

BACKGROUND

Government of Canada Financial Commitment to the Mountain Pine Beetle Program

The Government of Canada has committed a total of \$200 million to work with British Columbia to assist and support communities and First Nations in combating the spread and addressing the impact of the unprecedented mountain pine beetle infestation in the province.

The federal Mountain Pine Beetle Program pursues three main objectives: controlling the spread of the beetle, recovering economic value and creating new economic opportunities, and protecting communities and forest resources.

In March 2007, the Government of Canada announced an investment of \$24.8 million in the Mountain Pine Beetle Program. Of this amount, \$23.1 million was allocated to measures to control the spread in British Columbia and \$1.7 million to protecting communities and forest resources against the risk of wildfire.

On June 8, 2007, the Government of Canada announced an additional funding allocation of \$39.6 million. These funds will be distributed as follows.

Controlling the Spread – \$26 million

The objective of this part of the program is to slow the spread of the beetle, especially its eastward progression. The primary activity in this area is the removal of trees already infested by the beetle. Removing infested trees before the beetle larvae develop into adults reduces the risk to nearby trees. It's estimated that one tree can host enough beetle larvae that would, if they reached adulthood, infest an additional 10 to 12 trees.

Of the new allocation of \$26 million, Natural Resources Canada (NRCan) will provide \$21 million for spread control on provincial lands. The remaining \$5 million will be delivered through NRCan for spread control on federal lands and private woodlots.

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Recovering Economic Value/Creating Opportunities – \$7.1 million

The federal Mountain Pine Beetle Program recognizes that the impact of the beetle infestation on the economies of forest-dependent communities will be felt for decades. The response to the infestation must include strategic, short-term investments in efforts to extract as much value as possible from trees killed by beetles, as well as investments designed to broaden the economic foundation of forest-dependent communities for the long term.

- ***Energy and Mineral Resource Surveys and Exploration***

For many of the forest-dependent communities of B.C.'s central interior, developing energy and mineral resources is one of the most viable options for sustaining and diversifying regional economies and providing new employment opportunities.

In cooperation with Geoscience BC and the Province of British Columbia, NRCan will invest \$6 million over two years in energy and mineral surveys to increase geological understanding and direct private sector investment in resource exploration and potential development in areas affected by the mountain pine beetle. It is estimated that every \$1 million invested in geoscience surveys stimulates at least \$5 million in exploration investment by the private sector and results in \$125 million in mineral resource discoveries.

- ***Alternative Fibre Uses***

The Government of Canada has allocated \$1.1 million to support the development of options for recovering the economic value from forest stands killed by beetles. These funds will be used to develop inventories of resources to assist in salvage planning, as well as research and development efforts to support integration of the salvaged wood into existing and alternative manufacturing facilities. This could include potential uses for wood from trees killed by the beetles, such as the production of bio-energy and panel board. These funds will also support projects that will assist in forest management and harvesting strategies.

The majority of these funds are being distributed to eligible projects through a request-for-proposal process.

Protecting Forest Resources and Communities – \$6.5 million

The risk of wildfire has increased significantly as a result of the large number of trees killed by the mountain pine beetle. The Government of Canada is allocating an additional \$6.5 million to support measures to manage the risk to communities and forest resources.

- ***Community Wildfire Protection***

Support through NRCan for the Union of B.C. Municipalities' Strategic Wildfire Protection Program will further assist communities in the affected zone in preparing wildfire risk maps and risk-reduction plans.

- ***First Nations Forest-Fuel Management***

NRCan investments will assist in the development of wildfire risk-management plans around First Nations communities located on federal forestlands within the affected zone.

- ***Fire-Risk Mapping***

NRCan will support the Province of British Columbia's identification and mapping of community wildfire threats in the affected zone. These maps are used to develop forest-fuel management work plans.

- ***Removal of Hazardous Trees from Recreation Sites***

NRCan will support British Columbia's efforts to reduce the threat to public safety by removing hazardous trees from provincially designated recreation sites and trails.

- ***Removal of Hazardous Trees from Municipal Lands***

NRCan will invest in reducing the threat to public safety by funding the removal of hazardous trees from municipal and school board lands.

- ***Forest Resource Assessment***

Funding will be available through NRCan through a request-for-proposal process for projects that identify and assess options to improve sustainable use of the forest resource, including non-timber uses such as watershed hydrology, wildlife habitat and "viewscape" management.

- ***Sustaining Forest and Community Futures***

NRCan will work with communities and First Nations to select projects that identify and assess options to mitigate the impacts of mountain pine beetle infestation in areas such as forest value, non-timber use of the forest resource, water quality and wildfire threat.

As of June 8, 2007, the Government of Canada has allocated \$64.4 million of its \$200-million commitment. Additional funding allocations, including investments in spread control, fire protection, transportation infrastructure and economic diversification projects, will be announced in the coming months.

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