



FOR IMMEDIATE RELEASE
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**Coast Forest Supports Federal Government Forest Industry
Competitiveness Strategy**
\$1.5 Billion in Aid Addresses Coastal Industry Challenges

VANCOUVER, BC – Coast Forest Products Association supports the federal government's efforts announced today to address the difficult challenges facing the coastal forest industry, demonstrated by the government's \$1.5 billion Forest Industry Competitiveness Strategy.

"We have been involved in ongoing discussions with the federal government and the Forest Products Association of Canada," says R.M. (Rick) Jeffery, President and CEO of Coast Forest Products Association. "The Federal Strategy proves that the Government of Canada has been listening to our concerns and has responded by providing a plan that can assist the coastal industry in making real progress toward increased productivity and competitiveness necessary for renewal of the industry." Jeffery adds, "Not only is this good news for the industry it is also beneficial to the 32,000 British Columbians and coastal communities that rely on the forest sector."

The coastal industry was clear in its request to secure funding for worker and community transition as the coastal industry renews itself over the next five years. Jeffery states, "Some mills will be closed and others will be built, and the community adjustment funding announced today will support workers and communities through this transition".

Important elements of the federal strategy include:

- \$215 million Advanced Forest Technologies Initiative that will help coastal pulp and paper companies develop and implement new transformative technologies to boost competitiveness.
- Energy is the third highest cost of production for the forest products industry and the \$50 million expansion of the Renewable Power Production Initiative to include thermal cogeneration from biomass should facilitate energy cost reductions and provide needed energy onto the power grid.
- The Forest Innovation and Value Added Wood Products funding is good public policy and will assist coastal companies in their drive to move up the value chain and increase R&D.
- Additional funding for growing the North American market and to the Canada Wood Export Program builds on the existing strong partnership between the federal government, the B.C. government and the industry. This will allow us to aggressively pursue new markets and diversify our customer base.
- Not to be overlooked in this package is \$6.3 million to enhance the Trade Commissioner Service which provides invaluable information and advice on trade issues influencing the global marketplace.

1200 – 1090 W. Pender St.
Vancouver, BC
Canada V6E 2N7

T 604.891.1237
F 604.682.8641

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www.coastforest.org



"The federal government has allocated a \$900 million financial loan package to assist the industry while the softwood dispute continues to drag on," stresses Jeffery, "However, the only real resolution to the softwood lumber dispute is for the cash deposits to be returned to our companies."

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Coast Forest Products Association represents 26 forest and paper companies in coastal British Columbia engaged in the harvesting and manufacturing of primary and added-value forest products. Together these companies manufacture 95% of the lumber on the coast and are responsible for 65% of the total harvest. The Association works to ensure that the five coastal species and their product lines have fair access to the global marketplace.

**MEDIA CONTACT:
SANDRA BISHOP 604-420-3050
CELL: 604-312-8737**

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Vancouver, BC
Canada V6E 2N7

T 604.891.1237
F 604.682.8641

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