

Lumber Prices: SPF R/L 2X4 \$US

Week of March 15	284
Previous Week	280
Previous Month	296
Year Ago	152

Source: *Madison's Canadian Lumber Reporter*
(www.madisonreport.com)

Register for ExpoFor 2010

Register now so you don't miss out on any of the dynamic panels at ExpoFor 2010 in Kelowna! ExpoFor will feature the Minister's Lunch, the Inductees' Recognition Luncheon, the President's Award Reception and BBQ. John Allan, COFI President and CEO will be a speaker for the Tenure Reform panel session on April 9th.

Register now for the early bird rate!

For more information and registration go to the website:
www.expofor.ca.

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President's Memo

Cautious optimism is in the air; however, it is all relative. As forest industry watchers know we are slowly climbing out of the worst down cycle of all times but future markets promise to deliver a few more negative blows from the impacts of the Mountain Pine Beetle, to an appreciating Canadian dollar, to further challenges in the U.S. housing market.

Having said that some measure of market stability has returned mostly due to supply side adjustments. Interior

lumber production declined by 18% in 2009 relative to 2008 and by 37% relative to 2007 or just over 5 billion feet! The percentage decreases are similar for Canada as a whole with 2009 Canadian production down 11 billion feet over 2007.

With ongoing U.S. housing challenges ahead, and notwithstanding increases in demand in China, 2010 would seem to call for a steady, measured response to global market conditions.



It's good to be on the black side of the ledger after so long in the red.

John Allan

Modernizing the Water Act

The Ministry of Environment has embarked on the ambitious task of modernizing the provincial Water Act. Brought into force over 100 years ago, the Water Act is the principle law for managing the diversion and use of provincial water resources.

To facilitate input, government has developed a discussion paper and organized a series of workshops across the province. The paper proposes options and solutions

for discussion at these workshops whose primary objective is to share information, discuss principles for a new Water Act and explore proposals for change. To date, workshops have been held in Nanaimo, Prince George, Kamloops and Kelowna. Future workshops will be held in Abbotsford (March 29), Smithers (April 13), Nelson (April 16), Ft. St. John (April 20), and Vancouver (April 21).

The closing date for submissions is April 30, 2010.

For a copy of the discussion paper and more information on this initiative including an invitation to attend an upcoming session, please access the government's Living Water Smart website
www.livingwatersmart.ca.

Safety Council Changes Audit Requirements

The BC Forest Safety Council as announced that, effective April 1st 2010, SAFE Companies verification audits can be accepted as an employer's maintenance audit.

What this means is that when a Council representative conducts a verification audit, the company will not have to compile and send in a maintenance audit for that year. The focus will be on the smaller sized companies with less than 20 people.

Each year the Council will randomly select companies for participation in a verification audit. Companies may proactively contact the Council office to express interest in participating in this type of audit. Companies that request a verification audit will be considered as part of the overall sample of verification audits.

For additional information please contact the Council at 1-877-741-1060 and ask to speak with a Safety Audit Advisor.

If you would like to stay up-to-date with changes to the SAFE Companies Program you can check out a new section on the Council's website called "[SAFE Companies Updates](http://www.bcforestsafec.org/SAFE_Companies_Updates)" which will be updated weekly every Tuesday morning.

Igniting Student Interest in Forestry Careers

Three programs recently hosted by COFI Northern Operations Forest Education Program seem to be igniting student interest in forestry careers. The three career awareness programs, Trades and Technologies in the Forest Industry, Harvesting Careers and Natural Resource Management Post Secondary Programs have attracted interest from both teachers and students right across north-central BC.

The **Trades and Technologies in the Forest Industry career Awareness Program** offered students in Prince George area high schools two full days of interacting with trades people in area sawmills and pulpmills as well as touring the College of New Caledonia Trade's Department. By combining the tour of trades department at the college with time spent with trades people in the mills, students could better assess where they are now in high school, what courses they will need to enter trades programs at the college, and what skills, attitude and aptitude they will require to get

hired and be successful trades people in the forest industry.



The **Harvesting Careers Awareness Program** was hosted in Fort St John attracting students interested in careers as machine operators providing them with a full day exposure to various machines involved in harvesting and processing trees. Spending a day on a harvest site allowed students to not only observe the machines in action, but also an opportunity to interact with the operators and learn about the challenges



and rewards of running harvesting equipment.

A new program, **Natural Resource Management Post Secondary Programs**, saw selected students from School District No 28 (Quesnel), School District No 91 (Nechako Lakes) and School District No 57 (Prince George) converge on The College of New Caledonia and the University of Northern British Columbia to learn first hand about their respective Natural Resource Management Programs. Students spent half a day at each institution participating in various hands-on labs such as soil analysis and bird identification, and interacting with both faculty and college and university students.



For more information on these and other forest education programs, please contact: Chris Lear, Manager Forest Education, COFI Northern Operations, telephone: (250) 614-4352 or e-mail lear@cofi.org.

2009 Wood Exports to China Doubles Previous Year

Final trade statistics for 2009 show that British Columbia softwood exports to China hit 1.63 billion board feet, more than twice the record 784 million shipped the previous year, Forests and Range Minister Pat Bell announced today.

"China recognizes that B.C. is a reliable supplier of high-quality lumber with quick delivery times," said Bell. "Dependability, strong product performance, and a sharp marketing focus have led to record-breaking demand for B.C. softwood lumber. This winning combination will continue to see increased use of B.C. wood in China as we reach our goal of exporting four billion board feet by the end of 2011."

B.C.'s annual lumber shipments to China are also soaring in terms of value. Sales have nearly tripled from about \$113 million in 2007 to more than \$327 million in 2009.

Part of the success in 2009 was the significant volume of new lumber orders generated by B.C.'s largest ever forestry trade mission to China. Major breakthroughs were made as the trade mission helped Shanghai launch its new wood-frame building code, and signed an important agreement to demonstrate the benefits of wood for affordable housing. The vice-minister of China's Ministry of Housing and Urban-Rural Development also encouraged B.C. to collaborate on

a six-storey, wood-frame apartment building in Beijing.

The Province, through Forestry Innovation Investment Ltd. and in conjunction with the Canada Wood Group, has been working over the last several years to diversify B.C.'s markets by demonstrating new uses for softwood products.

Diversifying international markets to strengthen the forest sector is a key priority. The Working Roundtable on Forestry recommended that B.C. continues to place particular emphasis on emerging markets such as China, ensuring that marketing efforts are sustained, co-ordinated and based on what end-users want.

Resources Expo 2010

Date: Thursday, June 3, 2010 to Saturday, June 5, 2010
Location: Prince George, BC

Resources Expo 2010 (formerly known as Forest & Resources Expo) will bring government and resource industry leaders, projects, companies and contractors, suppliers, human resources and technology together for 3 days of exciting

opportunities:

- Keynote speakers and up-to-date information on major issues, including carbon credits, BC's mega projects and how to get involved in their development, and the direction of the resource industries' futures
- Trade Fair- showcase your companies goods and ser-

vices, equipment, technology and expertise to thousands of potential customers

- Networking events- the opportunity to meet face-to-face with decision makers, investors, industry leaders
- Relationship and opportunity building- direction for future business growth.

For further information on the event and contact information, please visit our new website at www.bcreourcesexpo.com or call (250) 563-8833.

Vancouver Wood Solutions Fair

Thursday, April 22nd, 2010
Vancouver Convention Centre East

A one-day educational event on wood products and construction.

- 7:00 am registration
- 7:45 am Exhibit Hall opens
- 8:30 am - 4:45 pm Programming

Architectural

1. Eden Project – The Core, Cornwall, England - Ulrich Dangel, Associate Professor, School of Architecture, University of Texas
2. Cross Laminated Structural Timber used innovatively in two new School Academy Buildings in the UK. - Sophie Campbell BA Arch, Dip Arch, RIBA, London, England
3. 2009/10 Wood Design Awards: North America, Ontario, British Columbia - Marianne Berube, Executive Director, Wood WORKS! Ontario

Building Green

4. Building Green with Wood Construction - Jim DeStefano, P.E., AIA Pres., DeStefano & Chamberlain, Inc., Fairfield, Connecticut.
5. Green Building Rating Systems: How Does Wood Fit? - Helen Goodland, Execu-

tive Director of Light House Sustainable Building Centre, Vancouver

Durability of Wood in Exterior Applications

6. Deterioration Challenges and Durability by Design - Jieying Wang, PhD. Wood Treatment Scientist. Durability and Protection Group, FPInnovations, Vancouver
7. Durability by Nature and Durability by Treatment - Including Coatings Paul Morris, PhD, Group Leader – Durability and Protection, FPInnovations, Vancouver

Mid-rise Construction

8. Providing Fire Safety in Six-storey Wood-frame Residential Buildings - Jim Mehaffey, PhD, Representing FPInnovations
9. A Case Study of a Six-storey Hybrid Wood-concrete Office Building in Québec - Sylvain Gagnon, P. Eng; Research Scientist, FPInnovations, Québec
10. NEESWood Capstone tests – seven storey building in simulated earthquakes on world's largest shake table in Miki, Japan - Steve Pryor, P.E., S.E., International Director of Building Systems, Simpson Strong-Tie, California

11. California Mid-rise Construction- Lessons Learned (structural wood details that work... and some that don't) - Bill Nelson, NCE, Inc. Consulting Structural Engineers, Irvine, California

Design and Construction

12. Timber Engineering – The European Approach - Konrad Merz, Engineer, principal in Merz Kley Partners Ltd, Austria
13. A Preview of Upcoming Design Tools for Timber Connection Design - Peggy Lepper, M.Sc.F. Director of Technical Services, Canadian Wood Council, Ottawa
14. Use of Wood in Retrofit of Coquitlam Recreation Centre – Jozef Jakubowski,, P. Eng., Bogdonov Pao Associates Ltd, Vancouver
15. BC's Wood First Act: What it means to you – Peter Fuglem, Executive Director, Wood First Initiative, Ministry of Forest & Range, Province of British Columbia
16. Western Red Cedar – Distinctive, Sustainable Designs –Paul Mackie, Western Red Cedar Lumber Association.

pliers and technical experts are on hand to answer your questions about wood. You will be able to take what you learn from the seminars and exhibitors and apply it to projects your firm is currently working on.

If you are an Architect, Civil or Structural Engineer, Building Designer or Contractor, Construction Technologist, Specifier or a Student or Professor, this is the one event you should not miss.

What you will see

- Informative seminars solely dedicated to wood products.
- Technical information from suppliers, manufacturers, wood engineering consultants and industry associations
- The full range of structural wood products and finishing wood products
- Exhibits totally devoted to wood products
- Consultation with wood industry experts

For more information go to the WoodWorks! website: www.wood-works.org/

The Wood Solutions Fair focuses on wood products and their use in construction. Sup-

PWC's 23rd Annual Global Forest & Paper Industry Conference

May 11, 2010—Westin Bayshore Resort and Marina, Vancouver, British Columbia

Panel discussions will focus on: Transformation through innovation; Financial Performance & Economic Outlook; Market Outlook; Executive Perspectives / CEO Panel

To register and for further information on the conference, please click the "Register" button to go directly to the event website at

www.pwc.com/forestconf10

Email: forestandpaper@ca.pwc.com

Softwood Lumber Agreement 2006

For information about SLA 2006 please see the following websites:

Government of Canada:
www.international.gc.ca/controls-controles/softwood-bois_oeuvre/index.aspx?lang=eng

Government of BC:
www.for.gov.bc.ca/HET/softwood

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COFI—Vancouver
Suite 1501-700 West Pender St.
Pender Place I Business Building
Vancouver, B.C. V6C 1G8
Phone: (604) 684-0211
Fax: (604) 687-4930

COFI—North
#400—1488 Fourth Avenue
Prince George, BC V2L 4Y2
Phone: (250) 564-5136
Fax: (250) 564-3588

COFI—South
360—1855 Kirschner Road
Kelowna, BC V1Y 4N7
Phone: (250) 860-9663
Fax: (250) 860-0009

E-mail: info@cofi.org
Website: www.cofi.org

Editor: Anne Mauch
Desktop Publishing: Anne Ho

Off-Highway Motor Fuel Tax Refunds

The Ministry of Finance has outlined changes to the refund application process for off-highway motor fuel tax refunds for the logging, mining, and oil and gas industries and clarified the kilometres per litre (KPL) guidelines used by the ministry when calculating off-highway log hauling refunds.

Refund Overview

If you purchase clear fuel, and that fuel is used to operate an eligible vehicle off-highway for a qualifying purpose, you may be eligible for a refund based on the difference between the clear and coloured motor fuel tax rates.

The qualifications for the off-highway refunds have not changed. For information on the qualifications, please see the industry specific bulletins listed on the Ministry website at: www.sbr.gov.bc.ca/business/Consumer_Taxes/Motor_Fuel_Tax/bulletins.htm.

Refund Applications On, Or After, April 1, 2010

To apply for a refund on, or after, April 1, 2010, you complete the new *Off-Highway Refund Application* form (FIN 141). For information on how to complete the application form, please read the general instructions printed on page one of the form.

The application form will be available April 1, 2010. To be notified when the form is available on the ministry website, please subscribe to the **Consumer Taxes What's New** webpage at www.sbr.gov.bc.ca/msbr/whats_new/consumer_taxes/whatsnew.htm.

The application form outlines the specific supporting documents required for off-highway refund applications. Please read this section of the form carefully as the supporting documents that are required by the ministry may vary, depending on industry type and activity.

Once you have completed the new application form, including the schedule of fuel purchases and the distance worksheet, you have the following two options for submitting the supporting documents:

1. submit **all** your supporting documents at the time you submit your refund application form, or
2. do not submit your supporting documents at the time you submit your refund application form, and once your application has been received and reviewed by ministry staff, you will be contacted to provide a sample of the required supporting documents.

For more information go the webpage:
www.sbr.gov.bc.ca/business/Consumer_Taxes/Motor_Fuel_Tax/mft.htm.

BC's Wood First Initiative

BC's Wood First Initiative aims to build on the strength of one of the world's most sustainable and globally competitive forest sectors by promoting the use of B.C. wood products. The overall goal is to encourage a cultural shift toward viewing wood as the first choice for construction, interior design and daily living, while strengthening B.C.'s traditional lumber, pulp and paper sectors. Wood is durable, cost-effective and climate friendly. Using more wood will help strengthen the province's forest-dependent com-

munities and assist in meeting our climate change goals.

There are two key elements in the strategy:

- The Value for Wood Secretariat will streamline the flow of fibre from harvesters to the highest-value processors. By directing the right fibre to the right manufacturers and process, we can maximize the value per cubic metre of wood.
- The Wood Enterprise Centre will foster innovation and development opportu-

nities by encouraging pilot projects and demonstration facilities.

BC has also committed to building a Wood Innovation and Design Centre in Prince George. The Centre will position B.C. as a world leader in wood construction, design and education.

For more information go to the Wood First website:
www.for.gov.bc.ca/mof/woodfirst/