



Pontiac Forest Products Producers Board

Winter Update January 21, 2025

Weather

This year's winter is trending to be colder than last year; already we have more snow. How good will these conditions stay and for how long? The short-term forecast for the next couple of weeks appears to tell us that we will have consistently colder weather. The farmers Alamac is claiming that by the end of this month, it will be the coldest we get this winter.

The Market

It is evident that with a limited white pine market, the lack of a spruce and balsam market, as well as low prices for these species has put the producers in a bad spot. We hope to see change for these markets come spring and will explore other options in the interim.

Louisiana Pacific's contract has remained status quo for us in the Pontiac. Although there are no increases, we still have access for poplar and importantly, pine pulp.

Domtar has announced a \$2 increase in price, effective last week, raising from \$42 to \$44 per ton left to the producer. This is great news. A market that was not traditional in the Pontiac; until the PEEOL began in summer of 2023. We estimate there is 11 000 tonnes remaining; covered by the PEEOL, after which there may not be a renewal of this subsidy program for trucking. Without it, Domtar (Windsor) may no longer be able to do business with us.

Maibec has come to an agreement with Brian Smith to receive Cedar, treelength, at his yard in Shawville.

Daaquam is offering to buy 12 foot and 16 foot spruce and fir sawlogs on the back haul, they require you contact them to give a GPS pin for their drivers to find the landing.

Forespect is buying poplar and basswood logs again after a hiatus, though the price remains at 400\$/tbf for prime, select and grade 1 scales.

Scierie Carrière has sent us a price list and offers the producers another market to choose from for hardwood species.

Please refer to our price list on our website for all updates in the market:

<https://www.foretrivee.ca/pontiac/>

What to do with what we have...

Forests with spruce, fir and white pine could have financial challenges when it comes to tapping into the market. The safe route is to search for forests with poplar and hardwood pulp while we have the LP and Domtar market.

If cutting pine, we find ourselves capable of getting rid of the pulp to LP (while they are fully open to us). Do not expect to have a market for anything less than select grade at Lefebvre in Mansfield at this time being as their distributor cannot move anything due to the American Canadian trade situation and declining housing market.

The renewal of the Domtar contract is up in the air, and we will not find out until late March (or later) if a budget will be announced for a renewal contract between the MNRF and Domtar.

We should try to use all our allotted volume before it runs out. The office will not be able to give new delivery permits after March 31, 2025, and we plan on only keeping the yard at Brian Smiths (Domtar`s yard in Shawville) until June 30, 2025.

Considering the pest outbreak that is seeing the ash die, as well as the beech bark disease that are wiping out the forests, we find ourselves having to say *if you do not use it, you lose it*. If we fill our contract with Domtar, this may lead to them renewing it.

The **annual general meeting will be on April 16** at 1 p.m., St-Paul`s Anglican Church Hall, 530 Main Street, Shawville. Come to discuss issues, and for news, whether good or bad.

Cash Allard
General Manager