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For immediate release

Enough is Enough! – New Softwood Lumber Duty Unfairly Hurts BC's Value-Added Wood Products, Says IWPA

North Vancouver, B.C. — After today’s announcement, the US Department of Commerce will double the anti-dumping and countervailing duty on Canadian softwood lumber products, adding more to the already collected CDN\$10 billion deposits. This unfairly penalizes BC’s value-added wood industry. The Independent Wood Processors Association of British Columbia (IWPA) calls on the Canadian government to prioritize negotiating a new trade agreement.

“Enough is enough; this softwood lumber dispute unfairly hurts the small, family-owned companies who are innocent bystanders in this long-standing dispute between American landowners and international lumber corporations,” said Andy Rielly, Chair of IWPA. “This dispute has gone on long enough: We call upon the Canadian government to find a negotiated solution and protect Canada’s small- and medium-sized family-owned businesses who are collateral damage in this dispute.”

Today, the U.S. Department of Commerce announced an increase in the anti-dumping and countervailing duty on Canadian softwood lumber products from 7.99% to 14.54%. The US government has already collected approximately CDN\$10 billion since starting to impose a countervailing and anti-dumping duty in 2017 following the expiration of the last softwood lumber trade agreement. Since signing the Canadian, US, and Mexican Agreement (CUSMA) in 2018, no dispute panels have met to arbitrate this dispute.

“The IWPA member companies do not have tenure, and this trade dispute concerns crown tenures. Our companies purchase their lumber or logs on the open market, no different than those American companies that have launched this trade dispute, except our member companies are penalized twice,” said Brian Menzies, Executive Director of the IWPA. “BC’s value-added companies pay the duty on the raw materials we purchase on

the open market, and then we pay the duty again on the added value portion of the remanufactured higher-end wood products, like decking, siding, and garden fencing. We end up paying an unfairly high proportion of these duties, causing a loss of sales of our value-added wood products and impacting our ability to protect jobs for our employees.”

End

About the IWPA

The Independent Wood Processors Association represents British Columbia’s 60 small and medium-sized BC-based wood manufacturers with no tenure and who must purchase their raw materials, lumber, or logs on the open market. We employ 3000 employees and contribute a billion dollars to BC’s economy annually. Our member companies use every stick of wood they purchase on the open market to make higher-value wood products. These companies make a diverse range of higher-value wood products, including the beautiful wood you see around your homes: fencing, decking, wood siding, railings, flooring, window frames, etc. The IWPA companies consist of value-added wood producers known as remanufactures, secondary manufacturers, including companies that make pulp and veneer products, custom cutters who facilitate the marketing of wood products on the open market, and custom-cut primary breakdown sawmills that process wood from open market sources.

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