

# MADISON'S LUMBER REPORTER

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## News & Updates

### Canadian Forestry Achievement Award

The award for recognition of unique and outstanding achievement in forestry in Canada, presented in early October at the Canadian Institute of Forestry's AGM in Salt Lake City, UT, went to Vancouver, BC's, Bill Bourgeois.

Bourgeois has been working in the forest sector for over 38 years. He has a Master's degree from the University of British Columbia and a Ph.D. in forest soils from the University of Washington. During his career Bourgeois has worked for the federal government and with the forest industry including MacMillan Bloedel and Lignum. Now running his own company — New Directions Resource Management — he has been instrumental in providing consultation on natural resources sustainability issues including strategic planning, government relations, First Nations partnerships, and strategic land management planning.

Bourgeois has also made outstanding contributions through his "Healthy Forests - Health Communities" program.

### UBC Researcher Develops Wearable Dust Monitor

A startup, Nanozen, based out of the University of BC in Vancouver, has developed a real-time, wearable particle sensor for use in mines, sawmills, and other industrial locations where dust and particles can lead to dangerous explosions and debilitating respiratory diseases, according to the Vancouver Sun Friday.

Winnie Chu, a professor in environmental health at UBC realized particle monitoring methods were falling far short of the need. Chu launched a research project in 2004 seeking a better way to monitor nanoparticles in the air. Two years ago she gave up teaching to focus full time on the wearable particle monitor.

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### US New Home Sales

Sales of new US single-family homes rose to a six-year high in September, but a sharp downward revision to August's sales pace indicated the housing recovery remains tentative.

The Commerce Department said on Friday that sales increased 0.2 per cent to a seasonally adjusted annual rate of 467,000 units, the highest reading since July 2008. August's sales rate was revised down to 466,000 units from 504,000 units.

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### Existing Home Sales, US

US home resales raced to a one-year high in September. The National Association of Realtors said Tuesday existing home sales increased 2.4 per cent to an annual rate of 5.17 million units, the strongest reading since September of last year.

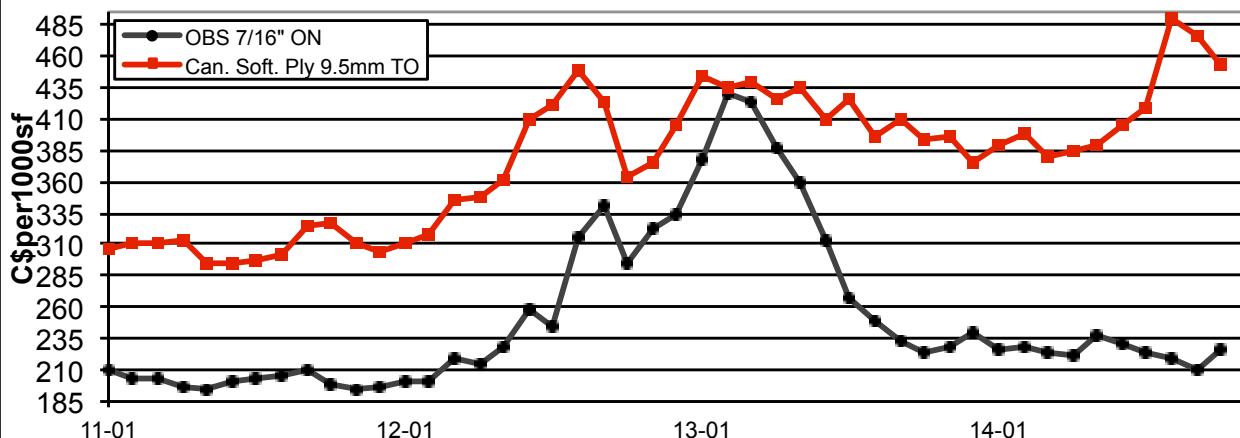
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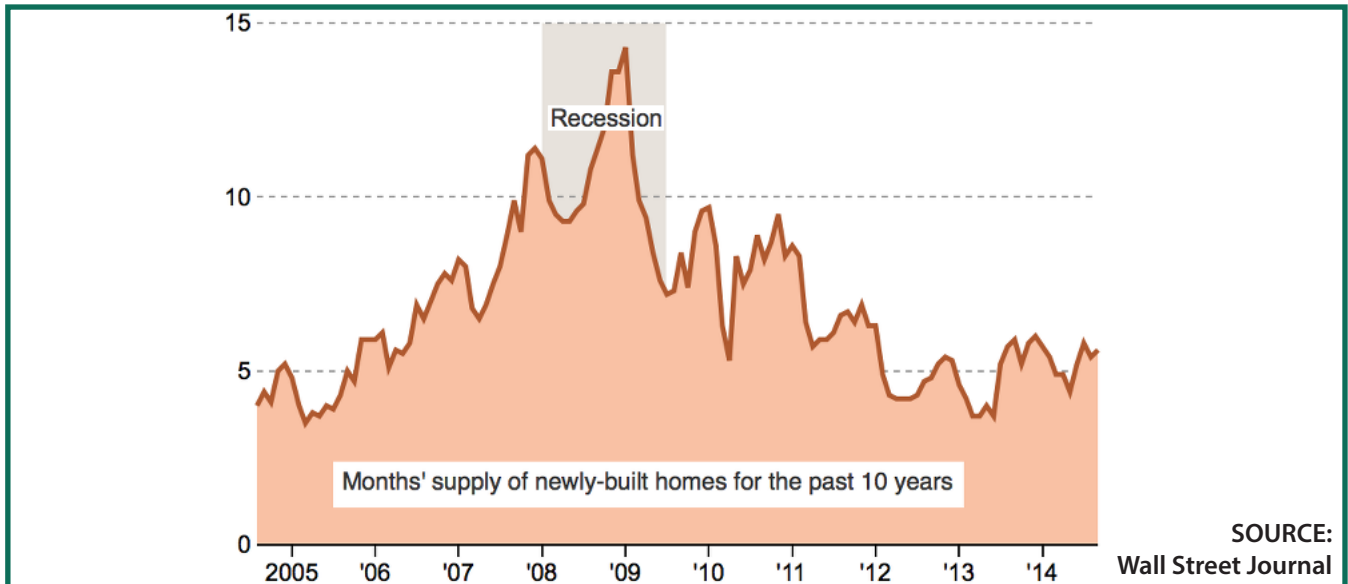
### Port Metro Vancouver Truck Licenses

New regulations out of the province of British Columbia this week are hoped to solve ongoing issues with both independent and unionized truck drivers serving the busy Port Metro Vancouver.

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OSB Ontario 7/16" vs Can. Softwood Plywood 9.5mm Toronto 2011 - OCT 2014





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**Madison's Lumber Reporter, PO Box 2486, Vancouver, BC, V6B 3W7 or fax 1-604-608-5438**

# Madison's Weekly Lumber Key Prices Table

www.madisonsreport.com



	This Week	Last Week	Change	Month Ago	Change	Year Ago	Change
Prices are in U.S. dollars per 1,000 fbm (net FOB mill)							
WSPF KD R/L 2x4	350	354	-4	352	-2	364	-14
WSPF KD R/L 2x6	366	370	-4	370	-4	332	+34
WSPF KD R/L 2x8	362	366	-4	370	-8	340	+22
WSPF KD R/L 2x10	374	374	0	378	-4	450	-76
WSPF KD PET 2x4 Stud	350	355	-5	340	+10	319	+31
WSPF KD PET 2x6 Stud	380	385	-10	335	+45	295	+85
Douglas Fir Green R/L 2x4	315	325	-10	325	-10	325	-10
Douglas Fir Green R/L 2x10	430	415	+15	395	+35	485	-55
ESPF KD 2x4 8ft Stud	420	430	-10	420	0	375	+45
OSB Ontario 7/16" (CDN\$)	230	228	+2	210	+20	223	+7
CSplywood Toronto 3/8" (CDN\$)	462	461	+1	457	+5	363	+99

## Madison's Weekly Lumber News

### Wearable Nanoparticle Detector

CONT'D FROM PG 2 Chu said more than 90 per cent of the firefighters who responded to the 9/11 disaster developed lung disease, having walked into a site full of small and very damaging particles in the air.

Chu has sought to create a monitor that is small and light enough to be truly wearable. An app to have the data shown on a cellphone is under development; so far, the real-time data is contained on the device itself.

"Everything is very small, it's about half the size of an iPhone," she said to the Vancouver Sun. "Workers can put it on their helmet."

Chu said the technology can also be helpful for people outside of industrial settings. Nanozen has had interest from companies in China and Taiwan.

Nanozen hopes to launch the product in 2015.

### New Home Sales, US

CONT'D FROM PG 2 New-home sales, which account for about 7 per cent of the residential market, are tabulated when contracts are signed, making them a timelier barometer than existing homes.

Last month, new home sales fell 8.9 per cent in the West, handing back some of August's 28.1 per cent surge. In the populous South, sales rose 2.0 per cent, while they increased 12.3 per cent in the Midwest. Sales were flat in the Northeast.

With sales rising modestly, the stock of new houses available on the market rose 1.5 per cent to the highest level since July 2010. Builders have been ramping up construction and the

improvement in inventory should provide buyers with more choices and temper house price increases.

At September's sales pace it would take 5.3 months to clear the supply of houses on the market, unchanged from August. Six months' supply is normally considered a healthy balance between supply and demand.

The median new home price fell 4.0 per cent to US\$259,000 from a year ago.

### US Existing Home Sales

While home sales picked up last month, first-time buyers, a critical component for a sustainable recovery, remained on the sidelines. They accounted for 29 per cent of sales for a third straight month, below the 40 per cent to 45 per cent that is considered ideal by economists and real estate agents.

Investors, who had supported the market, have been withdrawing. They accounted for only 14 per cent of transactions last month, down from 19 per cent in September of last year.

The inventory of unsold homes on the market increased 6 per cent from a year ago to 2.30 million.

With supply improving, house price gains continue to moderate. The median home price rose 5.6 per cent in September from a year ago, but that was down from the double-digit growth seen for much of 2013.

Declining borrowing costs will help bring homes within reach of more Americans. The average 30-year, fixed-rate mortgage fell to 3.97 per cent in the week ended October 16, the lowest since June 2013, according to Freddie Mac data. The rate has dropped by 0.22 percentage point over the past two weeks.

### Biosurveillance Funding

A new \$2.43 million research project, funded in part by Genome BC, has been approved to develop state-of-the-art DNA biosurveillance detection tools for operational deployment. Preventing the introduction and establishment of Invasive Alien Species (IAS), such as the Asian gypsy moth and other forest pests, will protect forests and trees and also maintain Canada's pest-free status to ensure market access for Canadian forest exports, according to a press release by Genome BC.

This research project has been funded through the Genomic Applications Partnership Program (GAPP) as part of Genome Canada's strategic plan to fund downstream research and development projects that address real world challenges and opportunities as identified by industry, government, not-for-profits and other "Users" of genomics research. In addition to Genome BC (\$661,000) and Genome Canada (\$810,000), investment into this research also comes from Natural Resources Canada (\$490,000), the Canadian Food Inspection Agency (\$320,000), and Genome Quebec (\$150,000).

### Calendar

November 2014

Wood Pellet Association AGM  
November 17 - 19 - Vancouver, BC  
<http://www.pellet.org/wpac-agm-agenda>

NAWLA Traders Market 2014  
November 12 - 14 - Chicago, IL  
<http://www.nawla.org/events/2014-traders-market/>

# Port Metro Vancouver

## Truck Licensing Rules

This past spring about 1,300 union and non-union container truckers withdrew their services at British Columbia's biggest port, in Vancouver, complaining of long wait times to pick up and drop off containers and the undercutting of rates. The 28-day strike was resolved at the end of March but it took almost six weeks to resolve the backlog of undelivered goods which had piled up around the port.

Unionized truckers had warned over the summer another strike was possible if the province failed to take action. The issue was eventually resolved, with truck drivers earning a 12 per cent hike in round-trip rates and a minimum hourly rate.

Last week Port Metro Vancouver announced a round of consultations to finalize details of a new container truck licensing system in order to deal with an oversupply of trucks serving the port. The port said in a press release the new licensing system will address some of the ongoing issues.

It reached this conclusion after detailed analysis of GPS data from the 2,000 trucks registered to serve the port. The port said the goal of the new licensing system is to "balance the number of registered trucks with the amount of available work and bring stability to port operations."

The port plans to reduce the number of trucks it allows to haul containers in and out of the port by 25 to 40 per cent, from about 2,000 licensed trucks in the system to between 1,200 and 1,500.

At the heart of the dispute was the undercutting of standardized per-delivery rates and thin profits for owner-operator drivers, as well as long waiting times to pick up or drop off containers at terminals.

The hope is that reducing the number of trucks will help to improve the efficiency of trips and maximize the benefits of a reservation system.

The port says it will set new criteria for licensing and everyone will have to re-apply. It says it will also establish a program to ease the transition by assisting owner-operators who do not meet the new system's entry requirements.

"There is clearly an oversupply of trucks and companies servicing the port," said federal Transport Minister Lisa Raitt.

Raitt said that — based on recommendations made by mediator Vince Ready and labour relations adviser Corinn Bell, as well as further consultations in the next few weeks — there will be new applications for truck licenses and different standards to meet.

In their report following this summer's labour resolution, Ready and Bell cited low barriers to entry for the oversupply in trucks and suggest solutions such as security deposits, performance bonds, and service-level agreements. Other requirements could include mandatory GPS units, as well as age and environmental specifications for trucks.

Licensing fees from the new program will fund the setting up of an independent, provincial commissioner's office to oversee the container trucking industry, said BC Minister of Transport and Infrastructure Todd Stone.

This will come along with legislation in autumn to retroactively enforce rate regulation, strengthen audits, and co-ordinate with whistleblowers to encourage better compliance across an industry that is highly fragmented with, by some estimates, 150 different companies and 800 owner-operators that run 2,000 trucks.

In a demonstration of speed not often seen with governments, the province of British Columbia Thursday introduced legislation aimed at stabilizing the turbulent container trucking business and avoid a repeat of last spring's strike.

Changing the way the port issues truck licenses is part of a new plan released Wednesday to take on issues that brought it — and the moving of billions of dollars in goods — to a near halt for about four weeks last March.

The legislation extends minimum rates to more of the container truck fleet, plugging holes left by a previous failed federal attempt at rate regulation.

The new system is expected to make it more difficult and costlier to be in port trucking, spurring some of the less responsible firms to move on to other lines of work.

Past efforts to regulate rates only applied to about 20 per cent of the region's container trucks and they didn't apply at all to so-called "off-dock" rates

for moving containers between various warehouses.

As a result, some drivers were paid the regulated \$100 a trip to pick up from a port terminal, but only \$15 for off-dock hauling of containers between other sites. The provincial law will require trucking firms that serve the port terminals to also pay regulated rates to drivers for the off-dock trips.

The government says the legislation would provide the tools needed to stabilize the port's container trucking sector with accountability for companies and a consistent working environment for truckers.

Louise Yako, president of the BC Trucking Association, said that with the cost of a license already at \$300 a year, new stipulations could see some truck license-holders pull out voluntarily. She added, however, that some companies have multiple licenses merely for flexibility, mitigating the impact of what may appear to be a steep drop in the number of truck licenses that will be issued.

Unions and groups representing truckers will meet with Ready and Bell on Thursday to comb further through recommendations.

Port Metro Vancouver hopes to implement the new licensing system by February 2015. There is still one more round of consultation, and a transition program to help truck operators who do not meet the new requirements.

Elsewhere, Port Metro Vancouver's top executive called on a Richmond Chamber of Commerce crowd Tuesday to consider the impact a restricted industrial land base would have on the economy.

Speaking at a business luncheon held at Sheraton Vancouver Airport Hotel, port president and CEO Robin Silvester said demand for trade with Canada is growing—and showing no signs of slowing down.

The port already operates on approximately 500 hectares of land in Richmond, BC—with port and port-related businesses sustaining 5,200 jobs—but Silvester said forecasts suggest industrial land in the Lower Mainland could be exhausted by 2020. He noted 320 hectares of industrial land in Richmond has been lost in recent decades to residential and commercial zoning.

"Land is a finite resource," he said. "We have to encourage a regional approach to protect industrial land."