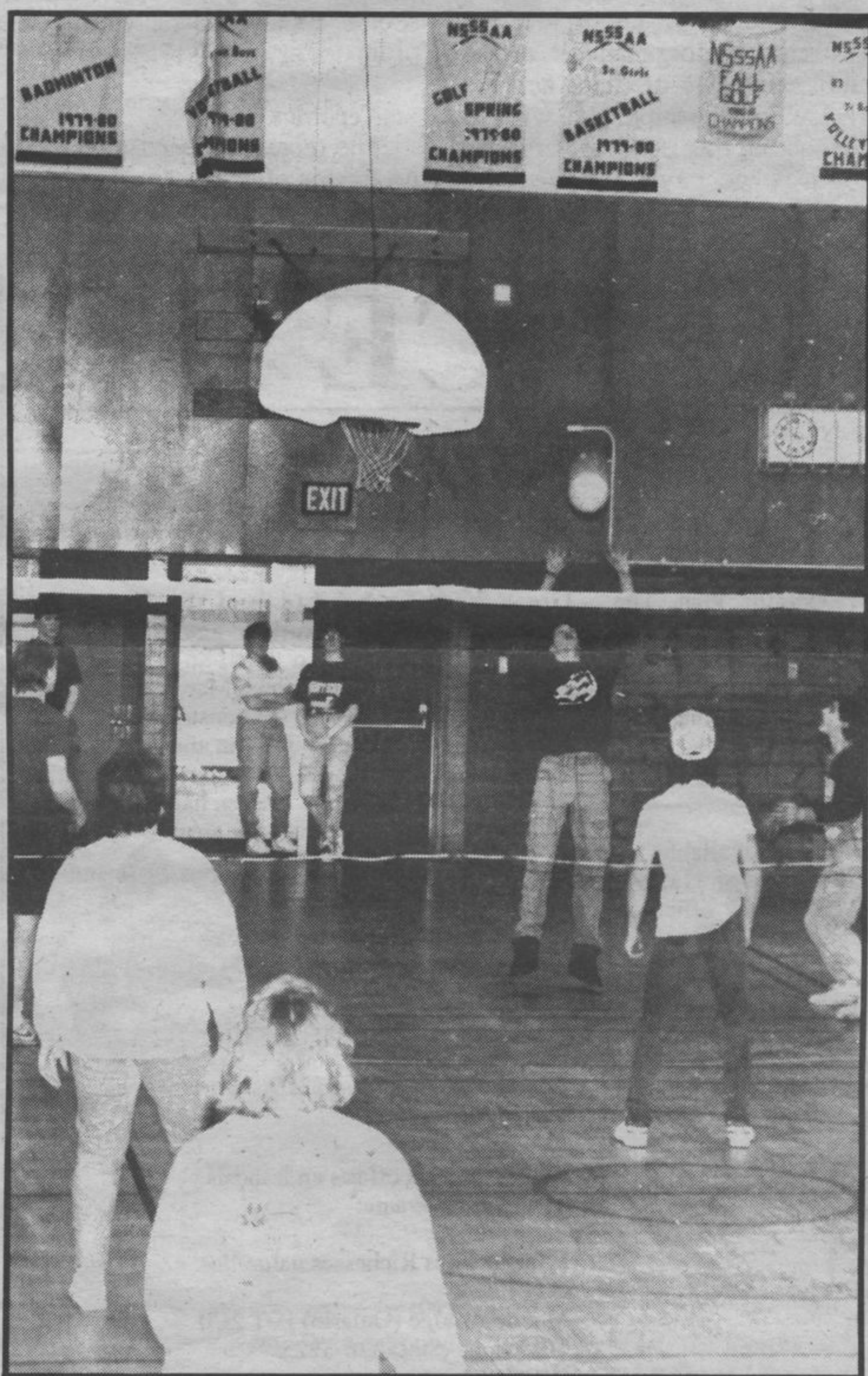
Clara McDonald was presented with her 25 year membership pin.

Co-workers Jean Bozec and Margeret Mauger will attend the mid-winter conference and Academy of Friendship session which will be held at the Valhalla Hotel on April 8 and 9. Both co-workers will receive their Academy of Friendship.

Pot of gold was won by Clara McDonald and raffle by Vicky Rostiuk.

Co-workers were served birthday cake and coffee following adjournment.

Next chapter meeting will be held on April 2.



Highschool students take some time out during lunch to play some intramural volleyball. Photo by Connie Sodaro

## Northern hospitality shines in Terrace Bay

A number of people travelling through Terrace Bay a few weeks ago experienced difficulties with the bus they were travelling in.

They were treated to true "Northern Hospitality" and showed their appreciation by sending the following letter to Reeve Ziegler and the Terrace Bay / Schreiber News.

Dear Mr. Ziegler:

I would like at this time to offer my sincere thanks to you and all those who helped us through a very bad time on Sunday, March 12th past.

To better inform those who are unaware of our situation, I would like to briefly tell our story.

We were twenty-eight people, mostly children on our way back from Thunder Bay after having participated in a Northern Ontario Bowling Championship. Our bus broke down about thirty miles outside of Terrace Bay.

Twenty-three of us were taken to your community centre to await the outcome of our bus problems. We ended up being there for approximately nine hours. The hospitality shown us was absolutely fantastic.

We were given a room to ourselves where the children could play cards and keep occupied, we were given access to the bowling lanes and all in all a free run of the centre.

Meanwhile, Mr. Ziegler and others were making phone calls to the OPP for us as well as getting food and pop and coffee for all of us. We were even offered homes to billet all of us if we would have had to spend the night.

I have lived in Northern Ontario all of my life and I've heard of the expression "Northern Hospitality," but I have never had the opportunity of experiencing it until this past weekend.

Although we are hundreds of miles apart, you people from Terrace Bay make me very proud of being a "Northerner." Your kindness and hospitality towards us will never be forgotten. You made a very unpleasant situation a great deal easier to take.

Thank you, again.

Yours truly,  
Jeannine Delorme  
Program Director  
Holiday Youth Bowlers



### THE LAKE SUPERIOR BOARD OF EDUCATION

Terrace Bay Public School  
Junior & Senior Kindergarten Registrations

An "Informal Meeting" will be held on Wednesday, April 5, at 1:30 p.m. in the school library.

Parents are encouraged to bring children who are registering. At this time formal registrations will take place for students who will be attending either Jr. or Sr. Kindergarten for the first time in September, 1989.

Please bring your child's immunization record and proof of age with you. J.K. students must be born in 1985 and S.K. students in 1984.

**NOTE**

Students presently attending this school need not re-register.

**N.B.**

It is important that you plan to attend this meeting. If you cannot do so please notify the school of your intent to register your child as soon as possible.

P. Richardson,  
Chairperson.

D.I. McQuarrie,  
Director.



### TOWNSHIP OF TERRACE BAY

Canada Day Organizing Committee

### Canada Day

July 1<sup>st</sup> 1<sup>er</sup> juillet

### La Fête du Canada

## VOLUNTEERS NEEDED!

If you have spare time on your hands, enjoy being involved in community events, and would enjoy assisting in Terrace Bay's upcoming Canada Day Celebrations, contact Dean Main at the Terrace Bay Recreation Office at 825-3542.

Our Canada Day Celebrations are a time to celebrate, not just in Terrace Bay, but all across Canada.

Phone 825-3542 now!! You will not regret this exciting opportunity to become involved in your community.