



June 19, 2024

The Hon. Graydon Smith
Minister of Natural Resources
Whitney Block
99 Wellesley Street West
Toronto, Ontario
M7A 1W3

The Hon. Nolan Quinn
Associate Minister of Forestry
Whitney Block
99 Wellesley Street West
Toronto, Ontario
M7A 1W3

Submitted via email.

Re: Immediate Action Needed To Support Ontario's Forest Sector

Minister Graydon Smith and Associate Minister Nolan Quinn,

Congratulations on your recent appointments within Premier Doug Ford's Cabinet. The Ontario Forest Industries Association (OFIA) looks forward to our productive and continued work together.

Over the last six months, three of Ontario's six pulp and paper mills have permanently closed or idled. Adding to the issue was the closure of a critical softwood pulp market in Quebec. As you know, these facilities served as important consumers of solid-wood byproducts from Ontario sawmills.

The OFIA appreciates the many opportunities we have had to speak with you and senior leadership within Ontario's Ministry of Natural Resources (MNR) and Premier's Office. This includes in-person meetings with members of OFIA's Board Executive Committee on January 19th, March 19th, and May 28th, 2024. During these meetings, the OFIA presented short and long-term actions Ontario could take to address the regional chip and pulpwood market crisis endorsed by the OFIA membership (incl.).

The industry eagerly anticipates government action on this matter, as operating conditions for many have continued to worsen over the past six months. Combined with weak markets for some finished products, many companies struggle to continue their operations. We are now facing an unprecedented challenge in the sector, which could have negative and long-lasting implications for northern and rural communities across Ontario.

Without immediate action in response to OFIA recommendations and, critically, the vetting of potential solutions through the industry to ensure programs truly meet the sector's needs, we fear Ontario could face further curtailments, job losses, and lost economic opportunity.

The OFIA is ready to work with the Ontario government to set the forest products sector on a long-term and stable path towards economic development and prosperity. This includes our

vision of a *Forest Energy Directive* to develop bioheat, district heating, liquid fuels, renewable gases, biocarbon, and electricity generation projects, supporting Ontario's massive forecasted growth in non-emitting energy demands.

We urge you and your colleagues to continue supporting all measures targeting the immediate challenges the Ontario forest sector faces and look forward to future discussions with you.

Sincerely,



Ian Dunn, R.P.F.
President & CEO
Ontario Forest Industries Association
Cell: 647-297-3827

Incl. March 19th, 2024 Slide Deck – Summary of Input from the Membership – OFIA Meeting with the Hon. Graydon Smith

May 28th, 2024 Slide Deck – Ontario Forest Energy Directive

CC The Hon. Caroline Mulroney, President of the Treasury Board
The Hon. Peter Bethlenfalvy, Minister of Finance
The Hon. Vic Fedeli, Minister of Economic Development, Job Creation and Trade
The Hon. Greg Rickford, Minister of Northern Development and Indigenous Affairs
The Hon. George Pirie, Minister of Mines
The Hon. Steven Lecce, Minister of Energy and Electrification
The Hon. Sam Oosterhoff, Associate Minister of Energy Intensive Industries
The Hon. Todd Smith, Minister of Education
The Hon. Paul Calandra, Minister of Municipal Affairs and Housing
MPP John Yakabuski, Parliamentary Assistant to the Minister of Energy
MPP Kevin Holland, Parliamentary Assistant to the Minister of Mines
Deputy Minister Drew Vanderduim, Ministry of Natural Resources
OFIA Membership