



LAVERN HEIDEMAN & SONS  
LIMITED

June 19<sup>th</sup>, 2019

Heather Farrer  
Forest Industry Division, Operations Branch Forest Industry Unit  
5520 Highway 101 East  
P.O. Bag 3020  
South Porcupine, ON  
P0N 1H0  
Canada

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

Dear Ms. Farrer,

On behalf of Lavern Heideman & Sons 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.

Our facility currently processes Red Pine, White Pine, Red Oak and Hard Maple. We utilize all the available volume of sawlogs in these species that we can procure and currently have the capacity to process more volume at our existing facilities. In addition to Crown wood, we already purchase private sawlogs from within a 300km radius. There is an extremely competitive market already for private sawlogs and again, we would purchase more if they were available.

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 "*unleash 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 (MNRF) 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 MNRF 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,

A handwritten signature in blue ink, appearing to read "Kris Heideman".

Kris Heideman  
Vice President

cc. Minister John Yakabuski, Ministry of Natural Resources and Forestry