



Memorandum

TO: Krista Power, Director of Legislative Services & City Clerk **FILE:**

FROM: Councillor Kristen Oliver
Chair – Inter-Governmental Affairs Committee

DATE: 11/19/2024

SUBJECT: Ontario Forest Industries Association’s 2025 Ontario Budget Recommendations

MEETING & DATE: Committee of the Whole - 12/02/2024

The forest sector is vital to Ontario’s economy, employing 137,000 people and, since 2018, investing over \$3.8 billion in Ontario. However, the industry faces serious challenges, including mill closures. In the last year, alone, Ontario has seen three pulp, paper, and containerboard mills idle or close, negatively impacting communities and the solid wood mills that depend on these facilities.

A potential increase in U.S. softwood lumber tariffs could further impact the industry. U.S. tariffs on softwood lumber are expected to double in 2025, to approximately 30%.

The Ontario Forest Industries Association (OFIA) has put forward several recommendations to the Province, aimed at harnessing the significant economic and environmental potential of Ontario's forest resources, ultimately contributing to the growth and sustainability of the province.

Key OFIA recommendations include:

- Expanding the Forest Biomass Program,
- Securing longer and larger power purchase agreements for biomass-fired energy, and
- Increasing funding for the Forest Access Roads Program to support infrastructure upgrades.

These measures and others recommended by OFIA, intend to support the forest industry, address energy needs, and ensure the long-term economic sustainability of Ontario's forest sector.

The following motion is provided for Council's consideration:

WITH RESPECT to the Memorandum from Councillor Kristen Oliver, Chair – Inter-Governmental Affairs Committee, dated November 19, 2024, we recommend support of the implementation of the Ontario Forest Industries Association's 2025 Ontario Budget Recommendations aimed at attracting investment and maintaining forest operations and employment in Ontario;

AND THAT a copy of this motion be sent to the Minister of Economic Development, Job Creation and Trade, Minister of Natural Resources, Minister of Environment, Conservation and Parks, Minister of Public and Business Service Delivery and Procurement, Minister of Mines, Minister of Energy and Electrification, Minister of Finance, Minister of Northern Development/Indigenous Affairs and First Nations Economic Reconciliation, MPP Thunder Bay - Atikokan/ Associate Minister of Forestry and Forest Products, MPP Thunder Bay - Superior North, and all NOMA member municipalities;

AND THAT any necessary by-laws be presented to City Council for ratification.

Attach: NOMA Resolution