



COALITION FOR FAIR LUMBER IMPORTS

FOR IMMEDIATE RELEASE

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Coalition for Fair Lumber Imports Applauds Arbitral Decision Regarding U.S.-Canada Softwood Lumber Agreement

WASHINGTON, DC (Feb. 26, 2009) -- The U.S. Coalition for Fair Lumber Imports today welcomes a London Court of International Arbitration (LCIA) ruling as to the remedy to be imposed for Ontario and Quebec lumber producers' 2007 shipments of lumber to the U.S. over their quota levels under the U.S.-Canada Softwood Lumber Agreement (SLA).

Under the LCIA ruling, Canada has been ordered to impose on Ontario, Quebec, and other provinces an additional 10% export tax until Canada collects the full C\$68 million remedy judgment as determined by the panel.

The Coalition expects Canada to fully implement the remedy beginning no later than 30 days from now, as indicated by the tribunal.

The Coalition commends the U.S. Government team whose hard work made this successful outcome possible.

Significant SLA compliance problems remain, however, as Canada is violating the trade agreement both by breaching SLA export measure commitments and by circumventing those commitments through additional subsidies and related actions, including recent SLA-inconsistent stumpage price manipulations in British Columbia.

Coalition for Fair Lumber Imports Chairman Steve Swanson commented, "this arbitral decision is a clear step in the right direction, but better overall Canadian compliance is a must if the Softwood Lumber Trade Agreement is to survive as an alternative to resumed trade litigation."

Mr. Swanson continued by stating that "all that the U.S. industry and workers have ever asked for is that Canada live up to its commitments under the Softwood Lumber Trade Agreement," adding that "U.S. companies and workers should not be forced to suffer additional harm in these difficult times as Canada skirts its trade agreement obligations."

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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.