October 29, 2018

Hon. Amarjeet Sohi, P.C., M.P. Minister of Natural Resources Canada 580 Booth Street, 21st Floor Ottawa, ON K1A 0E4

RE: National Threat of Pine Beetle

Dear Minister Sohi:

The threat from Pine Beetle infestation has hit a critical juncture. Warmer winters have bolstered the population and the infestation will soon be in reach of the forests that border Alberta and Saskatchewan. If this forest becomes infested, there will be a clear path for the Beetle to spread across the rest of Canada. Alberta is utilizing its stretched resources to hold back a national threat. Federal support to Alberta to manage the risk of national contagion is required immediately.

The Alberta Government has managed the threat of Pine Beetle infestations from as early as 2004. To defend the livelihood of foresters, pulp and paper industries, and the public safety of rural communities, the Province has spent over \$500 million dollars in controlling the Beetle population. After 2010, support from the Federal Government dwindled to 18 million dollars, leaving Alberta to manage growing infestations solely through its own resources. The Canadian Chamber of Commerce, urges the Federal Government to recognize that this infestation is of national significance.

Without support, the impacts of the Pine Beetle on our forestry sector and the public safety of rural communities will be significant and long lasting.

Beetle infected trees burn at higher temperatures; this makes forest fires, which are becoming more prevalent in Western Canada, more severe, rapid, and harder to control. At the same time, Pine Beetle infected wood becomes of lower quality and has fewer uses, and nearly twenty million hectares were lost to infestation in Alberta and British Columbia between 1995-2015. This represents a significant threat to Canada's forestry sector, which employs 209,940 Canadians and makes up over 7% of our exports.

Between 1995-2015 alone, Pine Beetle is estimated to have cost British Columbia \$57 billion dollars in provincial revenue. There are also significant impacts for Canada's tourism industries, and a loss of pristine wilderness that is the birthright of all Canadians.

<sup>&</sup>lt;sup>1</sup> Estimated from 2009 to 2054 in present value cited in "A Strategic Approach to Slow the Spread of Mountain Pine Beetle Across Canada," 2017, Canadian Council of Forest Ministers.

The Canadian Chamber of Commerce urges the Department of Natural Resources to recognize the need to fight the Pine Beetle infestation as a national issue and make funds immediately available to Alberta so that it can contain this threat to the benefit of all Canadians.

In support of our recommendations, I want to mention that a resolution on a National Pine Beetle strategy received unanimous support from our 450 chambers across the country during our 2018 Annual General Meeting in September. Core to this resolution was the recommendation that the federal government:

Reinstate the Federal Mountain Pine Beetle Program with funds equivalent in scale to the \$200 Million allocated during the 2007 – 2010 program period

- o Funds from this program will
  - Support provinces that are already infested with Mountain Pine Beetle on community and regional safety programs, or initiatives, including additional funding for FireSmart program.
  - Provide resources for community and economic diversification and resiliency to communities affected by Mountain Pine Beetle.
  - Support mitigation efforts outlined in the CCFM document referenced in recommendation.

In the spirit of this recommendation, the Canadian Chamber of Commerce urges the Federal Government to provide the Alberta Government with \$100 million dollars to support the Province's Pine Beetle mitigation strategies.

The Canadian Chamber of Commerce is Canada's most broadly-based business association. Through our network of more than 450 chambers of commerce and boards of trade representing more than 200,000 businesses of all sizes and in all sectors of the economy across the country, the Canadian Chamber is the voice of businesses, communities and families from coast to coast to coast. If there are further specifics on this issue from the business perspective you would wish to discuss, please feel free to have your staff contact my Director of Natural Resources and Environmental Policy, Aaron Henry, at <a href="mailto:ahenry@chamber.ca">ahenry@chamber.ca</a>.

Sincerely

Hon. Perrin Beatty, P.Q., O.C.

President and Chief Executive Officer
The Canadian Chamber of Commerce