



Newsletter

April 2008

Strategy Updates

Minerals and Mining Strategy Close to Completion

The Minerals and Mining Strategy is close to completion and is expected to be released soon. About 40 different people have contributed to the development of the Minerals and Mining Strategy since September 2007. Many in the OBAC region see growth in mineral exploration and mining as an opportunity to rebalance some of the economic downturn and loss of jobs experienced in the forest sector. Recommendations on growing a sustainable minerals and mining sector in this region include: enhancing training, education, and research capacity to drive the sector here and to build the region as a centre for mineral exploration and mining education; working with senior governments to streamline the environmental review process; and, building closer working relationships with First Nations in order to strike a balance between environmental and cultural stewardship and economic development in this region.

The release of this strategy is scheduled for mid May and will be posted on our website at www.ominercoalition.ca

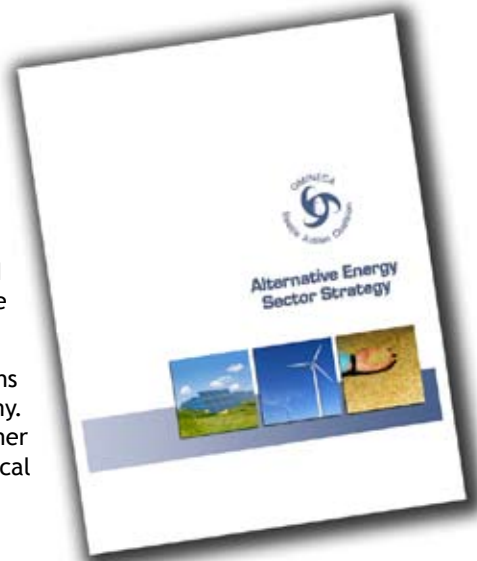


Alternative Energy Strategy Close to Completion

The Alternative Energy Strategy is close to being completed and ready for release. Nineteen members of the Alternative Energy Strategy Working Group have been working for the past few months developing recommendations on how local governments in the OBAC region, the two senior governments, First Nations governments, the private sector, and other interests can work together to grow the alternative energy sector in this region. The strategy will address a range of renewable energy sources and systems including solar, geo-exchange, biomass, hydro, geothermal, and wind power.

The strategy will look at how alternative energy can contribute to diversifying the OBAC region's economy, and recommend a range of actions that organizations can take to work together to make the region a place where alternative energy becomes a wealth generator. In addition to proposing new ideas and approaches, the strategy also relies upon the good work and initiatives already underway in the OBAC region, including some community-specific projects, and broader initiatives such as the Energy Centre of the North, Progress House, and UNBC's "Green University" initiative. OBAC's strategies highlight how senior governments can work with local governments, First Nations, and the private sector in building capacity within small communities and rural areas, leading towards a more resilient future in the wake of the mountain pine beetle epidemic.

Burns Lake is one OBAC community already taking action at the community level. Burns Lake is developing a Community Energy Plan as part of a plan to diversify its economy. One part of the plan is biomass energy, which Chief Administrative Officer Tim Palmer says creates both local jobs not dependent on outside markets and a sustainable, local energy source.



Other OBAC communities are also pressing forward with development of local economic development and diversification strategies. The Green Energy Centre Project in Mackenzie involves the construction and operation of a 59 megawatt biomass cogeneration power plant. Smithers approved its Community Energy Plan in 2007. Houston is looking at using a geo-exchange system to heat public facilities. Granisle is reviewing the potential for developing a small scale hydro project. And both the Fraser-Fort George and Bulkley-Nechako regional districts are looking at waste-to-energy developments.

The Alternative Energy Strategy is scheduled to be released in May, and it will be posted on our website. Please visit www.ominaccoalition.ca for more information.



Work Begins on the Community Social Services and Retention and Attraction Strategy

OBAC will be convening a Working Group to guide the development of two strategies that address two priority areas with a lot in common: social services & community supports and, attracting and retaining people to the OBAC region and communities. The availability of social services and community supports has a direct impact on attracting people to the OBAC area and encouraging them to stay and that's why these two strategies will be developed together. An informal group began scoping the topic in late February. A consulting team will be retained by the end of the April to support the Working Group's efforts to draft this strategy by the end of the summer.

Check our website at www.ominaccoalition.ca for updates on the development of this strategy.

A Different Approach for the Future Forest Products and Fibre Use Strategy

The Future Forest Products and Fibre Use Strategy uses a different process from the other five strategies currently underway. A backgrounder which reviews the current circumstances has been produced to aid in strategy development. The backgrounder will be used to inform a series of community dialogue sessions that will be held throughout the region. These sessions are designed to gather additional input and ideas. The backgrounder and the feedback gathered at the community dialogue sessions will then be used by the Strategy Working Group as the basis for the working drafts of the strategy.

We will post the schedule for the community dialogue sessions, and provide updates on the development of this strategy, on our website at www.ominaccoalition.ca



Work on Integrated Regional Infrastructure Strategy Underway

The second meeting of the Infrastructure Strategy Working Group took place April 7. The group is working with DPR Canada to complete the Integrated Regional Infrastructure Strategy by the end of May. Development of this strategy will follow a model similar to those used for the Alternative Energy, Minerals and Mining, and the Social Services and Community Supports strategies. Many municipal leaders, industry leaders, and residents see the need for continued provincial and federal investment in infrastructure to enable the development of opportunities that will help diversify our region's economy.

The Working Group began by reviewing a backgrounder that assesses the current state of infrastructure in the OBAC region, and an overview of the opportunities and challenges associated with further investments in transportation, communication, energy, and other regional infrastructure issues.

Community Focus

OBAC will feature a community or rural area in each newsletter throughout 2008. OBAC's 12 communities and two Regional Districts are as diverse as the region is large. While all are linked in some way by the mountain pine beetle, each is facing its own unique challenges and opportunities in diversifying its economies and remaining resilient. This is true of Mackenzie, the first community to be featured in **Community Focus**.

Mackenzie

In May of 2007 the cumulative impacts of a rising Canadian dollar, low lumber prices, and a depressed US housing market shook Mackenzie. Canfor announced the closure of its Mackenzie operations, which would have potentially affected 450 employees. In July of 2007 Canfor restructured operations and continued to operate at 70%, resulting in a layoff of 130 employees.

- Incorporated in 1966 under the *Instant Towns Act* to service pulp and lumber manufacturing facilities.
- Located 190 kilometres north of Prince George, 30 kilometres off Highway 97
- Population - 4539 (2006: BC Stats). 77% under the age of 40.
- Economy - dependent on the global forest industry, some servicing to mining exploration and development. Two large sawmills, pulp mill, pulp and paper plant. Over half of Mackenzie's population is employed in forest product manufacturing.
- For more information visit the District of Mackenzie website at www.district.mackenzie.bc.ca.



During this difficult time, Mackenzie quickly accessed various regional government agencies and community organizations to assist in the community response. With the assistance of the Community Development Institute at UNBC, Mackenzie developed a strategy to respond to the rapidly changing economic conditions in the community. The district worked closely with service providers in the community, including the College of New Caledonia and Service Canada, to provide supports for workers. School District 57 and Northern Health publicly announced their commitment to continuing to provide quality services in Mackenzie.

The district secured funding from Service Canada, the Ministry of Community Services, and the Ministry of Economic Development to complete a new economic development strategy (available at www.district.mackenzie.bc.ca/upload/nwd224.pdf). The community was closely following its response strategy when the largest employer in Mackenzie, AbitibiBowater, announced on November 29th that it would be indefinitely idling all Mackenzie operations, affecting approximately 600 workers and their families. Canfor subsequently announced a further layoff of 70 employees, and the East Fraser Fiber mill laid off close to 80 workers. At this point it is unclear how many indirect jobs will be lost, but many small businesses have already reduced staff.

Many of the activities and initiatives implemented in response to Canfor were in place when AbitibiBowater made their announcement. The strategy was adjusted accordingly and the municipality got right back to work. The community has been busy on many fronts, organizing information sessions on the challenges and opportunities that exist in the oil and gas sector, working with AbitibiBowater to set up and run an Action Centre to provide support to AbitibiBowater employees and spouses, and coordinating a job fair that included employers from oil and gas, mining, and forestry. The district has ramped up marketing activities highlighting the community's recreation opportunities, affordable housing, and the high quality of life enjoyed in the community. Print advertisements are running in communities experiencing oil and gas economic booms, in the hopes of better positioning Mackenzie as a home base for contractors traveling throughout the area.

Mackenzie is facing its current economic challenges by using the combined resources and talents of people and agencies in the community, and with the help of many people and agencies outside the community. Mackenzie is confident that with the combined help of all involved it will not only survive, but create a new, more diversified economy which will keep the community together and moving forward.



First Nations Mountain Pine Beetle Initiative Update

Dan George, CEO, First Nations Mountain Pine Beetle Initiative (FNMPBI) and Zandra Ross, Executive Assistant, FNMPBI met recently with the OBAC Executive Committee and provided an update on the group's activities. The FNMPBI came about as a result of a First Nations MPB Forum in Prince George in September 2005. The group is politically accountable to the First Nations Leadership Council and the Minister of Forests and Range. The mountain pine beetle epidemic has impacted 99 bands, representing almost 57000 people.



The FNMPBI began by looking at Community Protection, Sustainable Economy, Ecosystem Stewardship, and Engage First Nations and Protect Cultural Values. The FNMPBI is progressing well on all these areas and has been meeting with and engaging First Nations groups on a regular basis. A Fuel Management Working Group and an Emergency Management Working Group have been established to oversee work on community protection.

The FNMPBI expects to complete its work by the end of March 2009. You can learn more about the FNMPBI by visiting their website at www.fnmpbi.com.

Forestry Innovation Investment, Mountain Pine Beetle Program Strategy Update

Robert Parisotto, Director, Mountain Pine Beetle Program, Forestry Innovation Investment (FII) met recently with the OBAC Board to update them on development of the group's MPB Strategy. FII's mandate is to support an environmentally and sustainable forest economy in BC through activities such as international marketing, market access, product development, China market development, mountain pine beetle, and domestic market development.

FII works with industry partners and others on these activities with overall objectives to manage professionally, benchmark performance, and be clear and accountable. MPB activities include identifying market development opportunities capitalizing on MPB fibre characteristics, and distribution of factual information on MPB wood products and funding partnerships with industry to support both research and market strategy development. FII's MPB program has also identified the need to look at issues and opportunities related to fibre quality, technological developments, new products, and value-added and bio-energy opportunities. You can learn more about FII's mountain pine beetle program by visiting www.bcfii.ca/industry_resources/mountain_pine_beetle_info.htm.

Updates to OBAC Website

Recent updates to the OBAC website give you quick access to information on some of the strategies highlighted in this issue. You'll find direct links to the Alternative Energy at www.ominecoalition.ca/alternative-energy.htm and Mining and Minerals at www.ominecoalition.ca/minerals-sector.htm strategies on the OBAC homepage. Links to the other strategies are being developed and will be added soon.



For information on the Coalition please contact
Elizabeth Andersen, Manager

Phone: (250) 563-7005 • Toll-free: 1-866-563-7005 • Fax: (250) 562-7880
www.ominecoalition.ca
email: info@ominecoalition.ca