



**FOR IMMEDIATE RELEASE
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**COAST FOREST LAUDS GOVERNMENT BUDGET
FOR REINVESTING STUMPAGE REVENUE TO BOOST INDUSTRY**

Victoria, BC - The BC government's plan for the economy will promote investment in the forest industry and help keep it sustainable and viable, according to the Coast Forest Products Association.

Coast Forest President Rick Jeffery says the Province has set the stage for an industry that needs to increase its market share in order to remain competitive and protect high paying jobs in BC.

"We are glad to see the Province sticking to its plan," says Jeffery. "The success of that plan is reflected in the banner year in forestry we have just seen. This budget provides the forest industry with stability and certainty moving forward."

Stumpage revenue amounts to \$1.3 billion of the budget, an increase of \$306 million over the previous year, and Coast Forest is pleased to see that much of that money has been reinvested in the forest industry. The government has committed a total of \$266 million in forestry spending over the next three years.

Jeffery noted the government has earmarked \$111 million in ministry spending to streamline approval processes and increase compliance and enforcement, which will guarantee delivery of sustainable forestry practices in the public interest while maintaining business continuity.

Coast Forest is also pleased to see the Province renew its commitment to Forestry Innovation Investment (FII).

"FII helps the forest industry maintain a strategic approach to international marketing and product development at a time when the market for forest products is becoming increasingly more complex and competitive," says Jeffery.

"We are pleased to see that this budget commits government to funding FII at \$18.75 million through to 2008," he says. "FII is a critical piece of the activities required to maintain and grow our share of market."

Coast Forest also noted the government has set aside \$50 million to cover the costs of improvements made by forest companies associated with tenure reallocation under the Forestry Revitalization Plan.

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