

MEDIA RELEASE

FONOM Welcomes Federal Commitment to Secure the Future of Canada's Softwood Lumber Sector

TEMISKAMING SHORES, ON — August 6, 2025 — The Federation of Northern Ontario Municipalities (FONOM) welcomes the Government of Canada's announcement of new strategic investments to modernize and strengthen Canada's softwood lumber industry in the face of global trade uncertainty and rising domestic demand.

The comprehensive support package—announced by Prime Minister Mark Carney—includes measures to improve access to financing, enhance market and product diversification, prioritize Canadian wood in federal infrastructure and housing projects, and provide direct support to workers and Indigenous forestry enterprises. These initiatives are part of a broader national strategy to secure long-term resilience and competitiveness for key Canadian industries, including forestry.

“Communities across Northeastern Ontario rely on forestry to drive local economies, support jobs, and maintain vital infrastructure,” **said Danny Whalen, President of FONOM.** “This announcement recognizes both the challenges and the immense opportunities facing the sector. We are encouraged to see a federal government that is prepared to act decisively in support of forest-based communities and Canadian-made solutions.”

The \$700 million in loan guarantees will help producers weather immediate pressures. In comparison, the \$500 million in investments aimed at value-added processing, domestic innovation, and Indigenous-led development are poised to unlock long-term growth. The shift to prioritizing Canadian lumber in federal procurement—particularly for housing and major infrastructure—will further anchor the forestry sector as a key component of Canada's economic and climate strategies.

FONOM is also pleased to see targeted funding for workforce development and transition supports, including reskilling and income protection for workers impacted by global market volatility and evolving production technologies.

“As the government works to double the pace of housing construction, FONOM believes there is a critical role for Northern Ontario's mills and forestry workforce in meeting that demand,” added Whalen. “By using Canadian wood, supporting innovation, and growing reliable new markets at home and abroad, this plan helps our industry and our communities chart a more secure future.”

FONOM looks forward to working with federal officials to ensure that the needs and realities of Northern Ontario's forestry communities are considered in the delivery of these initiatives.

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