

Miramichi mill announcement delayed

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Province says details still being worked out with Quebec company interested in buying mill
MIRAMICHI - This was supposed to be the week when the province and a Quebec forestry company were to triumphantly announce the sale of a shuttered Miramichi mill.

But, according to the Department of Natural Resources, a sale of the Weyerhaeuser oriented strand board mill to Montreal's TAG Enterprises is not imminent. When asked about the looming sale last month, Miramichi Bay du Vin MLA Bill Fraser said, "We can expect some very good news for the Miramichi area the second week of January."

However, DNR director of communications Steve Benteau said yesterday that, although there will be nothing coming this week, government is still optimistic it will be in a position to make an announcement "fairly soon."

"There are still some details being worked out -- the business plan, I don't believe is complete," said Benteau.

"The other thing we have to remember, it's not just the government's involvement, it's the sale of the mill (between Weyerhaeuser and TAG), and there are things to be finalized in both of those areas."

When asked if the deal was in jeopardy, Benteau said it was his understanding that things were still proceeding in a positive manner.

This is the second time the Liberal government has put a specific timetable on the mill sale, with Premier Shawn Graham saying in November that a sale was expected before Christmas.

When contacted in Grand Prairie, AB., yesterday, Weyerhaeuser spokesman Wayne Roznowski said the cause of the delays has nothing to do with the physical deal between his company and TAG.

Roznowski said things have been in place between the two sides for quite some time, and suspects any delays hindering the sale are between TAG and the provincial government.

"There's nothing on our end," he said. "I think there's just still the odd thing being cleaned up between TAG and the government.

"From what I'm told, there's still a little bit of back-and-forth ... we're just waiting for things to get cleaned up and, when they are, I think TAG will be in a position to finalize this."

Representatives from TAG could not be reached for comment.

TAG entered into negotiations for the Chatham mill in June, shortly after another Quebec firm, Arbec Forest Products, bowed out after negotiations with the province broke down over the company failing to submit detailed industrial and business plans.

The company has previously said it would likely employ 150 mill workers and over 200 spin-off positions in the regional forestry sector.