

[Could Cap & Trade Help Boost New Brunswick's Rural Communities?](#)

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Dale Prest cutting wood from Community Forests International's 705-acre carbon forest property near Sussex NB. Image: Zach Melanson, Community Forests International

SACKVILLE – A New Brunswick environmental organization says a cap and trade carbon system for carbon emissions could provide a new revenue opportunity for the province's private woodlot owners.

Based on the work they've done over five years on their 705-acre woodlot outside of Sussex, [Community Forests International \(CFI\)](#) says under the right cap and trade carbon program, New Brunswick woodlot owners would be able to sell around \$50 million worth of carbon credits into North American markets beginning in 2018.

"Thirty years ago scientists were telling us that we need to stop putting carbon into the atmosphere or else we'd be in a lot of trouble and we did the best we could to ignore them," says Dale Prest, ecosystem service specialist for CFI. "Now those same scientists are telling us that not only do we need to stop putting emissions into the atmosphere, we also need to figure out how to pull as many out as possible, as quickly as possible. Our forests are one of the only ways we have of doing that."

In October Prime Minister Justin Trudeau announced that he's giving the provinces until 2018 to adopt a carbon pricing system or the federal government will impose a price on them. To date, New Brunswick has yet to decide whether it will [adopt a carbon tax](#) or a cap and trade system.

A cap and trade system is when a government implements a system that caps the amount of carbon emissions allowed and issues permits to companies indicating exactly how much emission a company is allowed to have. If a company wants to burn more carbon than its limit, it must buy credits from other companies that have burned under their specified amount. The idea is that businesses will burn less

carbon to sell their credits, while other companies will cut their emissions so they won't have to buy more credits.

Prest says such a system would provide a significant source of revenue to private woodlot owners in New Brunswick. He says the province has a resilient temperate forest, which is one of the best types for storing carbon in the world.

"At CFI we really see our forest land base in a new context and as a bit of a competitive advantage that we have," Prest says.

"Here we are in this province covered with this beautiful forest that has the capacity to pull more carbon out of the atmosphere at exactly the time the world is starting to indicate that they're willing to pay for that."

CFI believes it has solid proof that businesses are willing to pay. Five years ago the organization acquired a woodlot property just outside of Sussex. The land was previously owned by a couple for more than 40 years and they were looking to sell for retirement money. Prest says most of the people stepping forward to buy the land were businesses known in the local area to clear-cut woodlots and convert them into plantations. CFI bought the land with a different idea in mind.

"We went in on the property and measured the amount of carbon that was there. We put that into a management plan and we were able to show how much carbon we'd be able to store if we could keep managing it the way [the old owners] had been managing it," Prest says. "We compared that to the amount of carbon that would be stored if one of the clear-cut logging companies bought it and converted it to a softwood plantation. It turned out that the way we wanted to manage the land would store more carbon."

From there, CFI started reaching out to companies across Canada that had carbon emissions problems and wanted to do something about them.

"After working with them, they were willing to support us and purchase the rights (on a per tonne basis) to that stored carbon as a way to offset the emissions they were putting into the atmosphere," Prest says, adding the companies did so voluntarily and not because of government legislation.

"They were companies that were putting carbon into the atmosphere and knew that was a problem and wanted to do something about it ... they wanted to support someone who would undertake activities and would pull that carbon back out of the atmosphere on their behalf," he says.

"That's basically the whole concept behind a carbon credit or a carbon offset, there are some people who can reduce their emissions or can pull carbon out of the atmosphere cheaper than other people can. It just allows us as an economy to take advantage of those least expensive options first."

As a result, CFI has sold \$300,000 worth of carbon credits to companies across the country. Prest says this shows that there's huge potential for other woodlot owners if the province implements the right cap and trade system.

"In New Brunswick, we have a fairly small industrial base and a very large forest base. Which means we actually have the capacity to do a lot of heavy lifting on greenhouse gas emission reduction and carbon reduction," he says. "If we just set up a system like a carbon tax or provincial cap and trade

system that doesn't work with anyone else, then we're missing the opportunity to fully develop our carbon emission reduction potential.”

CFI would like to see New Brunswick adopt a cap and trade system similar to Quebec and soon-to-be Ontario, that are linked to California's cap and trade system. Linking a cap and trade system with other provinces and states in North America would provide maximum revenue opportunities for woodlot owners.

“If we went the cap and trade route with those provinces, then we'd gain access to a huge market that would allow us to develop more stability to capture and store carbon and then export those carbon credits to jurisdictions like California,” Prest says “That would bring those export dollars back and invest them in the most rural parts of our economy, which of course are the parts of the economy that need it the most.”

Prest estimates there are about 40,000 private woodlot owners in New Brunswick. He says adopting such a cap and trade system would not only inject money into the province's rural communities but also transform how we view the woodlot industry entirely. The ideas of clear-cutting and lumberjacks will make way for a new purpose.

“It gives us an opportunity to engage a new generation of woodlot management. Move past those traditional structures that are no longer serving us in our forest industry and get a new generation and young people engage,” Prest says. “Frame it as being on the front lines of climate change mitigation. This is an action a single individual can do to fight climate and that's super empowering.”