

**Ministry of Natural
Resources**

Office of the Associate
Minister of Forestry and
Forest Products

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**Ministère des Richesses
naturelles**

Bureau du ministre
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316-2024-13

December 13, 2024

Kari Hanselman
Clerk
Municipality of East Ferris
kari.hanselman@eastferris.ca

Dear Kari Hanselman:

Thank you for sharing the Municipality of East Ferris' recent town council resolution supporting the Ontario Forest Industries Association's recommendations on how Ontario can better support the forest sector.

I want to express how disappointed we were to hear of Domtar and AV Terrace Bay's decisions to idle their mills. You, more than anyone, know how important these mills were to the Municipality of East Ferris, the local sawmills and the surrounding forest industry.

While we continue to look for opportunities to restart idled pulp and paper mills, we are acutely aware that sawmill by-product inventories, particularly wood chips, are growing. In response, the Ministry of Natural Resources recently launched the Ontario Sawmill Chip Support Program. The program is a short-term relief measure that will provide grants to licensed Ontario Forest Resource Processing Facilities (mills) that urgently need to reduce their by-product/wood chip inventories.

Ontario's Forest Biomass Program supports the ministry's longer-term vision to grow the forest industry by increasing wood utilization across the province, commercialize new uses for forest biomass, and facilitate Indigenous led projects and participation in forest biomass sectors. Over the next three years, Ontario will be making an investment of \$60 million in the Forest Biomass Program to attract innovative and novel investments to further develop markets for underutilized wood and mill by-products such as wood chips.

The ministry continues to closely monitor the current state of the forest industry. We often meet with forest industry representatives to discuss current challenges and short- and long-term opportunities, and we value the input of communities like East Ferris on how best to move forward.

Thank you again for sharing the municipality's resolution with me.

Sincerely,

A handwritten signature in cursive script that reads "K. Holland".

The Honourable Kevin Holland
Associate Minister of Forestry and Forest Products

c: Sean Maguire, Assistant Deputy Minister, Forest Industry Division, MNR
Deb Weedon, Director, Operations Branch, MNR
Wayne Barnes, Director, Forest Economics and Business Branch, MNR
Ontario Forest Industries Association