

Dalhousie Community Report:
A media analysis of recent events associated with forest industry mill closures

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Community Report: Dalhousie

Overview

In early 2008, the community of Dalhousie, New Brunswick experienced the closure of its largest single employer. The permanent shutdown of the 78 year old newsprint mill operated by AbitibiBowater Inc. and the subsequent closure of two chemical manufacturing plants operated by Olin Corp. resulted in the loss of a significant number of jobs in the community. These events have presented considerable challenges to the community of Dalhousie's economic sustainability and vitality. Beginning with a brief overview of the community's history, this report utilizes news media reports, census data (2001, 2006 Community Profiles), and other secondary sources to describe the context and timeline of events leading up to and following the mill closures. A selection of quotations from community members, officials, and concerned parties is also included.

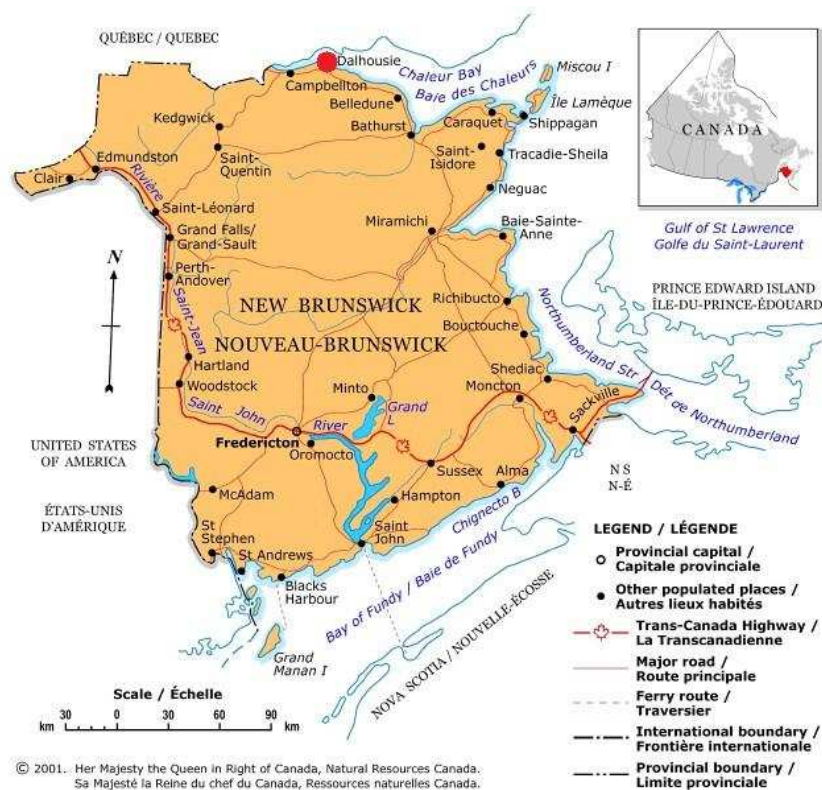


Figure 1 Map of New Brunswick. Credit- www.atlas.gc.ca



Figure 2 Satellite Map of Dalhousie. Credit- Google Maps

Community Description

The community of Dalhousie is located at the tip of northern New Brunswick, where the Restigouche River drains into Chaleur Bay. Originally occupied by Micmac peoples, the area began to attract significant European settlement after the Great Miramichi fire of 1825 decimated the lumber industries in Maine and Central New Brunswick and lumbermen began to look further north for timber. The addition of a harbour allowed Dalhousie to become a hub for the export of timber to Europe and elsewhere.

By the late 19th Century, Dalhousie had grown considerably due to booming lumber, shipping, and fishing industries and was the leading town in the region. However, the town was bypassed by the Intercolonial Railway in favour of nearby Campbellton, and growth slowed for a time. The community's fortunes would change in the late 1920's, though, as the International Paper Company chose Dalhousie as the site for its latest paper mill which, at that time, would be one of the largest in the world.

Today, Dalhousie's economy remains intimately tied to the forest industry. Recognizing a need for diversification, Dalhousie town council recently released a municipal plan outlining key opportunities for future growth. Dalhousie's unique culture, history, and natural beauty are boons to the emerging tourism sector and expansion of this industry is a key goal outlined in the plan. Expanding the role of the deep sea port—currently offering services such as stevedoring, repairs, supplies, fuel, etc.—is also on the agenda. These goals are made all the more pressing by recent adversity in the forest industry.

Selected Characteristics

Population Decline

Population declined significantly in Dalhousie in the ten year period between 1996 and 2006. Between 1996 and 2001, population in Dalhousie declined by 11.7%. Between 2001 and 2006, a further 6.4% decline was reported. Population decline was a province wide issue during this time, but Dalhousie was particularly hard hit. The effect of forest industry decline on population levels is unclear, however, as the AbitibiBowater mill did not close until January 2008.

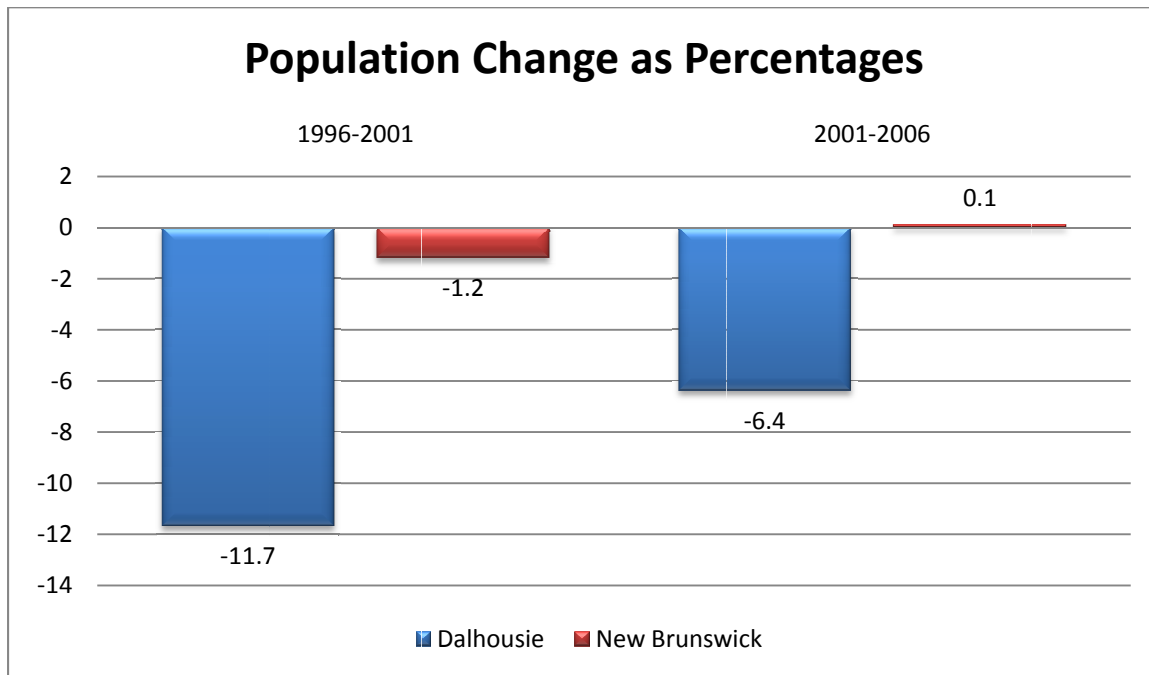


Figure 3 Population Change in Dalhousie and New Brunswick as Percentages