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Northern Caucus Report - By Hon. Richard Neufeld, MLA for Peace River North

New Mill Cuts a Path to New Prosperity

Fort St. John was ground zero for BC's biggest forestry announcement in years. Slocan President Ike Barber has worked hard to realize his dream of a state-of-the-art specialty lumber mill, and this week he was able to tell the world it's going to happen. Slocan Forest Products and Louisiana Pacific are joining forces to build the biggest Oriented Strand Board (OSB) plant on the continent, a \$214 million investment. It will be located here in Northern BC, right in the Peace, and that's fantastic news for the whole province.

This mill will mean about 450 direct jobs in Fort St. John that will give people the secure employment they need to stay right here, raise their families, invest in their livelihoods, and build upon the community. We've all heard stories about people moving to BC's cities to find a job — this announcement adds to Fort St. John's growing reputation as the best place in the province to live and work.

The oil and gas industry and agriculture play an important role in the quality of life around the Peace region, and we are fortunate to have this foundation. What the Slocan/Louisiana Pacific announcement proves is that we also have a diversified economy that offers significant opportunities. This mill will employ about 150 people on-site, and another 300 in the harvesting sector. It will take another 300 employees to build the mill over an 18-month period. They begin construction this spring.

Some have asked, "why build a new mill when the forestry industry is being hit so hard by the softwood lumber dispute?" This new mill will manufacture a product that can flow over the border to the US without the constraints of softwood lumber. OSB is a type of plywood made by squeezing together wafers of aspen, cottonwood and birch, along with resin. It is a hot commodity in the construction sector, with robust price increases and increasing demand. The US is expected to have about 1.7 million housing starts per year through the rest of this decade, and OSB is one of the materials of choice for homebuilders.

The Fort St. John plant will produce about 820 million square feet of OSB per year — that's over and above what is already being produced at the Slocan OSB plant in Fort Nelson and the Louisiana Pacific OSB plant in Dawson Creek. That seems like a lot, but the demand for OSB is huge - the North American industry made almost 41 billion square feet last year, and still couldn't keep up.

I see a bright future for Fort St. John's new plant. With the in-roads BC is making in Chinese and Russian construction markets, among others, we are in a good position to continue to capitalize on demand.

I also see a bright future for Fort St. John and the rest of the North: whether oil and gas, mining, forestry, agriculture or tourism, there's renewed interest in our neck of the woods. With this kind of investment in the Peace, it shows a bright future for our community as well. For more information, please visit my web site at www.richardneufeldmla.bc.ca or give my Fort St. John office a call at 250-263-0101.

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