



Office des producteurs de bois de Pontiac Pontiac Forest Products Producers Board

December 19, 2025

Newsletter Winter 2025

Dear Producers,

First of all we acknowledge the shakiness in the market and thank you for the respect you have given to the marketing board on issues that are beyond our control. As the rumour mill is ever going, we strive to debunk and provide the most up-to-date information as possible. With our current government, federally and provincially, it seems like the Pontiac is once again the last region anyone thinks of, if at all. Once a prospering forest region with strategic position accessing the north, the crown land and the private woodlots-now a decaying region like the standing timber that we cannot sell. We tend not to want to write updates in info letters to the producers until there is good news, but it seems like we do not ever get good news. 2025 was a complete bust in our region thanks to the Trump administration, the lack of a backbone from the Carney government and the changing attitudes from the Quebec provincial government to advocate on our behalf. We want to say 2025 was rock bottom but I can't promise you that statement is true.

The Market situation

Louisiana Pacific

It is no secret that many of you know about the current economics of the industry in general, the total pitfall of the softwood industry, the closing of all sorts of mills, and the lack of interest in making something work in the Pontiac that could easily aid our situation and also be of strategic value to even the Ontarians. Yet there is no investment. The lack of value-added products in Canada in general has led us to selling out, we give away everything for nothing. We know the Ontario situation with LP; they are flooded and are doing another setback on the private wood boards in the Outaouais. Last year, we brokered a deal with LP for 45 000m³ which as you might know, was not respected. They used their clause of not being able to sell wood (while taking heaps of other wood from their crown land and Ontario connections) as a means of saying to slow down. Because of this, they ultimately

decided to hit us heavy this year by limiting us to 35 000m³ in total for 2026 and not sending more than 12 000m³ between the prime season of Jan-March or until half loads come on. LP is simply bullying us to bypass us to get wood from Ontario vendors.

Domtar-hardwood Pulp through the PEEOL

The PEEOL is what allows us to deal with Domtar located in Windsor, Quebec. In 2024-2025 the board called for the usage of all its budget for this program, but we fell short. Many producers chose instead to send wood as stove wood and when that didn't sell, they opted to sell to Domtar come spring when we lost that budget (about 5000m³), which over encumbered the new budget of wood (which was 3600 m³). With the change in Government, Quebec ultimately decided to not renew or add the budget which left many of us stranded. The program was essentially axed for the remaining of the year. The PEEOL program is actually designed to only give 10% of the budget to the private woodlot boards while 90% is for wood out of our region that comes from crown lands. This is the reason you still see hardwood coming from different sectors still heading to Windsor, Quebec. There is some murmuring of a budget to be announced at the end of January, but because its government I would not expect anything until half load season is over. This is hopeful, but hope does not pay the bills.

Resolute (Now owned by Domtar)

As long as the tariffs remain on at 45%, there is no planned reopening of this mill. They will simply attempt to wait out the Americans. Softwood in spruce and balsam, is completely dead as it seems. There was a an announcement of the Liberals to help softwood mills soften the blow but unless Domtar files for this aid, I don't see this mill opening up until Trump and the MAGA gov gets pushed aside or our government gets a backbone.

Saxby-Hardwood Logs

I don't want to talk about other smaller mills we deal with but Saxby gave the news recently that they are permanently close. I do not have an official reason for that decision.

What this all means-

When we did not fulfill our PEEOL contract destined for Domtar, there ended up being a lot of wood on a much smaller budget after the spring melt. The cascading effect this had ended business with them which transportation is too far for them to consider buying wood from us without a subsidy for trucking. Eventually this led to everyone from Laurentides, Gatineau and Pontiac all sending wood to LP which with their Ontario partners and crown cuts, led them to add these limitations.

LP will impose a limitation and its unsure they will reconsider, although they said they would in June. Because of the limitation, the wood board will need to do a quota to LP for likely the entire year. For January to March, we are allowed 300 loads max, but we don't need to do that all as it can be sent after the melt. How we have decided to quota will be based off historic volume sent through the marketing board to determine your market share, or in this case, a volume share. We will notify producers of their maximum permits per month; however, permits will not be issued *en masse* but ongoing as the loads are put in, so inquire before you start cutting. If you stockpile, we may not be able to sell your wood. The general manager will need to access operations on a timely manner to consider redistributing permits if need. Permits will also have an expiration at each month to ensure we use them. Because March is unpredictable, we are aiming at sending around 120 loads for January, 120 for February and the remainder for March.

Unless we get a surprise news from the MNRF concerning hardwood pulp, we will inform the producers what to expect from LP for the rest of the year once we get more information. We know there is extreme pressure being put onto the MNRF to boost the budget for private woodlots to 30% if a new one is announced at all. We will need to put Pontiac on the map and begin dictating our sown future instead of someone else doing that for us.

We thank you for your understanding and will continue to help and support in any which way we can.

Cash Allard
General Manager