

Dear Senators,

I have a vested interest in encouraging the immediate elimination of this tax loophole/subsidy. I work at a paper mill in Snowflake AZ that will soon succumb to its unintended consequences.

We have lost a quarter of our workforce already and stand to lose more very soon. We are shutting down for twenty days in July. Ten of those are completely attributable to this horrendous loophole.

When Catalyst Paper, headquartered in Vancouver Canada, purchased the Snowflake mill in 2008 we were very excited and optimistic for many reasons. This was a self-reliant mill in energy, had a stable, well-trained workforce, a welcoming host community and cost parameters that would really give us a chance to make a go of it. Another thing it had going for it, that nobody really talked about at the time because it seemed so self-evident, was that we were finally going to be able to spread our wings and set up in the USA! If we could make it there...

This meant that, having come from a government and social environment that was somewhat more intrusive (although we love our country, of course), we were now going to experience an atmosphere more based on entrepreneurship, striving for excellence, governments getting out of one's way, letting businesses succeed or fail completely based on their efforts, their smarts and their character.

This is not what is happening.

We've been completely blindsided by a piece of legislation that has subsidized our competitors to the point where we can't survive. It's not fair for the government to pick and choose the winners and losers in an economy...that should be left to the businesses themselves. And this subsidy is hitting recycled paper mills the most...mills like ours that really do help the environment.

Thanks for listening. We need action now, before it's too late.

Sincerely,

Doug McLeod

Doug McLeod
Director, Recovered Paper
Catalyst Paper Recycling Inc.