



Interior Lumber
Manufacturers'
Association

BRIEFING NOTE and KEY MESSAGES:

Softwood Lumber Agreement and ILMA mills

- Countervailing Duties of 19.88% have been levied, requiring cash deposits beginning May 1, and retroactive for shipments that have gone to the U.S. in the 90 days prior.
- While notice of the US duties is not unexpected, it is still disappointing, and it creates additional uncertainty for ILMA mills and the communities in which they operate.
- While many ILMA mills in the souther interior have successfully diversified their markets, there is no question that the US is still a major customer for our products
- Countervailing duties, tariffs, and other punitive measures have an impact on the price of Canadian lumber products in the US.
- The U.S. National Association of Homebuilders today said that the impact of these duties would mean an increase in the construction price of an average U.S. single family home of more than \$1,200, and they are "...deeply disappointed in this short-sighted action by the U.S. Department of Commerce that will ultimately do nothing to resolve issues causing the U.S.-Canadian lumber trade dispute but will negatively harm American consumers and housing affordability"
- We are very concerned about this situation; it is difficult to predict the full impact given its very early in the process. Now isn't the time to over react, but we need to focus on a unified strategy across our province and the country to ensure a positive outcome for our industry especially taking into account smaller specialty mills like ILMA mills
- We have confidence that negotiators will work through the issues, and while it will take some time, we expect a favourable outcome for Canada - just as has happened in almost every other SLA dispute over the past 35 years

How can local government and the AKBLG help?

- Ensure that especially during these challenging times, you continue to support policies and positions that allow your local mills to operate
- Speak to your provincial and federal elected representatives to stress the importance of the forest industry to your community.

- Help us reinforce the message that the ILMA needs to be consulted during negotiations to ensure that a new agreement works for our types of mills, as well the larger dimension lumber producers.