

Correction: Domtar to shut down Espanola, Ont., paper mill for two weeks

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LOS ANGELES, January 23, 2009 (Forestweb) — Papermaker Domtar Corp. plans a two-week shutdown at its paper mill in Espanola, Ont., and cites slumping market conditions, said a company spokesperson, adding that the woodlands operation and pulp mill are continuing to run.

Its two paper machines go back into production on Feb. 1.

The mill employs 574 workers, Domtar said. Those who had temporary layoff status were offered the opportunity to take vacation and floater entitlements, but the exact number of affected individuals is not available, the company said.

It added that majority of positions eliminated in 2005 and 2006 were done through attrition, and that the company has not rehired for positions left vacant by retirement.

In a Jan. 23 article, The Daily Press said the company attributed the latest downtime to slumping market conditions. It noted that in December 2005, Domtar announced it would eliminate 28 jobs in Espanola as part of 1,800 job cuts across the country and in September 2006, it announced another 116 job cuts in Espanola, with the latter cuts coming one month after the announcement of a merger of the pulp and paper operations of Domtar and Weyerhaeuser Co.

The integrated Espanola mill produces 350,000 tons/year of NBHK and northern bleached softwood kraft (NBSK) pulp, of which 114,000 tonnes is mill trade pulp, according to the company's Web site. Its annual technical and specialty paper capacity is 77,000 tons, Forestweb reported Dec. 8, 2008.