



COALITION FOR FAIR LUMBER IMPORTS

FOR IMMEDIATE RELEASE

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Coalition for Fair Lumber Imports Deeply Troubled by Timber Price Reduction Announced by British Columbia

WASHINGTON, DC (Jan. 15, 2009) -- The U.S. Coalition for Fair Lumber Imports is deeply concerned by the announcement yesterday by British Columbia Premier Campbell that the province plans to further reduce its stumpage rates. This sharp and substantial reduction appears to fly in the face of Canada's commitments to the United States in the Softwood Lumber Agreement not to change its practices to provide even lower prices for Government owned standing timber.

Steve Swanson, Chairman of the Coalition for Fair Lumber Imports, stated that "this appears to be a clear violation of the Softwood Lumber Agreement." Swanson continued, "in fact, a 70% cut in coastal stumpage fees -- coupled with the dramatic increase in 25-cent stumpage rate in the BC Interior -- would be the most egregious violation of the SLA to date."

As North American lumber producers close mills and layoff tens of thousands of workers due to the ongoing lumber market depression, intensifying unfair government subsidies in BC would cripple and devastate the rest of the industry in the United States, as well as in other parts of Canada.

Further BC subsidies are the worst kind of "beggar thy neighbor" policies. They violate Canada's trade agreement commitments and damage the already devastated North American market.

Swanson continued: "the Coalition would be pleased to examine any additional information about the stumpage reduction that BC wishes to provide. But if, as it appears, the province has simply lowered its producers' wood costs again, that is a blatant breach of Canada's commitments and is unacceptable."

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About the Coalition for Fair Lumber Imports

The U.S. Coalition for Fair Lumber Imports is an alliance of large and small lumber producers from around the country, joined by hundreds of thousands of their employees,

and tens of thousands of woodland owners. The Coalition is united in opposition to Canada's unfair lumber-trade practices, including its gross under-pricing of timber. For more information including Swanson's full text and other issues, please visit the Coalition's website at www.fairlumbercoalition.org.