

Nova Scotia Forest Industry  
Joint Task Force RECOMMENDATIONS  
**and Provincial Response**

Sept. 4, 2008

## Joint Task Force RECOMMENDATIONS and Provincial Response

<b>TRANSPORTATION</b>	<b>SHORT TERM</b>	JTF Estimate of required \$\$	Proposed Incremental Funding	
			\$	Source
T.1 DOTIR assess the status of its road network on a local area basis to reflect real time conditions and not on a province wide basis.				
<b>RESPONSE: TIR has adopted this practice for spring weight restriction period on a county by county basis.</b>			Nil	
T.2 DOTIR allow trucking to take place at legal weights if it is determined that roads in local area are indeed frozen, even if the travel must take place during night time hours.				
<b>RESPONSE: TIR has adopted this practice for spring weight restriction period on a county by county basis.</b>			Nil	
T.3 DOTIR utilize all currently available communication methods to advise the forest industry in a timely fashion of those roads that are opened or re-opened for travel at legal weights.				
<b>RESPONSE: TIR utilized its web page, e-mail to FPANS and 511 service to advise industry. DOTIR will continue to work with FPANS to improve communications where required.</b>			Nil	
T.4 DOTIR allow movement of over-weight forestry equipment utilizing additional axle groups and or/low tire pressure vehicles on a case-by-case basis.				
<b>RESPONSE: TIR is currently reviewing applicability of low tire pressure technology.</b>			Nil	
T.5 DOTIR allow forestry companies to conduct road repairs and maintain surface integrity based on Department's approval.				

<p><b>RESPONSE: TIR has taken the recommendation under advisement, and will be reviewing appropriateness especially from a legal liability perspective.</b></p>		Nil	
<p>T.6 DOTIR increase the maximum axle weights during Spring Weight restrictions, especially for tridem axle groups.</p>			
<p><b>RESPONSE: TIR is currently reviewing applicability of increasing tridem weights to 18,000 kg.</b></p>		Nil	
<p>T.7 DOTIR needs to complete its analysis of available truck and trailer configurations that are presently approved on other Canadian jurisdictions by July 1, 2008. The department must take steps to increase payloads and significantly reduce transportation costs, as soon as possible.</p>			
<p><b>RESPONSE: TIR will continue to review new truck and trailer configurations, but the July 1, 2008 deadline will not be met.</b></p>		Nil	
<p>T.8 Funds required to complete the road reclassification project currently underway. We understand that the three engineers presently working on the project will be moved elsewhere when road construction season begins. We recommend a 4 month contract to complete the work by August 31, 2008, estimated at \$35,000.00</p>	\$35,000		
<p><b>RESPONSE: The road classification project involves more than just identifying the location of the bridges and noting the capacity of the structures, which the three engineers were doing. The analysis also requires the assessment of the structures whose weight capacity is unknown, which is the majority the bridges that will be encountered. Such an analysis can only be conducted by experienced bridge engineers. TIR committed to Cabinet that it would complete its analysis in three years.</b></p>		Nil TIR Regular Budget	
<p><b>—————</b> <b>MEDIUM TERM</b> <b>—————</b></p>			
<p>T.9 DOTIR implement a <u>permanent system</u> enabling the efficient management of roads based on real time conditions. This system will provide up to date information about localized weight restrictions through the use of leading information technology and communications solutions.</p>			
<p><b>RESPONSE: TIR will be utilizing the process used this year in future years.</b></p>		Nil	

T.10 DOTIR continue to refine the partnership with FPANS, in order to develop a communication strategy that will a) allow the department to focus on the roads that need attention; and b) advise the forest industry in a timely manner of changing roadway conditions during Spring Weight Restrictions.			
<b>RESPONSE: TIR will continue to work with FPANS on matters of interest to both parties.</b>		Nil	
T.11 DOTIR needs to identify maximum safe weights that can be hauled on each of the routes in the province and prioritize road maintenance activities to increase road carrying capacities.			
<b>RESPONSE: Through the road classification project and the consideration of new vehicle configurations TIR will be assessing the appropriate weights for the provincial road system. TIR will consider the requirements of the forest industry in establishing road maintenance priorities.</b>		Nil	
T.12 Better Mapping System. Use available resources, through DNR GIS System, Geomatic Centre in Amherst, (Government to estimate costs)	?		
<b>RESPONSE: TIR is working toward a new mapping system for all of its needs. It is a multi-year, million dollar investment. In the interim TIR will work with FPANS to improve its existing mapping system.</b>		Nil TIR Regular Budget	
T.13 Create a FULL TIME DEDICATED position for 1 year (suggested) to coordinate and complete the project that makes management of needed roads effective. This individual could be housed at either DOTIR or FPANS. Est Cost \$100,000.00.	\$100,000		
<b>RESPONSE: TIR will not be creating a full time position dedicated for the interests of the forest industry. DOTIR can manage these matters with existing staff.</b>		Nil TIR Regular Budget	
T.14 Optimize Website and 511 Information System. (Department to estimate costs)			
<b>RESPONSE: TIR will continue improve its web site and 511 information system as part of its regular responsibilities.</b>		Nil	
T. 15 Government to estimate on-going costs of maintaining the management system, so that this becomes the normal mode of operation	?		
<b>RESPONSE: TIR will continue to improve on its spring weight management system. There will be no additional costs; it will become its regular mode of operation.</b>		Nil TIR Regular Budget	

<p style="text-align: center;"><b>JTF RECOMMENDATIONS and Provincial Response</b></p>		<p style="text-align: center;">JTF Estimate of required \$\$</p>	<p style="text-align: center;">Proposed Incremental Funding</p>	
			<p style="text-align: center;">\$</p>	<p style="text-align: center;">Source</p>
<p><b>COST COMPETITIVENESS</b></p>	<p style="text-align: center;"><b>SHORT TERM</b></p>			
<p>C.1 Recommending that a senior official from the Department of Finance be added to the Advisory Committee.</p>				
<p><b>RESPONSE:</b> The proposed and accepted initial response was that recommendation regarding taxation would all be referred to the Department of Finance for separate evaluation.</p> <p>The Department of Finance has designated senior official as a point of contact to the Task Force.</p> <p>However the province also subsequently announced in its 2008/09 Budget Speech of April 29<sup>th</sup> that the Minister of Finance will initiate a comprehensive tax review. As part of this review, the government will consider many of the elements recommended by the Task Force, including capital taxes, investment tax credits, fuel taxation and many other important determinants of the industry's competitiveness. However, at this point, all tax policy proposals should be referred to the Tax Review so that specific changes do not get ahead of the entire tax policy vision and direction that emerges from the review process.</p> <p>The Joint Task Force will be sure to identified as an important industry stakeholder for the tax review consultation team to engage.</p>			<p>Unknown</p>	
<p>i) <i>Nova Scotia Tax on Large Corporations</i></p>				

C.2 Immediately increase the capital deduction to \$50 million based on the Federal Tax on Large Corporations which has been eliminated.	?		
<b>RESPONSE: See Response to C.1.</b>		Unknown	
C.3 Accelerate the phase down period to eliminate this Capital Tax by 2011.	?		
<b>RESPONSE: See Response to C.1.</b>		Unknown	
<b>MEDIUM TERM</b>			
<i>ii) Nova Scotia Manufacturing and Processing Tax Credit</i>			
C.4 Extend the expiry date of non-refundable tax credits for another ten years as the large majority of companies in the forest products industry will not be able to take advantage of their tax credit balance as the corporate income tax burden is reduced during this extended period of low profitability.	?		
<b>RESPONSE: See Response to C.1.</b>		Unknown	
C.5 Introduce a new refundable retroactive tax credit for investment in Manufacturing and Processing in Nova Scotia, as without government initiative to promote new business investment, forestry and other industries face tremendous financial challenge in today's marketplace. Refund could be tied to reinvestment or energy conservation.	?		
<b>RESPONSE: See Response to C.1.</b>		Unknown	
<i>iii) Nova Scotia Gas Tax on Diesel Fuel</i>			
C.6 Reduce the tax on diesel fuel in NS by a minimum of 1.7 cents a litre in order to be competitive with NB. Currently NB = 13.7 cents/litre; NS = 15.4 cents/litre.	?		
<b>Response: See Response to C.1.</b>		Unknown	
C.7 Amend "Guide and Revenue Act Regulations" to introduce refund mechanism for NS Diesel or Gasoline Fuel Tax used in silviculture harvesting, for transportation of new raw materials, including materials used for biomass activities either for a company's own operations or to produce energy for sale.	?		

<p><b>Response: See Response to C.1.</b> The Department of Natural Resources also notes that the current Fuel Tax regulations and interpretive bulletins provide for the refund of fuel tax related to producing traditional forest products and certain kinds of silviculture. Harvesting forest biomass is a new evolution in the forest sector and should be treated on the same basis as any other primary producer enterprises, if the Fuel Tax provisions are retained under the Tax Review. DNR would be happy to work with the Provincial Tax Commission and the industry to review the language used in the Interpretive Bulletins and update to reflect contemporary practices and to ensure uniform understanding and compliance.</p>		Unknown	
<p>iv) <i>Nova Scotia Research and Development Tax Credit</i></p>			
<p>C.8 Modify NS Research and Development Tax Credit to allow a refund of the tax credit even if a corporation does not have provincial taxes owing.</p>	?		
<p><b>Response: See Response to C.1.</b></p>		Unknown	
<p>v) <i>Investment Tax Credit for Forestry Companies</i></p>			
<p>C.9 Introduce an Investment Tax Credit for forestry companies whose products are outside of the scope of the Softwood Lumber Agreement 2006</p>	?		
<p><b>Response: See Response to C.1.</b></p>		Unknown	

<b>JTF RECOMMENDATIONS and Provincial Response</b>	JTF Estimate of required \$\$	Proposed Incremental Funding	
		\$	Source
<p><b>ENERGY</b></p> <p><b>General Response:</b> The Province is currently preparing a renewed energy strategy and a climate change action plan which will be submitted to cabinet later this year. Initiatives which will further encourage energy efficiency and conservation as well as the development of a more diverse array of renewable energy sources, including bioenergy, will most likely be included in the climate change action plan.</p>			
E.1 Financially support the use of innovative technology to generate electricity from renewable sources and reduce reliance on non-renewable fossil fuels.	<b>?</b>		
<b>Response:</b> The Province agrees with the intent of the recommendation, however the type of support will most likely not be direct financial support. Details of the proposed support schemes which relate to biomass will be included in the Climate Change Action Plan.		Unknown	CC Action Plan
E.2 Develop a policy for biomass utilization that recognizes the opportunity for a bio energy future for Nova Scotia .			



E.4 Develop incentives for energy conservation investments for plants and facilities to reduce energy demand.			
<b>Response: The Utility and Review Board has recently approved the first phase of Nova Scotia's Demand Side Management Program. The initial phase calls for an electricity DMS measures program for industry. The first year of the program will be administered by NSPI.</b>		Unknown	Existing DMS Program
<b>LABOUR</b>			
L.1 i)The province become a lead financial contributor to the annual Atlantic Teachers Tour program (DNR currently contributes \$3,000 annually). Cost \$10,000 annually to offset program administration and teachers sponsorships. ii) The province to provide funding and to support the administration of Envirothon at a cost of \$10,000 annually.	\$ 7,000 \$ 10,000		
<b>RESPONSE: The Department of Labour and Workforce Development will contribute to the Atlantic Teachers Tour program in 2008-2009 and will review objectives before committing to long-term funding.</b>		17,000	LWD and Ed regular budgets
L.2 It is recommended Nova Scotia partner with FPANS and the Canadian Woodland Forum to review the New Brunswick approach and recommend action steps for Nova Scotia. Cost \$5,000 (use current staff as resources) to undertake review with commitment of up to \$150,000 to fund subsequent initiatives in the Medium Term.	\$ 5,000 \$150,000		
<b>RESPONSE: The Department of Labour and Workforce Development is also committing to review the NB approach to skills development in the forestry sector during the 2008-2009 and assess medium- and long-term funding following the review.</b>		Nil, at this time	
<b>SHORT/MEDIUM TERM</b>  L.3 Create incentives through funding assistance for secondary college education to develop labour with the minimum essential skill in the areas of forest harvesting, transportation, and industrial:- maintenance, electronics, instrumentation and hygiene. The Department of Education work with the forest industry to review existing forestry training courses with the objective of possibly redirecting existing funds to more appropriate programs.	?		

<p><b>RESPONSE:</b> The Department of Labour and Workforce Development, in consultation with industry, will determine the labour development needs in the forestry sector. This work will identify policy tools to address any labour development shortfalls, which may or may not be incentive programs. The department will also partner with the Department of Education to review existing programs to determine if they are meeting the labour needs of the industry. Any new policy tools may be funded through the reallocation of resources from existing programming.</p>		<p><b>Nil, at this time</b></p>	
<p align="center"><b>JTF RECOMMENDATIONS and Provincial Response</b></p>	<p align="center">JTF Estimate</p>	<p align="center">Proposed Incremental Funding</p>	
		<p align="center">\$</p>	<p align="center">Source</p>
<p><b>SUSTAINABLE FOREST MANAGEMENT/ GROW WOOD SUPPLY</b></p>			<p align="center"><b>SHORT TERM</b></p>
<p><b>F.1</b> A significant amount of Crown land that has been designated as IRM categories 1 and 2 must be guaranteed for commercial forestry use to provide certainty of long term supply. A system of durable crown lease agreements must be established that will require sustainable, intensive management of those lands.</p> <p>i) Establish short term joint committee to identify high potential commercial forestry lands on all crown holdings and to make recommendations to government by September 30.08. The committee will balance forestry requirements with potential high value conservation area.</p> <p>ii) The committee will recommend methods for Government to encourage greater productivity from crown leased lands through a system of incentives to lease holders and through research on improving the effectiveness of the crown lease system including lease allocations.</p> <p>iii) The province will contribute \$100,000 for the administration and project costs of this committee, to be supported by industry through in-kind and human resource commitments.</p>	<p align="center">100,000</p>		

<p><b>RESPONSE:</b> The outcome sought in these recommendations, guaranteed use of Crown lands and arrangement through lease holdings would be best achieved through revisions of the Crown Land Act. The Province has commenced its intended process of public consultation on resource strategies through Voluntary Planning as the first step. It does not intend to consider reforms to the Crown Lands Act or lease policies separately. The Forest Sector is encouraged to make such proposals as part of the Resource Strategies process.</p> <p>Through its Integrated Resource Management for Crown Lands, DNR will also continue to prepare Ecosystem Landscape Analysis reports for each ecodistrict of the Province which will assess the productivity and potential for Crown lands to provide for many uses.</p>		Nil	
<p>F.2 The province will continue to approve the use of generally accepted forest management methods to encourage tree growth, sustained yield and the overall health of the forest resource.</p>			
<p><b>RESPONSE:</b> The Province intends to continue to approve the use of generally accepted forest management methods to encourage tree growth, sustained yield and the overall health of the forest resource. The Department of Natural Resources has recently released Interim Code of Forest Practice Guides and intends to work with both public and private land forest managers to evaluate their practicality.</p>		Nil	
<p><b>MEDIUM TERM</b></p>			

<p>F.3 Provide up to \$100,000.00 in 2008 to develop jointly, plans to respond to emerging “win-win” forest related opportunities, such as the development of competitive bio-fuels businesses and the creation of carbon credits for the overall benefit of the industry and, in particular, the manufacturing sector.</p> <p>i) Create a working group comprised of representatives of the Department of the Environment; Department of Natural Resources; Department of Economic Development; Department of Energy and the forest industry to: a) determine the carbon sequestration capacity of Nova Scotia’s forest and the extent and nature of the opportunities for creation of carbon under various potential greenhouse gas regulatory environments and b) study the bio-fuels potential of the industry based on analysis on the technical and economic feasibility of bio-fuels production from forest resources.</p> <p>ii) Financially support the joint study by NS, NB, the state of Maine and the forest industry of the potential for bio-energy and bio-chemical refineries in the region, including analysis of business cases for future forest-based industries.</p> <p>iii) These committees and studies would be supported/funded by the participants based on an agreed mandate and the ability of the participants to allocate funding.</p>	<p>100,000</p> <p>200,000+</p> <p><b>?</b></p>		
<p><b>RESPONSE:</b></p> <p>i) <b>DNR agrees with the concept of an Inter-department/ forest industry working group to work on and study various aspects of forest carbon management and forest management adaptation to climate change issues. The Department will attempt to initiate the establishment of such a working group with other departments and industry. The Department’s Forestry Division has worked with Canadian Forest Service scientists and consultants to develop models for forest carbon accounting and impacts of management on biomass growth and carbon sequestration. DNR is also participating with other Provinces in national studies through the Cdn. Council of Forest Ministers and the existing Fed/Prov Forest Sinks Committee.</b></p> <p>ii) <b>The province is a supporter of the Joint Regional Study. Nova Scotia made a sponsorship contribution on behalf of the Department’s of Environment, Energy, and Natural Resources from fiscal year 2007/08. The expected contributions from project sponsors have been reduced from the original proposals</b>  <b>The province should provide funding to the FPANS, so that it may also be represented in the Study group.</b></p> <p>iii) <b>See responses to i &amp; ii above.</b></p>		<p>Nil, at this time</p> <p>200000</p> <p>20,000</p>	<p>Dept Budgets</p> <p>Comm Trust</p>
<p>F.4 The province will encourage third party certification on small private lands to ensure a greater supply of certified forest products and to promote improved land management across Nova Scotia. Funding will be made available through Nova Scotia to support landowners implementing generally accepted certification systems. Estimated at \$1.5 million over three years.</p>	<p>\$ 1.5 Million Over 3 Years</p>		
<p><b>RESPONSE: The Province is prepared to support this recommendation and will seek out funding opportunities. We are aware of one existing proposal from a NS woodlot owner group and can solicit others</b>  <b>DNR can enter into a contribution agreement to fund projects with groups.</b></p>		<p><b>\$1.5 million</b></p>	<p><b>Comm. Trust</b></p>

<p>F.5 The province will re-visit the criteria for lands eligible for designation as “protected” to meet its 12 per cent protected areas commitment. It is recommended that Crown lands that meet IUCN categories and have legislated commitment for a level of protection be recognized as part of the 12 percent target.</p> <ul style="list-style-type: none"> <li>i) The province will identify appropriate Crown holdings.</li> <li>ii) Input from key stakeholders will be gathered and designations made by July 1/09</li> <li>iii) The Province and Industry will meet with the Nova Scotia Nature Trust and the Nature Conservancy of Canada to put in place incentives to ensure more private landowner participation in protected areas designation.</li> </ul>	<p>Nil</p>		
<p><b>RESPONSE: On the recommendation to revisit the criteria for lands eligible for designation as “protected”. Government currently uses an approved and legal definition of what counts toward the 12% goal. This definition was recently re-affirmed in the Environmental Goals and Sustainable Act which was passed unanimously in the Legislature after undergoing a substantial Law Amendments process where the definition was open to discussion from all interested parties. This definition equates to IUCN protected area categories I-III. Revisiting the definition at this time is not required as the Act is slated for review within five years. The review of the Act in 2012 will precede the protected areas target completion in 2015.</b></p> <p><b>On the recommendations to identify appropriate Crown Holdings and make designations by July 2009: Several designations for Crown land are underway, are expected to be completed by July 2009. However, all potential protected areas must be evaluated on a provincial basis, and Crown lands should not be assessed in isolation. Note the Act target clearly establishes the year 2015 for achievement of the 12% goal. Through the Colin Stewart Forest Forum, four large forest companies and environmental non-governmental organizations have worked to discuss potential protected areas, which will help to accelerate the process.</b></p> <p><b>On the recommendation that government and industry meet with the NS Nature Trust and the Nature Conservancy of Canada to put in place incentives to ensure more private landowner participation in protected areas designation. Nova Scotia Environment and Natural Resources routinely discuss potential sites with the land trusts and would wholeheartedly welcome additional industry support.</b></p>		<p>Nil</p>	

<b>JTF RECOMMENDATIONS and Provincial Response</b>		JTF Estimate of required \$\$	Proposed Incremental Funding	
<b>MARKET DEVELOPMENT</b>	<b>SHORT / MEDIUM / LONG TERM</b>		\$	Source
	<p>M.1 In partnership with the Federal Government (ACOA) and other Atlantic Region Provincial Governments (principally New Brunswick); Nova Scotia should advocate and provide proportionate funding to an existing organization such as the Maritime Lumber Bureau for a full time position dedicated to creating and identifying new market opportunities for existing products and those which regional firms have the potential to produce from the available fibre source. This activity must be focused on opportunities suited to the region's production capabilities and geographic location. The position would operate under strict control, agreed targets and defined deliverables. Estimated Cost \$500,000.00 over 3 years to be shared proportionately between the partners.</p>	\$150,000 ?  Over 3 Years		
	<p><b>RESPONSE:</b> The department's agree with and support the proposal for such a program. It is recommended that \$50,000 per year for three years be provided from the Community Trust for a bi-lateral contribution agreement through DNR and the province support any efforts in expand the project through additional partnership with New Brunswick and/or federal government agencies. It is also requested that DNR be provided with a further \$100,000 that it may use, through contribution partnership agreements with industry association groups, to undertake additional studies of technology innovation, product development or market development.</p>		<b>\$250,000 over three years</b>	<b>Comm. Trust</b>
<b>EFFECTIVE REGULATION</b>	<b>SHORT / MEDIUM / LONG TERM</b>			
	<p>R.1 Provide up to \$150,000.00 in funding to the Forest Products Association of Nova Scotia for the specified engagement of an independent consultant to produce a report which identifies all of the departments and specific conflicting regulations that impact the forest products sector; provide an analysis of possible amendments of significance; provide detailed recommendations.</p>	\$150,000		
	<p><b>RESPONSE:</b> The objective of this recommendation is consistent with the Government's Better Regulation Initiative. The Department's would be willing to work with and support efforts to improve the effectiveness of the government's regulations. It is recommended that contribution funding be provided from the Community Trust, phased over three years with each phase building on the outcomes of the previous.</p>		<b>\$150,000 over three years</b>	<b>Comm Trust</b>

R.2 Once the report is completed, strike a committee of industry and government to begin the process of implementing change ensuring that the Province to becomes a leader in efficient regulation.			
<b>RESPONSE: See response to R.1. Defer decision pending results of the preliminary phases.</b>			
<b>FOREST PESTS</b>	<b>CRITICAL</b>		
P.1 Continue to provide leadership and advocacy in ensuring that CFIA's regulations are not unnecessarily trade restrictive.			
<b>RESPONSE: Agree with the sense of the recommendation. DNR will continue to work with CFIA, CFS and all stakeholders on all instances.</b>		Nil	
P.2 Ensure that sufficient funds are made available through the National Forest Pest Management Programming to appropriately address the needs of the Forests of Nova Scotia. Note:- The federal government has allocated over 1 billion dollars to the Mountain Pine Beetle (MPB) epidemic in B.C. The current allocation for required research in Nova Scotia is 1.5 million over 3 years. We need security that the federal obligations will be met on a long term basis, and provide the required tools to make informed decisions. (Trapping, Research, etc).			
<b>RESPONSE: The current BSLB Research Plan is funded and the province has allocated resources for survey and detection. DNR will continue to monitor requirements.</b>		Nil	
P.3 As a contingency the Province of Nova Scotia should allocate the necessary resources (human and financial) to ensure that surveys (trapping), and other necessarily scientific evidence is obtained to support an improved management plan. Industry will commit to provide available in-kind resources and continue its partnership with the Province of Nova Scotia in this regard.	?		
<b>RESPONSE: The current BSLB Research Plan is funded and the province has allocated resources for survey and detection. DNR will continue to monitor for any additional requirements.</b>		None at this time	
P.4 That the Province continue its efforts to work with all jurisdictions to establish a National Forest Pest Strategy, including consultations with stakeholder groups prior to its final approval. (Short Term)			
<b>RESPONSE: Nova Scotia will continue to work with other Canadian jurisdictions. Progress on the National Forest Pest Strategy is expected to be reported to the Cdn. Council of Forest Ministers at their September 2008 meeting. DNR will consult with NS stakeholders once the national strategy is at a more developed stage.</b>		Nil	

<p>P.5 That the Province urge the CCFM to also develop a National Action Plan for implementing the Forest Pest Strategy, to bring the resources needed to address and respond to the threats in all forest regions of the country. (Intermediate Term)</p>			
<p><b>RESPONSE: Nova Scotia will continue to work with other Canadian jurisdictions. Progress on the National Forest Pest Strategy: Implementation Plan is expected to be reported to the Cdn. Council of Forest Ministers at their September 2008 meeting. DNR will consult with NS stakeholders once the national implementation plan is at a more developed stage.</b></p>		<p>Nil</p>	
<p>P.6 That through its intended Resources Strategy process or by 2010, the Province specifically assess the adequacy of the Province's statutes, regulations and programs to cope with forest pests of all kinds. (Long Term).</p>			
<p><b>RESPONSE: As a result of its Resources Strategy process , DNR anticipates a need to review the legislation and programs in all areas of its responsibility, including its authority and capacity for forest pest management. Priority for conducting such a review would be facilitated if public concerns or options were identified during the Resources Strategies processes over the next 2 years.</b></p>		<p>Nil</p>	

**ON-GOING DEVELOPMENT OF GOALS AND IMPLEMENTATION STRATEGIES**

- ▶ Investment in infrastructure - highways, bridges and Port facilities
- ▶ Safety Performance
- ▶ Leading Technology
- ▶ Product Diversification/Value Added Incentives - **see response to M.1**
- ▶ Finding creative ways for Government and the Forest Industry to work in partnership for mutual gain
- ▶ Improving the Department of Natural Resources profile within the Government structure
- ▶ Review of mill structure to determine efficiencies, and productivity analysis - **see response to M.1**
- ▶ Additional Taxation Initiatives - **see Response to C.1**

CONCLUSIONS: - We have been able to develop estimated costs for a many, but not all of the recommended projects in this paper. Some of the proposed projects may be covered under existing programs, and others may require the development of a program to enable response. In every case, we believe that the recommendations are consistent with meeting the objectives of the "*Economic Growth Strategy for Nova Scotia - Opportunities for Sustainable Prosperity 2006*" they have been recommended, with a focus on realizing the VISION, and have been developed in accordance with the ICE Principle.

The total of those recommendations, for which we were able to estimate an associated expense is:-

\$3,042,000.00 ++ (over 3 years).

Summary of funding proposed for Provincial Response & Action Plan (\$' thousands)	Proposed Incremental Funding	
	\$	Source
<b>ENERGY</b>		
E.2 Research contract to develop forest biomass resource availability and site productivity models specific to Nova Scotia. Project a total of \$150,000 over two years would be required. Work would be conducted by awarding a contract to Dr Paul Arp at the University of New Brunswick through DNR.	150	CD Trust
E.3 Grants (in two phases) to help industry pay for the necessary economic and technical feasibility studies to determine its electrical generation potential from renewable energy and prepare proposals for an expected call from Nova Scotia Power in early 2009 for additional electricity from renewable sources.	\$50 \$450	Energy- Regular Budget CD Trust
<b>LABOUR</b>		
L.1 Contributor to the annual Atlantic Teachers Tour program  Provide funding and to support the administration of Envirothon.	up to \$7  up to \$10	LWD regular Budget  Env. regular budget
<b>SUSTAINABLE FOREST MANAGEMENT/ GROW WOOD SUPPLY</b>		
RESPONSE: Support the Joint Atlantica Regional Study on Biomass Potential.	\$200	Dept Budgets
Provide funding to the FPANS, so that it may also be represented in the Study group.	\$20	CD Trust

