



## COALITION FOR FAIR LUMBER IMPORTS

### **FOR IMMEDIATE RELEASE**

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### **Coalition for Fair Lumber Imports: BC Mackenzie Subsidy Appears to Be Latest Willful Violation of the U.S.–Canada Trade Agreement on Softwood Lumber**

WASHINGTON (MAY 6, 2009) - The British Columbia government continues to circumvent the 2006 U.S.-Canada Softwood Lumber Trade Agreement by subsidizing timber stumpage rates in order to artificially keep otherwise uneconomical lumber production on line. The latest example is the apparently egregious reduction in stumpage for Canfor Corp. to re-open its Mackenzie lumber mill.

“There seems to be no end to these flagrant abuses of the SLA by the provincial government under a variety of guises that are, in reality, nothing more than subsidy increases,” said Steve Swanson, chairman of the Coalition for Fair Lumber Imports and president of the family-run Swanson Group in Oregon.

While initially claiming that these latest SLA inconsistent stumpage reductions were as a result of “anomalies,” media reports have clarified that Canfor simply pressured for, and received, “concessions on stumpage” rates from the provincial government.

Mr. Swanson explained that “stumpage reductions that are not mandated by pre-existing stumpage rules are violations of the softwood lumber trade agreement, period.”

“The Softwood Lumber Agreement was designed specifically to address these continuing, unfair provincial subsidies that seriously distort the North American market. They result in Canadian producers dumping their subsidized lumber in the United States, leading to closings of U.S. mills and putting thousands of American forestry and mill workers out of work,” he said.

Swanson said the Coalition will use any and all means at its disposal to ensure that the commitments made under the SLA are honored. “We are confident that BC’s SLA violations will be effectively addressed. It is deplorable that U.S. workers and their communities have to suffer in the interim,” said Mr. Swanson.

“The SLA was intended to end years of litigation by leveling the playing field against subsidized Canadian lumber,” Swanson said, concluding by stating that “so far, that has not happened. The United States should explore every option available to more effectively bring about compliance with this trade agreement. The U.S. industry, its workers, and millions of private family forest owners are simply asking for full compliance and enforcement of this trade agreement – and deserve nothing less.”

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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 underpricing of timber. For more information, please visit the Coalition's website at [www.uslumbercoalition.org](http://www.uslumbercoalition.org).