

LEGISLATIVE ASSEMBLY OF MANITOBA
THE STANDING COMMITTEE ON ECONOMIC DEVELOPMENT
Tuesday, 24 February, 1981

Time — 10:00 a.m.

CHAIRMAN Mr. David Blake (Minnedosa)

MR. CHAIRMAN: Gentlemen, I believe we have a quorum. We'll bring the Economic Development Committee to order.

We will be discussing the statement on the operations of Moose Lake Loggers Limited. Mr. Minister, would you like to introduce the personnel and start the meeting off.

HON. DOUG GOURLAY (Swan River): Mr. Chairman, as you indicated this morning, we want to review the Annual Reports of Channel Area Loggers Limited and Moose Lake Loggers Limited, the Annual Report ending March 31, 1980. In attendance this morning, we have Mr. John Christianson, President and Chairman of the Board; also Reno Kivisto, General Manager; and Gordon Trithart, Secretary-Treasurer. At this time I would call on John Christianson to give some opening remarks. First of all, we'll deal with Channel Area Loggers.

MR. CHAIRMAN: Mr. Christianson.

MR. JOHN CHRISTIANSON: Gentlemen, you have to excuse me, I caught an awful cold last night and I can hardly even talk but I'll do my best. It's very disappointing for us to introduce you to this and show you a loss of \$278,000 at the Channel Area Loggers Ltd., despite various steps we have taken by the company which includes wage increases, improved working conditions, better roads, etc. Now our production was up 4,000 cords from the previous year, but we're still down roughly 10,000 cords from the budget which leaves us in a bad position. We have summer fires, absenteeism and under equipped, and also the remote area where we're logging that is not in year round operation altogether. Without having a year round operation it's almost impossible to make it a profitable setup.

Obviously in order to meet the objectives of the company we had to take action to improve production by arranging for more equipment, better equipment, but we also need the cooperation of the community level. It's pretty hard to force anything when one minute you may have 50 people turning out to work, the next week you only have 20 coming in, and to rectify this we have met with the locals and tried to encourage them to be out there on time and so on and so forth, and we feel that we are getting to have a better corps of workers there, but we are still a long ways from being perfect. Terms of this year's operations, we are again at a loss level and we are working on the different channels to improve the cutting operation.

Last summer, to begin with we had a fire for about two months, it didn't rain for two months and now it looks like we are going to have an early spring. So anyway all we can do now is try to look and see how we can improve ourselves up there and with this I

will throw the meeting open to any questions you people have.

MR. CHAIRMAN: Mr. Bostrom.

MR. HARVEY BOSTROM (Rupertsland): Mr. Chairman, it's small comfort for us to see that the Progressive Conservative Government is having the same kind of problems that we had, with a Crown Corporation operation like this in an attempt to provide economic development and employment opportunities for remote communities. I think if we look at the two I suppose it's useful to compare the two reports because in one case we have a similar kind of corporation operating in similar situations, and one case it's practically at the break-even position now but not making a small surplus.

In this case this one continues to be a problem although I notice it is encouraging to see that over the period of years from 1975 to 1980 that the production has tripled in this operation. I would like to ask the Chairman if he could express an opinion on the financial potential of this company and what level of production would be required to achieve a break-even position and what steps he is considering to achieve such a target.

MR. CHAIRMAN: Mr. Christianson.

MR. CHRISTIANSON: At this time we are looking at around 35,000 cord to the break-even point, but I think I will turn it over to Mr. Kivisto to explain how we are trying to rectify it.

MR. CHAIRMAN: Mr. Kivisto.

MR. R.J. KIVISTO: While we can't get 35,000 cords obviously with just the local people, we have to broaden the whole aspect of Channel Area Loggers and possibly bring in some private contractors along with maybe some commuter operations from other communities to show that administration is spread over more cords. While our statement shows that we are right on budget with our administration costs and most other costs, the level of production is such that you're not breaking even, in fact you're losing about \$20.00 a cord, and I can't at this time foresee any possibility of breaking even for the next two or three years until we get the core of the operation expanded to the point where we get enough people out every year our corps of workers expands but they're not expanding fast enough to keep pace with the inflation and to operate little shacking crews; we've already tried this and it doesn't work.

I think the Berens River people and the other Native people have to have quite a few years in before they are regimentated to the point of Moose Lake, because at Moose Lake we can operate pretty near year round, whereas at Channel Area Loggers we're limited to a partial summer operation and then kind of a hurry-up catch-up deal in the winter months. If we can arrange to have some private contractors which we can supervise and also pay, then we've got a better chance of having more cords

spread over the whole and this will bring our chances of breaking even to a much better degree.

MR. CHAIRMAN: Mr. Bostrom.

MR. BOSTROM: Following from that analysis, I guess the next question would be directed at the government and that is, to what extent would this company have access to resources in the area and be supported by the government in terms of being able to have a large enough scale of operations, so as to be able to bring in contract machines as part of the overall operation in order to broaden the base to make the company viable. I realize of course, knowing the area that a certain amount of discussion and consultation would have to be done with the local communities in the area to accomplish that kind of thing, to bring in outside cutters and so on. But I think if it were explained to them on a basis that this kind of action was necessary in order to make a viable company which will provide an umbrella for local people to be able to continue working in an operation like this and if the company continues to be a loser, then I suppose any government would be taking second looks at it.

But given that kind of analysis I think it's important and it's a problem that we recognized when we were in government, of broadening the base of companies like Moose Lake Loggers and Channel Area Loggers and going to the extent of bringing in outside cutters if necessary, outside contract cutters, to make the company viable first and then draw in the local community people as much as possible into that operation, either as employees or as owner/operators of skidders. It seems to be working out quite well in Moose Lake and I think judging from this statement it seems to be working, at least beginning to work in this case. I suppose my very blunt question to the Government is will the Government support that kind of direction, that is make an area of resources available to a company like this? In this case specifically to Channel Area Loggers to assure them the opportunity to be able to bring in the operators that are necessary to make this company viable.

MR. CHAIRMAN: Mr. Gourlay.

MR. GOURLAY: Yes, I appreciate the comments from the Member for Rupertsland. This is exactly what we are looking at at the present time. We would like to see this company become viable as soon as possible, in view of the fact, that it has been continuously a losing proposition over the last several years. We are certainly looking at every angle to increase the base and to involve more communities and to involve outsiders, if necessary, to get our production level up to the point where it will be at least a break-even operation.

MR. CHAIRMAN: Mr. Bostrom.

MR. BOSTROM: Mr. Chairman, a side issue with this, of course, and one which the Government will have to tackle, I'm sure is they will have to support the company when they are having problems and support the communities in the area when they are having problems with the company which this Crown corporation is selling their production to, and namely, Abitibi.

I'm aware that this last winter Abitibi moved in outside contractors into an area very close to the Channel Area Loggers operation. In fact in an area between Blood Vein and Berens River an immediate timber resource area which could be made available to this company for the kind of operation I just discussed. In fact, they're working in this case for Abitibi on roads developed at the expense of Channel Area Loggers. I think this is unfair, if there are to be contract cutters brought into that area I would think it would be logical, especially when the Government has an operation here which is losing money, for Channel Area Loggers to be allowed to bring in these contract cutters and to produce that wood because, after all, it's all going to the same company anyway in the end, it's being sold to Abitibi.

But there may be some reason why Abitibi wants to bring the contract cutters in themselves and I certainly recognize the reason. I know that Abitibi would pay less money to a contract cutter who moves in and drags a shack in behind him and lives right in the bush with no kind of facilities. They're able to negotiate a lower rate per cord with a person like that than they are able to negotiate with Channel Area Loggers. That's not to say that's a fair situation because the contract cutter who moves in on that kind of a situation would much rather, if he had a choice, work for a company like Channel Area Loggers, which has a proper camp set up where they can have a proper place to come and have a meal and have a shower after work and that kind of thing, than to live in a shack in a bush where there are no proper facilities. So I think it's incumbent on the Government however, in this kind of a situation to intervene and to say we are supporting the Channel Area Loggers Company in this area; we're supporting it to the tune of a substantial amount of subsidy each year, and therefore, it is in our interest as a government to ensure that, if there are to be cutters in this area, that they be worked out in co-operation with the Crown corporation involved. But, I think the Crown corporation will not be able to do that on their own. I think they are going to need the direct intervention of the government who will say to the Forestry Department, look there is a company in here that can supply all of the pulpwood that will come from this area. If there are to be contract cutters they should be worked in with the Channel Area crew and, at the same time, this will provide the production necessary to make this company viable and, in any event, I mean it's the ultimate in unfairness to allow contract cutters to move into an area that is already being worked by Channel Area Loggers and on roads that have been developed by Channel Area Loggers. In this case the government is, in an indirect way, subsidizing an Abitibi operation so I think that's unfair.

I'd like to hear the Minister's response to that because I think that is the key here. He is the Minister responsible for Channel Area Loggers, but as a member of the Cabinet, he's responsible in another way, with his colleagues, for any kind of intervention that would be necessary to assist this company, as a shareholders, so to speak, of this company. It is incumbent on him to work with his colleagues to ensure that this company has every opportunity for success along the lines that I just described.

MR. CHAIRMAN: Mr. Gourlay.

MR. GOURLAY: Thank you, Mr. Chairman. Yes, we are as a matter of fact concerned with some of the activities that have taken place there in the past year and we feel that Channel Area Loggers can become a viable operation if we can get the full co-operation of the company involved in that area and, of course, we feel that the production base is certainly there and we have had recently, this past year, discussions with the Berens River Band to see if we can increase the production from that source of employment. The response during the past year has been very encouraging with the Berens River Band. As was reported last year, because of absenteeism from that particular group of workers, that we probably lost somewhere in the neighborhood of \$100,000 to \$120,000.00. With some liaison with the Chairman and the President and the General Manager with the Berens River Band, we are making reasonably good headway with that group and their production is certainly very much improved this current year over what it has been. There are other Bands in the area that we feel could be tied into the Channel Area Logger operation and I think, Mr. Bostrom you have corresponded with me recently with respect to the Bloodvein Indian Band and here again we would like to be able to tie this group into the Channel Area operation and the president and the chairman of the Board is arranging a meeting with Abitibi tomorrow, I believe, to discuss in more detail some of the problems that have surfaced recently with respect to the Bloodvein situation. We feel that we need these people to help the production and to get this company viable. We don't anticipate any problem with the Minister of Resources and I am pleased that he is here this morning to maybe comment on the Channel Area situation and the production area that will be involved in the total operation to make it a viable situation

We are aware of the problems that you have identified and we are working on those and we expect to get good co-operation from Abitibi and this meeting that is coming up tomorrow, if it requires my involvement, I am prepared to do just that, to get the necessary co-operation from Abitibi.

I know that they have over the past number of years, indicated their willingness to co-operate in every way, but sometimes I think it's necessary to remind them of their obligations and we are about to do that.

MR. CHAIRMAN: Mr. Bostrom.

MR. BOSTROM: Mr. Chairman, I congratulate the Minister for his approach on this and I certainly agree with it. On the other hand, I would like to emphasize that point that it is definitely necessary for he, as the Minister responsible for Channel Area Loggers and the Minister of Resources to get together on an issue like this and to indicate very directly an interventionist way to the Abitibi, that the government is definitely concerned that this company be given an opportunity to succeed and that success depends on them having access to resources without any road blocks being put in their way by a company like Abitibi; and also that they be given the opportunity to bring in outside contractors to augment their production capacity without any road

blocks or interference or unfair competition from a company like Abitibi.

I'm sure that if they do that, that this kind of a situation can be solved for the benefit of all because Abitibi will get what they require and that is production for their mill at Pine Falls and the people in that area will get what they require and that is the opportunity for employment; and as far as bringing in outside contractors you don't have to look very far for those people. There are people in the general area of the east side of Lake Winnipeg that can be recruited as outside cutters.

In fact, I'm aware that the Ontario contractor that was brought in north of Bloodvein, turned around and hired one or two machines I believe, from Manigotagan and went in there as sub-contractors to the contractors, so to speak, that Abitibi hired. So that's what an outside contractor can do, surely Channel Area Loggers can go not very far afield and pick up crews from perhaps Bloodvein, Hole River, Manigotagan, Cross Lake, Fisher River, Peguis areas where people are unemployed and are willing to work and, in so doing, they can augment the production of this company and hopefully make it a success, a long-term success and a long-term benefit to that area. So, I certainly encourage the government in that approach and I'll be watching carefully to see that action follows their words that I have heard.

MR. CHAIRMAN: Thank you, Mr. Bostrom. Gentlemen, are there any further questions? Mr. Boyce.

MR. BOYCE: Mr. Chairman, through you and the Minister, to the people that are involved in Channel Area Loggers and Moose Lake Loggers, I want to thank them for their efforts in this regard. As a representative for Winnipeg Centre, it is a vital concern in our area because the more employment that is created in these types of operations, the better it is because the traditional solution to unemployment, chronic unemployment, is for the people to migrate to the cities and this type of operation, albeit this particular one, Channel Area Logger, hasn't turned a corner yet. I was very interested in the dialogue which took place, the continual effort of the governments to solve this problem, I think I would have to add my support to the Member for Rupertsland and to encourage them to continue the effort because it is of concern to those of us who live in the cities.

MR. CHAIRMAN: Thank you, Mr. Boyce. Mr. Bostrom.

MR. BOSTROM: Mr. Chairman, in closing my remarks, I would also like to congratulate the Chairman and Directors and Manager for their efforts in attempting to make this company a success. I consider those efforts to be sincere ones and certainly they are well directed and I would hope that they obtain the necessary backing of the government and the Ministers involved to be able to achieve that success which I am sure is possible. I'm sure it's possible because Moose Lake is an example of one where this kind of thing can be achieved and that area, on the east side of Lake Winnipeg, certainly has the resources, it has the natural resources there in abundance, it has the people resources that

require employment and I think it is possible for the government to put those two together with the fine assistance of your Chairman and Directors and Manager to achieve success in this case.

MR. CHAIRMAN: Thank you, Mr. Bostrom. Gentlemen, if there are no further questions I will consider the report on Channel Area Loggers Ltd. for the fiscal year ending March 31, 1980 as received and approved. Agreed? (Agreed)

Gentlemen, we will now move on to the Annual Statement for 1979-80, the Annual Report of Moose Lake Loggers Ltd. Mr. Christianson.

MR. CHRISTIANSON: Thank you, Mr. Chairman. At Moose Lake things look a little different. We now have three years of success. Although we showed a loss of \$18,000 last year we feel that the two years prior to that we showed a profit of \$50,000 per year. The production was up slightly some 1,400 cords but down 4,000 from the budget and if that had been reached we would have shown a possible profit of around \$20,000, but we had a few things happen there and the production was cut down.

We also feel too, that this position is due to the effort of the General Manager, Mr. Kivisto and the Board and, of course, the people at Moose Lake. We had a good response from these people, we have two people from the Indian Band on the Board and we have two people from the community on the Board. They are really showing an interest in the whole setup there.

Now also, that was the first year the total production came from owner operators. The company no longer owns any skidders in there now. It seems to be working out real well and we can move up to the current year's production. Right at this moment we are 4,000 cords ahead of the budget, so the picture looks good. I can't foresee anything to stop us now from showing a fair profit for this year.

MR. CHAIRMAN: Thank you, Mr. Christianson. Any questions for the Chairman? Mr. Bostrom.

MR. BOSTROM: Mr. Chairman, I just have a couple of comments to make on this. I certainly want to congratulate the Chairman and the Board for their efforts in support and encouragement to this operation and I think special congratulations have to go to the Manager who's been there for several years and who has really turned this operation around and that, of course, is always a key to success is having good management on site and supervising the operation. I think it's encouraging to see a company like this turn into a success story. When one knows the background of this company, it has turned around from one which was in such deep trouble several years ago it was shut down for a period of time and then reopened after consultation with the community and the discussions with the community at that time were such that they were given an undertaking, or asked to give an undertaking to ensure that they would support this operation by providing the necessary employees and they have indeed accomplished that.

As evidenced today, the community is in support of the operation in more than just words, they are supplying the cutters and they are supplying, through

their cutters, the production necessary to make this a success. Too often we hear of failures in operations relating to native communities and it's encouraging to see a success story and this is definitely a success story and it shows that this kind of operation can succeed. As I was saying earlier, if it can succeed in Moose Lake Loggers, which was every bit as much in difficult conditions and it looked like it was a terrible flop several years ago, I think the same kind of thing can be accomplished in Berens River with the right kind of support from the government, the right kind of encouragement and the right management. I would ask the government to take encouragement from this success story and build on this success story to make the Channel Area Loggers another success story, because I'm sure that can happen.

MR. CHAIRMAN: Mr. Enns.

MR. ENNS: Just one or two questions. I was trying to compare by pursuing your two reports. I appreciate Mr. Chairman that we're off of Channel Loggers. Also to add my words of congratulations to the company, but to try to find out part of the reason for the success aside from the good management. I wonder if the gentlemen present could indicate to me, in your Channel Area Loggers report you speak of your per cord production cost as having risen from one level to another, from \$51 to \$64, so I wonder if I could just ask these two general questions. Could you give me a comparative production cost of the two operations, Channel Area Loggers versus what's happening at Moose Lake Loggers and then the other side of the question is, at Moose Lake Loggers you're dealing with ManFor, I believe, and the prices that you're receiving from ManFor, as compared to the Channel Area Loggers operation from Abitibi. Would that information be available, even if it is in general terms?

MR. CHAIRMAN: Mr. Kivisto.

MR. KIVISTO: I'd say that the operation are a little different. We have now a gravel highway all the way into the camp at Moose Lake, whereas we have no link with the outside, other than boat and airplane and winter road which right now is closed at the present time. There is also a difference which we are trying to implement at Channel Area Loggers, in the same manner as Moose Lake, which is tree-length operation which depends a lot less on four men appearing for the same gang. At Moose Lake its owner/operators with two men on each machine and at the present time we have 17 owner/operators from Moose Lake and Cormorant which are all native people and these people report regularly for the job. If there is some absenteeism it's fairly easy to cover a two-man gang compared to an operation which cuts eight foot and you have to have four men on that gang. What happens is at Berens River sometimes there is only the operator shows up and maybe one partner so their production is cut drastically; whereas at Moose Lake all they require is two men, if they've got three it's a plus; if they've got two they can still operate that skidder. These are the changes that we're trying to implement plus the owner/operator contractors and, in this sense, we'll become as viable as Moose Lake in the future I think.

There are problems at Channel which we haven't got at Moose Lake and this is the road which won't be connected to Channel for quite a number of years.

MR. CHAIRMAN: Thank you, Mr. Kivisto. Mr. Enns.

MR. ENNS: The reason then for the different style of operation/production is geography as much as anything else. You don't have the road, the transportation facilities to move to a tree-length operation at Channel Loggers as you have at Moose Lake: is that part of the . . . (Interjection)— .

MR. KIVISTO: No, not necessarily. We could move to a tree-length operation, the only problems that we've got with it is that we don't like to at this time buy a slasher in the company's name which is quite an expense. We'd sooner go to an owner/operator who operates the slasher and contracts the slashing at a set rate per cord which is consistent to what we have done at Moose Lake. There we have pretty well everything on contract and we know what the cost is for every phase and the only thing that affects our budget there is if we get an upswing or a downswing in production.

MR. CHAIRMAN: Mr. Enns.

MR. ENNS: Just one more question. But in the final analysis in terms of how payment is received by these operations, it is on a per cord basis and my question would be, what is the per cord price that ManFor pays to the Moose Lake operators and what is the per cord price paid that your present agreement calls for with Abitibi.

MR. KIVISTO: At the present time we're getting approximately \$35 a cord for tree-length to road side at Moose Lake and at Channel Area Loggers we are getting approximately over \$50 a cord for eight foot to the barge landing which is about six to eight or ten miles away from the job site.

MR. ENNS: Thank you, Mr. Chairman.

MR. CHAIRMAN: Thank you, Mr. Enns. Mr. Bostrom.

MR. BOSTROM: Just to follow up on that, Mr. Chairman. I have some knowledge of the comparisons there and I would just like to ask Mr. Kivisto, perhaps he could answer how he would compare those prices, if there's \$35 for roadside tree-length as compared to \$50-some for barge landing eight foot, how much would he say it would ordinarily cost to take the tree-length timber from the bush landing to the barge landing and turn it into eight-foot wood, so that we would know what the comparisons are?

MR. CHAIRMAN: Mr. Kivisto.

MR. KIVISTO: Well, it would cost at least \$20 a cord to turn it into eight-foot wood and it's hard to say that the two areas compare in terrain and it might possibly cost more at Channel Area Loggers because you've got probably more swamp and our road system is not of the same caliber as at Moose

Lake Loggers. At Moose Lake we can transport our men in the summer time, winter time, what have you, we can transport them right to the job; whereas at Channel Area Loggers they have to go a lot further riding a skidder or walking than what we could do at Moose Lake. We've got a union contract at Moose Lake and we have to live by it. If the cutters have to walk a long ways we have to pay extra money for them to walk. So, it's really only about 50 per cent of the operation cost to put the tree-length to road side opposing as to cut it into eight-foot, haul it to the barge landing and put it on the final delivery spot.

MR. CHAIRMAN: Mr. Bostrom.

MR. BOSTROM: If I understand him correctly, you're looking at something approaching double the cost to produce 8-foot wood on a landing at Channel Area Loggers as opposed to simply cutting the tree down in the bush and dragging it out to a bush landing.

The other thing which is useful to compare between the two operations I would think, is the access to resources thing, which I emphasized with respect to Channel Area Loggers as being important. I wonder if the Chairman or Mr. Kivisto could tell us what the situation is with respect to Moose Lake Loggers and what kind of long-term access to resources the company can expect in that area and if they've had any problems similar to the problems we see Channel Area Loggers experiencing right now, where they seem to be having some difficulty with the company involved in attempting to move their own operation into an area where the Crown Corporation is operating.

MR. CHAIRMAN: Mr. Christianson.

MR. CHRISTIANSON: Mr. Kivisto, would you like to answer that one?

MR. CHAIRMAN: Mr. Kivisto.

MR. KIVISTO: Well, we haven't any problem at all with access to resources at ManFor at the present time and we've got a large area ahead of us, at least 30 years of production.

The forestry plans are all drawn up by ManFor for us so the blocks are in very good order. I'd say we've got a very good relationship with ManFor at this time.

MR. CHAIRMAN: Mr. Bostrom.

MR. BOSTROM: Mr. Chairman, it seems to me I recall a problem several years ago where ManFor was attempting to do very much similar to what Abitibi is doing now, in fact even more so, to the point of establishing a camp somewhere in the vicinity of the Moose Lake Logger operation, where they had expected to have access to the resources for the Moose Lake Loggers company. Maybe someone could describe that if they recall if that was a problem and what the company did to overcome it, if they were able to overcome it?

MR. CHAIRMAN: Mr. Kivisto.

MR. KIVISTO: Well, we did and I think the reason why this was thought of by ManFor is because at the

time when we first started we were having production problems — we couldn't meet our quotas quite as easily as we do at the present time — and at this time we're pretty well comparable to any other ManFor camps or their contractors. So ManFor at this time can no longer see any problems arising from a situation where we can't deliver the required number of cordage. I think we've gone by that hurdle at this time with ManFor and we're presently expecting to move into the camp which they had built in anticipation of operating in the area, so I don't foresee any problems.

MR. CHAIRMAN: Mr. Bostrom.

MR. BOSTROM: Thank you, Mr. Chairman. I see the similarity there and that several years ago Moose Lake Loggers was very much in a position that Channel Area Loggers finds themselves in now, in that they were having difficulty in getting the production that they needed to have in order to make the company viable. It's kind of a Catch 22 situation where they can't achieve the production; but at the same time as they're having difficulty achieving the production, the company they are selling to attempts to move into the area and set up their own operation with the reason being given that well, this company can't get the production anyway.

In the case of Moose Lake Loggers, they were able to effectively deal with that situation and hold off the ManFor company from moving in with their own camp operation, and in so doing received access to the resources and were able to get their production up at the same time, to deliver the quantity of wood to ManFor which they required. After all ManFor and Abitibi are in similar situations here and they require a certain amount of timber for their operation of the plant and they want to get that production in the most efficient way they know how. If somebody is not delivering to them I can see their rationale for saying well, we've got to move in there and get it ourselves.

But in the case of Moose Lake Loggers, it has been proven that with the right kind of support and access to resources that the company can develop that capacity to deliver the amount of wood which the plant requires and I'm sure that the same kind of thing can be achieved with Channel Area Loggers. But if they're denied access to the resource and if they're not given the support they need, and if Abitibi is allowed to move in with their contract cutters, then the company will never be able to achieve the production levels they require. They need to have the first two conditions met before they can achieve the proper production. They have to have the access to the resource and they have to have the encouragement and support of the government in order to achieve the success as Moose Lake Loggers was able to achieve.

MR. CHAIRMAN: Thank you, Mr. Bostrom. Gentlemen, do you have any further questions? If not, we'll consider the Annual Report of Moose Lake Loggers Limited, received and approved. Agreed? (Agreed)

Committee rise.