

# **APPENDIX A**

## **History of Mill Closure (2014-2022)**

I am writing this as information on what exactly happened as Fort Frances Town Council Attempted to avert the demolition of our 100 year old paper mill, the only local good-paying job opportunity for resident in our area. My family members and friends had been and still were employees of the mill and deserved the opportunities that could have been available into the future if there hadn't been very questionable roadblocks put in place and the lack of further investigation by council members and consultants. I worked very hard to try to promote the sale to other companies and in doing so, truly believe that some facts and information should have been further sought and investigated. Fort Frances has been my home for my entire life and it has been very discouraging to see this vital community struggle to get back on its feet to finding a new industry/business to rebuild our economy and workforce.

In 2014 Resolute Forest Products (RFP) announced that they were closing the Paper and Kraft mills. That meant the loss of our over 100 year industrial business and the loss of jobs for many employees who were either close to retirement or who faced the daunting task to find a job locally in Fort Frances and district, where they had lived all their lives and had families to support. At that time the Liberal Party was led by Kathleen Wynne as Ontario's Premier. Bill Mauro, who had lived in Thunder Bay most of his life, represented Thunder Bay-Atikokan and served the province as Minister of Natural Resources and Minister of Municipal Affairs and Housing in Wynne's cabinet after the Liberals won the election in 2014.

In October 2014, F.F. Council, our Economic Development Consultant, local business people, and First Nations residents secured an airplane and flew to Toronto hoping to meet with Premier Wynne for assistance to keep the F.F. mill running and viable for employees. Premier Wynne avoided the lobbyists and the costly trip ended on deaf ears from the government.

Resolute owned the mill in Thunder Bay at the time and still does today. Resolute was given control over the wood fibre that had always been designated for the Fort Frances operation. Resolute began advertising the Fort Frances Mill for sale, and though several companies expressed interest in purchasing the mill, RFP made it next to impossible for other companies to acquire wood and were always told to sign non-disclosure papers forbidding them to make any products that Resolute was making. Because of lack of bargaining in good faith with potential buyers, every interested party finally were forced to walk away.

In 2018 when I became Mayor of Fort Frances, my Council continued to lobby the newly elected Conservative Government. We sent letters to the Minister of Natural Resources, Mr. John Yakabuski and met with him at Conferences stating our needs and concerns about the closure and pending demolition of our mills. We spoke with Minister Greg Rickford, MPP for Kenora-Rainy River Districts, who did not assist us.

Throughout my term as Mayor of Fort Frances, I have questioned how the entire situation regarding the closure and demolition of the Mill here was handled. During the first few months in office we continued to try to find an ally in government as we attempted to preserve our only industry and the many employees who were affected by job loss but did not find or have anyone who truly cared about us.

The Crossroute Forest (the Fort Frances Forest) and Sapawe Forest (Near Atikokan) had been separate entities for many, many years. These areas were controlled mainly by Resolute Forest Products during that time.

In 2018, when I became Mayor, discussions and plans were made to amalgamate the Crossroute and Sapawe Forests. Discussions were held with 16 shareholders from local mill facilities, First Nations, Metis, independent loggers, and municipalities. At that time, Fort Frances Economic Development Consultant Tannis Drysdale, and an outside consultant, Mike Willik, who had been hired by our F.F. Consultant, represented our interests. Mr. Willik was a former minister with the Ministry of Natural Resources and has since become the President of the Boundary Waters Forest Management Corporation (BWFM). He now is also one of ten people chosen for an advocacy group, formed by Premier Ford, to offer advice and recommendations to protect Ontario's right under trade agreements and the jobs of the many Ontarians working in supply chain jobs. Willik's Consulting Firm provides advice to forestry and mining companies, First Nations and municipalities regarding forest licensing, softwood lumber negotiations, wood supply, environmental approvals and government relations.

The amalgamation was completed with the Boundary Waters Forest Management Corporation that was formed in 2020. Unfortunately, Mr. Willik and Ms. Drysdale were not able to secure the wood fibre that had been historically destined to Fort Frances and which would be available for any new industrial company that came forward with interest in creating a business and renewed jobs for our local workforce.

Throughout this time Fort Frances Council continued to fight for the lost industry here and the loss of our fibre now being taken to RFP's Thunder Bay Mill. An ad hoc committee was formed in 2019 to try to find answers to questions about the Resolute Forest License Audit process and results (which was currently being discussed as a transfer from the Crossroute Forest and Sapawe Forest to Boundary Waters Forest Management Corporation). The ad hoc committee decided, on the advice of Councilor Judson to hire Gowling WLG, a firm he had connections with, to investigate the forest license audit. We received a draft response from Gowling stating that they were only able to access the Resolute Forest License Audit from 2012. At this point, the ad hoc committee accepted Gowling's draft and never pursued the investigation any further.

A local gentleman, Dave Kircher, had long been suggesting the possibility of keeping the local mill viable as a possible trade school location, in order to create apprenticeship opportunities for a declining trades profession throughout the country. If the mill had continued in operation, this would have put Fort Frances on the map as a college destination while encouraging young people to learn the various trades near home and ultimately create many jobs. Mr. Kircher took a personal interest in how the whole sustainable license had transferred from A Sustainable Forest License to the Boundary Forest License.

Because of his persistence in writing many letters to the editor in our local newspaper in 2020-2021, I felt he deserved to be heard. I met with him and listened to his very interesting and plausible point of view regarding the situation that had destroyed our economy in F.F. I learned through him that there should have been an accessible copy of the 2017 Resolute Forest License Audit on the Ministry of Natural Resources public website. Every five years there is supposed to be a renewed license applied for by companies. This license had not been found by Gowling WLG in 2019 during their investigation, and Mr. Kircher had tried through various contacts with the ministry and on their website to find the 2017 renewed license but had no success. I found this perspective very suspect, so I asked Mike Willick for a copy of the 2017 license. I was sure that he should have a copy since he was now the president of BWFM. Mr. Willick initially said he would have to see if he could find it but later did email me a copy which I shared with Mr. Kircher. Mr. Kircher later searched the ministry site again and finally found the 2017 Forest Audit in the archives, a strange place to find a public document if you ask me. As Mr. Kircher continued his plight relentlessly, I finally gave him a copy of the 2019 draft investigation report from Gowling WLG (which was indeed useless to our cause) to show him the ad hoc committee had felt there was no further reason to investigate. However, through all of this, I discovered that since the Town had not been privy to the 2017 forest license audit, we had not been told that in that 2017 license, Fort Frances' name had been removed from the license and the renewed license to Resolute included a clause that not only went to 2022 but the license had already been extended to 2032. So for the last three or four years as we tirelessly fought to get the Fort Frances wood fibre that had been designated to our mill back to our municipality and district, we didn't have a hope in hell because the wood had already been permanently given to RFP with operations in Thunder Bay and Atikokan.

So, yes, I did share the Gowling report with Mr. Kircher in an email to him. Mr. Kircher told me that another member of the ad hoc committee had also shared a verbal conversation with him regarding the report, yet I've been the one ostracized for the leak. I asked Mr. Kircher for discretion to keep the letter confidential, but he chose to share it with a local newspaper journalist and it went public. Since then, in talking to residents and members of neighbouring communities, I wonder why this information wasn't shared in a transparent manner so our devastated families who lost their income, those now separated from their loved ones because of the need to work elsewhere, and those families who had to move away from Fort Frances to find employment, would have been properly informed about how the entire situation really went down. Personally, I feel like I've been treated like a fool, a fool who had no idea what was really going on, a fool who just trusted the system and accepted the tidbits of information reported, instead of being given the whole picture. Some people involved must have been laughing their heads off at naïve and stupid me.

June Caul , Proud Mayor and Advocate for the Residents of Fort Frances