

## **Crofton paper mill to shut down in December, pulp operation to continue**

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The company says the mill's main markets in China have "significantly weakened" while costs for chemicals, energy and wood fibre used at Crofton have escalated.

The paper mill in Crofton is being shut down indefinitely, affecting about 150 unionized employees in the Cowichan Valley.

Paper Excellence said the idling of its paper operations at the Catalyst Crofton facility will begin in early December.

The company said the mill's main markets in China have "significantly weakened" while costs for chemicals, energy and wood fibre used at Crofton have escalated.

"The intersection of these pressures has materially impacted the financial viability of the paper operation," Paper Excellence said in a statement.

The mill's pulp operations in Crofton will continue production during the paper curtailment.

The decision affects about 80 Unifor employees and 70 Public and Private Workers of Canada Union workers.

"We recognize the hardship this will have on both our employees and the Cowichan Valley," Paper Excellence said. "We hope to minimize these impacts through union discussions that will consider secondments, utilization of earned time off and employment insurance."

Paper Excellence said it will continue to supply customers with paper from its Port Alberni mill.

In 2021, the company used \$4.5 million in federal assistance to repurpose its Port Alberni paper machines to manufacture food- and packaging-grade papers.

Paper Excellence said it is working with provincial and federal governments as it investigates accelerating a similar conversion of the Crofton facility.

"Paper Excellence continues to believe in Canada as a leader in the pulp and paper industry and remains committed to its long-term investments here," the company said.