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Softwood fallout hits region again

Two Mackenzie mills among 20 in Canada shutting down temporarily this summer

by GORDON HOEKSTRA
Citizen staff

Abitibi-Consolidated became the first major Canadian lumber producer Tuesday to announce massive temporary sawmill shutdowns, including in northern B.C., as a result of the softwood lumber dispute with the U.S.

It's closing 20 sawmills in Quebec and two sawmills in Mackenzie, B.C., 170 kilometres north of Prince George, for two to four weeks this summer.

Beginning in July, Abitibi is also closing three sawmills in Quebec indefinitely.

Ken Lloyd, Abitibi's general manager in Mackenzie, said the mill's plans have

not been changed by the head office announcement. The Mackenzie operation had already planned a four-day shutdown of its two sawmills next week and a two-week shutdown in August. Its two planer mills will continue to operate, producing finished lumber. As a result about 200 of the Mackenzie operation's 450 workers will be temporarily off the job.

"It's tough right now, there's no question about that," said Lloyd. "The duties are a heavy imposition on our business, but we're hanging in there."

The Abitibi shutdowns will take more than 500 million board feet of lumber out of production — more than

20% of Abitibi's annual production. Across Canada, more than 5,000 workers will be impacted, said the company.

"Unfortunately, due to the high cost of exporting to the United States generated by countervailing and anti-dumping duties, we're left with no competitive alternative," Abitibi vice-president Louis-Marie Bouchard said.

The production curtailment dwarfs those by B.C. companies like Slocan and Canfor.

Slocan earlier revealed it is cutting production by 40 million board feet at its Interior B.C. sawmills this summer, about 3% of its annual production. Canfor is temporarily shutting down

two sawmills in the Prince George area this summer to do maintenance, taking out 20 million board feet of production or less than 1% of its capacity. Canfor officials earlier said the shutdowns have little to do with the softwood dispute, adding the company plans to continue to run its mills full time.

While most lumber producers in Canada are facing combined duties of 27%, Abitibi has among the highest combined duties at 31% because it was slapped with an individual anti-dumping duty higher than other companies. Lumber prices dipped after the duties came into effect, although they increased slightly last week to \$250 US

for the bellwether thousand board feet of two-by-fours. That's still considered below the break-even point, although it varies from mill to mill.

Forest industry consultant Charlie Widman expects that more Quebec sawmills will shut down by the end of the summer, taking out about one billion board feet of lumber production.

Widman said B.C. Interior mills are simply more efficient than Quebec mills, and integrated companies like Canfor are benefiting from improving pulp prices. The chips produced in the sawmilling process are used to make pulp. "In B.C., we're getting by this thing a little better than we thought."

Players urged to stay course on forest reform

by GORDON HOEKSTRA
Citizen staff

Forests Minister Mike de Jong warned this week that industry stakeholders who decide not to take part in forest policy reform discussions will be left on the sidelines.

De Jong was responding to the Central Interior Wood Processor Association's (CIWPA) declaration last week that it won't take part in any more policy reform discussions until the government is willing to make changes.

"I want people to have a clear notion of the general direction the government is headed in, moving towards a more market-based forest management regime. I want them to be involved, and I need their input, and have gone to great lengths to try to involve people, industry, and stakeholder groups," de Jong told The Citizen Monday. "But if people are going to threaten or walk away, or boycott, every time they hear something they don't like, it's difficult to have that ongoing discussion."

De Jong said the province will continue to work with concerned stakeholders who are willing to talk, while groups like the CIWPA will be on the sidelines. "I'm disappointed about that."

The CIWPA criticized the latest timber pricing proposal presented in a meeting with senior bureaucrats earlier this month as "unworkable," charging it would destroy B.C.'s value-added wood sector. Under a new body, called B.C. Timber Sales, 20% of B.C.'s annual harvest would be auctioned to set prices for all Crown timber.

The value-added association contended that 20% is not enough to create a true, open market. It also said that even if the 20% was restricted to bidding by value-added producers and loggers, major forest companies could use "surrogate" bidding to capture the timber. That's a practice where major companies make arrangements with smaller companies to bid for them.

The Central Interior association's CEO, Ken Pendergast, had said the province was only interested in suggestion that amounted to "cosmetic tinkering."

But de Jong said nothing has been cast in stone yet — not the amount of timber up for bid, who will be able to bid on it, or where it will originate.

De Jong said he also hasn't ruled out clawing back timber from major forest companies that hold long-term timber cutting leases. The CIWPA is not alone in its push to see major companies give up timber. Others like unions and environmental groups are making similar demands.

A U.S. lumber industry coalition that launched trade complaints that resulted in the duties totalling 27% on Canadian lumber imports has also said B.C. needs to put more than 50% of its timber up for auction to resolve the long-running lumber dispute.



HEY DIDDLE, DIDDLE — Ivan Hicks plays his fiddle during a concert at Vanier Hall. Hicks played to an audience of about 500 Tuesday evening. Hicks and Martime Express are on a cross-Canada tour that began on May 30.

Citizen photo by Brent Braaten

RCMP, Yekooche First Nation mend fences after man shot during arrest on reserve

Citizen staff

First Nations groups say they hope to work toward building a better relationship with the RCMP.

A meeting was held Monday at Nak'azdli, following last month's shooting of a mentally-challenged Yekooche First Nations man by a Fort St. James RCMP officer.

"I'm happy with the way it went. The tone has been set for open dialogue between the RCMP and the Yekooche community," said Mavis Erickson, Carrier Sekani tribal council chief.

At the meeting, community members voiced their concerns about the incident, which they say could have been handled differently.

Further meetings between the Yekooche community and RCMP are planned, with the next session to be held in Yekooche, northwest of Fort St. James, within the next couple of weeks. Erickson said it's too early to say what could result from the meetings. "I don't think anything could be resolved at such a preliminary stage," she said.

RCMP from Fort St. James, the North District office and Vancouver attended the meeting with representatives from Yekooche, Nak'azdli, Tl'az'ten, Middle River and Takla Lake, which are served by the Fort St. James detachment.

Prince George resident Isaac John Joseph was shot during an assault investigation at the

Yekooche reserve on May 30. RCMP said a police officer arrested a suspect, but things turned violent when the man struggled and grabbed the officer's baton, striking him several times on the head.

The officer shot Joseph twice in the upper body. Community members say the man — who has a mental capacity of a seven or eight-year-old — might have been confused or upset by the situation. Joseph has been charged with assault with a weapon and assaulting a peace officer and is currently on bail.

The RCMP officer returned to work last week after taking a leave to recover from his injuries.

Ft. St. James, Chetwynd hospitals survive

by BERNICE TRICK
Citizen staff

The Chetwynd and Fort. St. James hospitals have been saved from being turned into health clinics and will remain as small community hospitals with acute care, emergency and diagnostic services, the Northern Health Authority (NHA) board decided.

Mayor Charlie Lasser of Chetwynd said Tuesday he's "pleased that (Chetwynd) took the high road to work with the NHA to come up with this decision."

Chetwynd will keep the five acute care beds that a contingent fought for during a NHA meeting Sunday night in Prince George.

"Our hospital will continue to be a 24-hour, seven-day-a-week facility," said Lasser.

But the seven long-term care beds will be phased out over a period of time and reviewed at the end of two years. "I feel at that time they'll see the need for it," said Lasser, who added he's thankful for guidance of consultant Jim Saunders who provided options and recommendations to NHA, and to doctors, health staff and the

community "for their co-operation in saving our hospital."

Stuart Lake Hospital in Fort St. James will retain six acute care beds, while an additional six beds will be used to provide long-term care until the new multilevel care Omenica Lodge opens in 18 months.

A contingent from Ft. St. James made a bid to NHA in May to save their hospital from becoming a health clinic.

Wrinch Memorial Hospital in Hazelton will have nine acute care beds and will keep its long-term beds and its teaching role in the family practice residency program.

GR Baker Hospital in Quesnel will shift to a digital radiology system this year with \$280,000 funding approved by the Cariboo Regional Hospital District and \$420,000 from the Health Ministry.

The new system will increase quality of X-rays and make it practical for doctors to transmit the X-rays to specialists in Prince George or elsewhere for consultations. The improvement will save money with the elimination of film, processing and courier costs.

Harry Gairns, NHA chair, said the

decisions on hospitals "reflect our continued commitment in providing health care for the North in a sustainable manner."

A week ago plans to redesign the Mackenzie hospital and health services were announced to bring a range of health services and the community's four doctors under one roof.

Hart-Nechako to get new well

Citizen staff

Prince George was awarded \$3.66 million in federal-provincial cash Tuesday to build a new well and water pump station to service the Hart Highway-Nechako area.

The funding comes from the Canada-B.C. Infrastructure Program, which provides two-thirds of the money for projects. The municipality must contribute the other third.

The award was welcome news to the City of Prince George.

Coun. Gord Leighton said the project would not have gone ahead in the near future without the federal-provincial

contribution. "It's very good news indeed," he said. "It's long overdue."

The current water system serves about 15,000 people and relies on three shallow wells, two of which are primarily used for backup. The project will allow the city to decommission two existing wells considered vulnerable to contamination.

"This is a great investment in the community," Prince George North MLA Pat Bell said in announcing the funding. "This project will provide the community with a better water source and it will also lay the groundwork for future economic growth."

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