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June 12th, 2019

Heather Farrer

Forest Industry Division, Operations Branch Forest Industry Unit

5520 Highway 101 East

P.O. Bag 3020

South Porcupine, ON

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Canada

Re: ERO Number 019-0132, Licence for a Forest Resource Processing Facility

Dear Ms. Farrer,

On behalf of Dament and Charles Lumber Manufacturing Limited, thank you for the opportunity to comment on ERO Number 019-0132 in consideration of issuing a Type "D" forest resource processing facility license for the construction and operation of a new sawmill facility in Bonfield, Ontario.

As outlined in the proposal, the facility is expected to produce approximately 90 million-foot, board measure of product per year and directly employ 90 people. This includes products such as conifer dimensional lumber, hardwood lumber, red and white pine timbers for home construction, hardwood flooring, red and white pine tongue and groove boards and decking, pallet stock, mouldings, and fuelwood.

Existing mills in the area currently face difficulties accessing a reliable supply of timber, particularly for certain log species and quality. We believe many opportunities exist in the region, however, not necessarily all of the products identified in the proposal or at the volume required to support such a facility.


Ontario's forest products sector is highly integrated. New entrants have the potential to strengthen supply chains and make accessing standing timber more reliable and affordable for established facilities currently operating in the region. As Ontario develops a provincial forestry strategy aimed to "*unlock the potential of Ontario's forest sector*", we hope more businesses recognize the opportunities available in this province.

The Ministry of Natural Resources and Forestry (MNR) has examples of projects where unstable private financing, inaccurate estimates of harvestable wood supply, and lack of knowledge regarding existing business-to-business agreements have resulted in the premature closure of new facilities. In many cases, this has been after the province has invested significant amounts of limited public funds into supporting new ventures.

To avoid history repeating itself, we would strongly encourage the MNR to consult directly with Sustainable Forest License managers and existing processing facilities in the area to determine if the volume of timber is there to support the operation of such a large-scale facility proposed in ERO Number 019-0132 before a license is issued.

We would be happy to work with the MNR and the Ontario Government in identifying these opportunities to ensure the greatest chance of success for new entrants and make Ontario's forest products sector stronger.

Sincerely,



Dana Shaw,
Vice-President

Dament and Charles Lumber Manufacturing Limited