



State of the Forest

Report
2005



Compact Disc (CD) and Web Material

State of the Forest Report – 2005

Natural Resources 2004-05 Annual Report

Management of New Brunswick's Crown Forest

Vision Documents

- Our Shared Future
- Objectives & Standards 2007-2012

Wood Supply Documents

- Select Committee Report
- APEC Report (The New Brunswick Forest Industry: The Potential Economic Impact of Proposals to Increase the Wood Supply)
- Staff Review of the Jaakko Pöyry Report
- Jaakko Pöyry Report (New Brunswick Crown Forests: Assessment of Stewardship and Management)

Forest Management

Royalties

Penalties (Performance)

Harvest Volumes

Seedling Production

Silviculture Info: Thinning and Herbicides

First Nations Operations: Volumes and Royalties

Forest Fires

Insect and Disease Protection

Wood Theft Stats

Wildlife Status

Protected Natural Areas

Minister's Message

I am pleased to present the State of the Forest Report. It will help us take action to keep our forest healthy and productive for years to come.

This is our first report and provides information of interest to all New Brunswick residents. We welcome feedback and will work to enhance this report in years to come.

It has been a challenging year for the forest industry and the people who depend on it for their livelihood. These challenges include mill closures, labour disputes, fewer local markets for low quality wood, a strong Canadian dollar and high energy and labour costs. Other jurisdictions in Canada and around the world are facing similar challenges.

I am confident New Brunswickers will continue to find new ways to benefit from our abundant resources. We are committed to a healthy public forest and a strong economy for the well-being of New Brunswickers today and in the future.



Keith Ashfield
Minister of Natural Resources



**State of the Forest Report
Summary 2005**

Published by:
Province of New Brunswick
CNB 3454

Printed in New Brunswick

ISBN:1-55396-195-1





More information and detailed statistics are available on the Compact Disk (CD) attached to this summary and online at: <http://www.gnb.ca> Keyword: Natural Resources.

This is an e-Government initiative to deliver services and information in an efficient and convenient manner.

Table of Contents

Introduction	4
Our Progress	5
Industry News	6
Royalties	7
Performance	7
Harvest Volumes	8
Low Quality Wood Exports	8
Silviculture	9
First Nations Operations	9
Fire Protection	10
Insect and Disease Protection	10
Wood Theft from Public Land	11
Wildlife and Habitat	11
Protected Natural Areas	12
Other Uses	12
The Future	12

Introduction

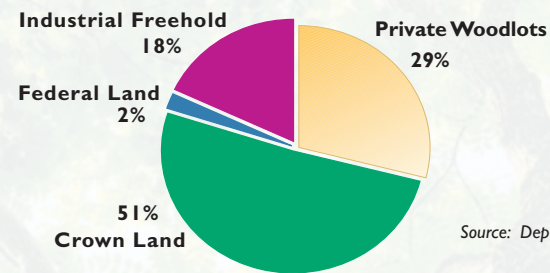
The forest is important to our way of life. You can see it from every provincial highway, sometimes as far as the eye can see. Over half is the public forest, located on Crown land.

Every year harvesting activities occur on less than two per cent of the public forest. That means more than 98 per cent of it is left to continue growing, providing a wide range of benefits for people and wildlife.

At Natural Resources we try to manage the public forest in the best long-term interests of all New Brunswickers. This means balancing the needs and expectations of the forest industry, environmentalists, anglers, hunters and others who enjoy our forest lands.

We are listening to stakeholders and the public, encouraging everyone to participate in the management of our public forest.

Distribution of Productive Forest Land in NB by Ownership



Source: Department of Natural Resources



Our Progress

In the fall of 2004, the Legislature's Select Committee on Wood Supply tabled [its report](#). Government responded this spring with its [Action Plan](#) to balance the environmental, social and economic values of a healthy forest, conserve its diversity and character, ensure a reliable and secure wood supply and give New Brunswickers a stronger voice in the future of their forest.

A new [Forestry Task Force](#) is creating a broad set of forest management alternatives to achieve wood supply objectives for all commercial species while retaining the unique characteristics of the Acadian forest. The task force is also assessing the impact these alternatives will have on our environment, our society and our economy.

A Public Advisory Committee was established this fall. This group – the voice of New Brunswick's major stakeholders – provides advice directly to the Minister of Natural Resources.

This summer, we completed our Vision – the [goals and guidelines](#) governing forest management for the 2007-2012 planning period. The seeds of that report can be read in The New Brunswick Public Forest: [Our Shared Future](#). Licensees are now at work – developing long-term plans that turn those guidelines into action.



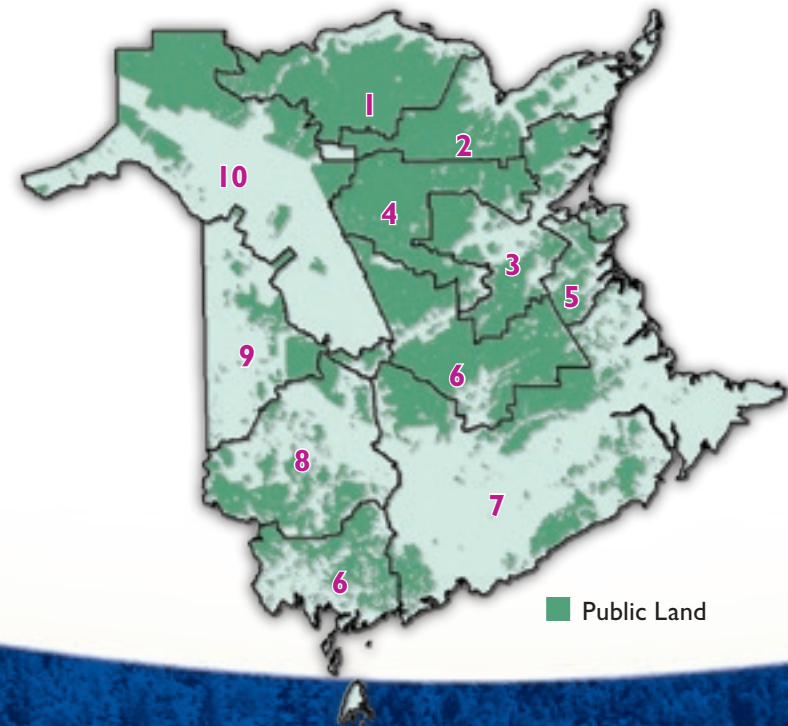
Industry News

In mid-September, 2004, the St. Anne-Nackawic pulp mill closed, putting almost 400 people out of work. Two weeks later, UPM Kymmene announced plans to close its kraft mill, with a loss of 400 jobs. A labour dispute at the UPM paper mill on the Miramichi kept that facility closed for much of the year. In August of this year, Smurfit-Stone closed its mill in Bathurst and another 300 people lost their jobs. Then, 100 more jobs were lost when Fraser Papers closed a paper recycling mill in early fall. These mill closures also had a negative impact on harvesting jobs in the forest.

The high value of the Canadian dollar brought its own challenges. Forest companies faced difficulties exporting products.

Business New Brunswick has worked hard to find a buyer for both the Nackawic and Bathurst mills. Birla Group and Tembec agreed to purchase the Nackawic mill and resume production. Most of the workers, who were involved in the labour dispute with UPM, have returned to their jobs at the mill on the Miramichi.

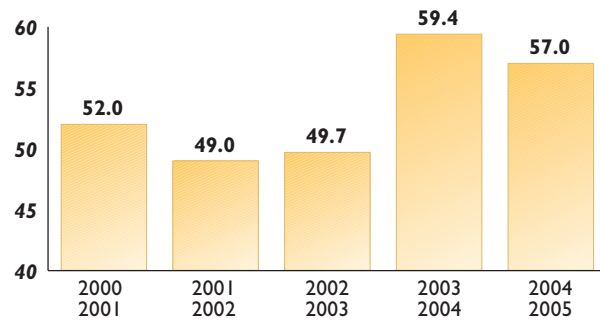
	License	Licensee	Area (HA)
1	Upsalquitch	Bowater Maritimes Inc.	427,580
2	Nepisiguit	UPM-Kymmene Miramichi Inc.	259,369
3	Lower-Miramichi	UPM-Kymmene Miramichi Inc.	316,354
4	Upper-Miramichi	UPM-Kymmene Miramichi Inc.	384,049
5	Kent	Weyerhaeuser Company Limited	71,590
6	Queens-Charlotte	J. D. Irving, Limited	631,351
7	Fundy	Irving Pulp & Paper, Limited	428,784
8	York	St. Anne Nackawic Pulp Company Ltd.	252,027
9	Carleton	Fraser Papers Nexfor	133,245
10	Restigouche-Tobique	Fraser Papers Nexfor	402,200
Total Area			3,306,549



Royalties

The forest industry paid almost \$57 million in royalties for wood harvested from the public forest. This was about \$1 million lower than forecast, as a result of mill closures at St. Anne Nackawic and UPM. For fiscal 2005-06, we expect the royalties to be approximately the same as they were in 2004-05.

Royalties in \$ Millions



Source: Department of Natural Resources

Performance

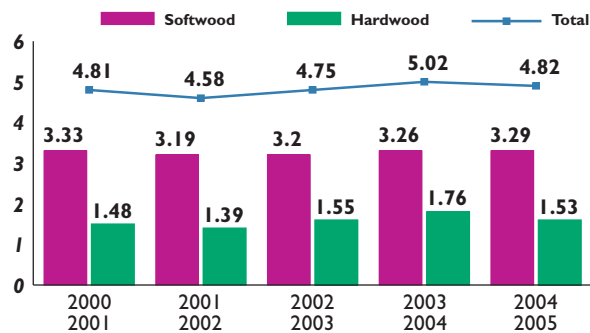
Natural Resources made 7,000 monitoring visits to 3,500 Crown license harvest blocks. Operations on 2,962 of these blocks complied with DNR's harvesting standards. There were 538 minor and 32 major violations resulting in penalties of almost \$305,000.



Harvest Volumes

The forest industry harvested more than 4.8 million cubic metres of wood from the public forest. That includes almost 3.3 million cubic metres of softwood and more than 1.5 million cubic metres of hardwood. Harvesting operations took place on approximately 60,000 hectares of the public forest.

Harvest in Millions of Cubic Metres



Source: Department of Natural Resources

Low Quality Wood Exports

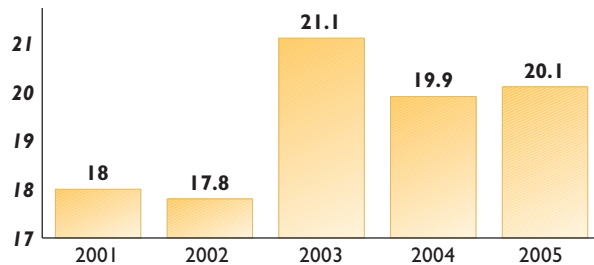
Mill closures at St. Anne Nackawic and UPM resulted in less demand for low quality pulp wood and chips, which are by-products of harvesting operations. These lower quality portions of some trees harvested from Crown land were exported to markets outside the province, but only after being first offered to New Brunswick processors. Government did not approve export of high-quality Crown products such as studwood, logs and veneer - these products stay in New Brunswick. Because of mill closures and fewer local markets for low quality pulp wood and chips, exports of these products are expected to continue at higher than traditional levels in 2005-06.



Silviculture

Twenty million seedlings were grown at the Kingsclear Tree Nursery and over nine million seedlings were purchased from private nurseries. These seedlings were planted and are renewing 15,000 hectares of public forest.

Kingsclear Tree Nursery Seedling Production (Millions)



Source: Department of Natural Resources

Pre-commercial thinning was carried out on nearly 22,000 hectares of public forest.

Federally approved herbicide was applied, from the air, to about 12,000 hectares of public forest. Almost 700 hectares were treated from the ground. These applications protect young silviculture stands by eliminating competing species.

First Nations Operations

All 15 First Nations communities continued to benefit from harvesting agreements. Natural Resources coordinators helped identify and locate harvest sites as well as monitor harvest operations.

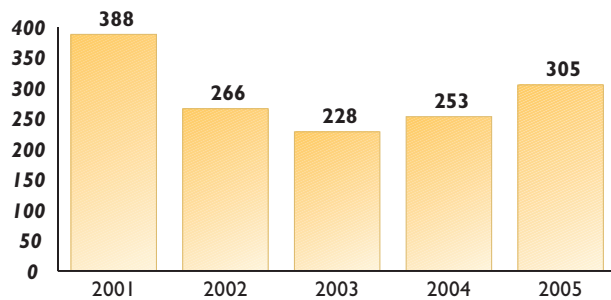
First Nations harvested more than 214,000 cubic metres of wood on 169 harvest blocks. The mill-delivered value of this wood was more than \$15 million. Almost \$3 million in royalties was returned to First Nation communities.



Fire Protection

This year, there were 305 wildfires that burned 279 hectares of forestland. The ten year average is 365 wildfires and 537 hectares of forestland burned. About five per cent of fires are caused by lightning while the rest are caused by human activities.

Fires



Source: Department of Natural Resources



Insect and Disease Protection

Surveys show small increases in spruce budworm and hemlock looper. However, populations remain below levels that cause noticeable defoliation. New Brunswick shows no trace of gypsy moth defoliation or the foreign brown spruce longhorn beetle.

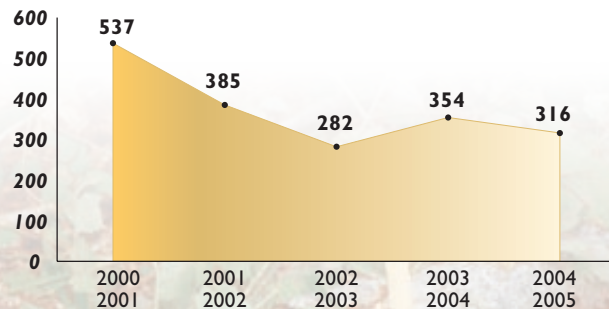


Wood Theft from Public Land

There were 316 incidents of wood theft on public land. That's a 16 per cent drop from the five-year average of 375. Fifty-five cases ended with convictions, 48 resulted in warnings, 13 were dismissed and 30 were still before the courts. No solid information on the identity of thieves has become available on the remaining cases.

New Brunswickers should contact Natural Resources or Crime Stoppers to report illegal activities on public land.

Wood Theft Incidents



Source: Department of Natural Resources
Ministère de Ressources naturelles

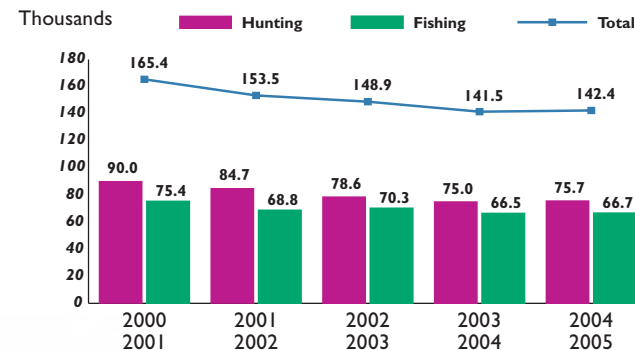
Wildlife and Habitat

Many kinds of birds, mammals, amphibians and reptiles live in our forests. Objectives and best management practices are in place on public land to ensure there is enough habitat to keep healthy populations of all these species. Specifically;

- Over 800 Deer Wintering Areas covering about 280,000 hectares of forest are managed for white-tailed deer,
- 260,000 hectares are managed for wildlife that need large areas of old softwood forest,
- Over 190,000 hectares are managed for wildlife needing older pine, hardwood and mixed wood forest,
- 400,000 hectares of buffer zones exist around all lakes, rivers and streams to protect water quality and fish habitat.

Timber harvesting is only permitted to occur in these areas under special conditions.

Hunter and Angler License Sales



Source: Department of Natural Resources



Protected Natural Areas

New Brunswick has 10 large and 20 small protected areas covering more than 137,000 hectares of land. Local, provincial and scientific committees were set up, over the past year, to provide advice and help develop management plans. The committees also help ensure biological diversity is not compromised and conflicts among users are minimized.

The Future

Government's response to the recommendations of the Select Committee on Wood Supply has provided a framework for the future. Currently we are in the early stages of implementing those recommendations. In the years ahead we will draw on a vision established by New Brunswickers and continue to grow a public forest that will sustain environmental, social and economic benefits.

Other Uses

The public forest is used for many other purposes including: 1,100 hectares for campsite leases, 8,300 hectares for maple sugary leases and 6,200 hectares for blueberry leases. There are also more than 4,500 kms of hiking, snowmobile and ATV trails on public land.

