

Domtar paper machine being moved from P.A.

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REGINA -- Work has started to remove the paper machine at the Prince Albert Pulp and Paper Mill, said Domtar public affairs manager Bonny Skene.

The company started to move the machine in early March and the process should take about six months, said Skene. The machine is being moved in pieces.

The mill was closed by Weyerhaeuser in 2006. Domtar acquired it last year in its merger with Weyerhaeuser's fine paper assets. Removing the machine was in Domtar's original plans when it took over in March of 2007.

Skene said market prices for the type of paper made by the machine remain unprofitable-- particularly with the increase in value of the loonie against the U.S. dollar.

"The economic situation hasn't changed. If anything it has deteriorated," she said.

The paper machine will be moved to a temporary storage facility in North Carolina. A final decision on the fate of the machine hasn't been made. It could be sold or moved to another mill.

There are currently no plans for other equipment at the mill, said Skene.

Prince Albert Mayor Jim Scarrow has hopes the mill will reopen for pulp manufacturing.

The expense to retool the paper machine into viable equipment would have been significant-- possibly millions of dollars, said Scarrow.

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