

Administrative Agreement between  
the Department of Natural Resources of Canada and  
the ministère des Ressources naturelles du Québec

Financial assistance program for owners of woodlots  
who were affected by the January 1998 ice storm  
and whose primary source of income  
is not derived from forestry

Annual Report  
*2001-2002*

Canada 

Québec 

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**Annual Report**  
*2001-2002*

To obtain additional information or a copy  
of this document, please contact:

**MINISTÈRE DES RESSOURCES NATURELLES DU QUÉBEC**

Service aux citoyens

5700, 4<sup>e</sup> Avenue Ouest, B 302

Charlesbourg (Québec) G1H 6R1

Phone: (418) 627-8600

Toll free: 1 866 CITOYEN (248-6936)

Fax: (418) 643-0720

Internet: [www.mrn.gouv.qc.ca](http://www.mrn.gouv.qc.ca)

E-mail: [service.citoyens@mrn.gouv.qc.ca](mailto:service.citoyens@mrn.gouv.qc.ca)

**NATURAL RESOURCES CANADA**

Canadian Forest Service

Laurentian Forestry Centre

Communications Services

1055 du P.E.P.S., P.O. Box 3800

Sainte-Foy (Québec) G1V 4C7

Phone: (418) 648-5788

Internet: [www.cfl.cfs.nrcan.gc.ca](http://www.cfl.cfs.nrcan.gc.ca)

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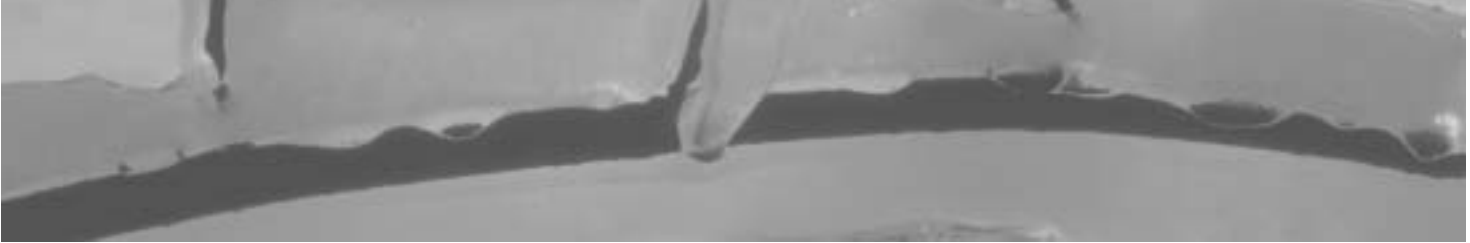
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## Introduction

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**F**ollowing the January 1998 ice storm, special assistance programs were set up to help woodlot owners restore woodlots that were heavily damaged during the storm. An administrative agreement between Natural Resources Canada (NRCan) and the ministère des Ressources naturelles du Québec (MRN) led to the establishment of the *Financial assistance program for owners of woodlots who were affected by the January 1998 ice storm and whose primary source of income is not derived from forestry* (NPSI). This document is the third annual report concerning the activities carried out as part of the NPSI program.



# 1. Assistance programs for the owners of damaged woodlots

The NPSI program is one of three special programs set up to provide assistance for the owners of woodlots affected by the 1998 ice storm, and targets owners whose primary source of income is not derived from forestry. The other two programs target agricultural producers who own woodlots, and the owners of woodlots who derive their primary source of income from forestry. The MRN, which is responsible for coordinating all three programs, shares responsibility for the program for agricultural producers with the ministère de l'Agriculture, des Pêcheries et de l'Alimentation du Québec (MAPAQ). The regional agencies for private forest development in the Bois-Francs, Chaudière, Estrie, Laurentides, Montérégie and Outaouais regions are responsible for implementing the programs, and for providing training and accreditation for the forestry advisors who work with the owners of affected woodlots. The ice storm programs are funded jointly by the federal and provincial governments (Table 1).

**Table 1: Respective contributions of the Canadian and Québec governments to the funding of the ice storm programs**

| Target clientele   | Source of funding |            | Under the terms of   |
|--|-------------------|------------|--|
|  | Federal           | Provincial |  |
| Woodlot owners who are agricultural producers (PSI) <sup>1</sup>                               | 90% <sup>2</sup>  | 10%        | Disaster Financial Assistance Arrangements (DFAAs) administered by the Office of Critical Infrastructure Protection and Emergency Preparedness |
| Woodlot owners whose primary source of income is derived from forestry (PSI) <sup>1</sup>      | 90% <sup>2</sup>  | 10%        | Disaster Financial Assistance Arrangements (DFAAs) administered by the Office of Critical Infrastructure Protection and Emergency Preparedness |
| Woodlot owners whose primary source of income is not derived from forestry (NSPI) <sup>3</sup> | 50%               | 50%        | Administrative agreement between NRCan and the MRN   |

1. PSI: primary source of income.

2. Depending on the level of provincial spending per capita, the federal contribution can amount to up to 90% of total expenditure.

3. NPSI: not primary source of income.

## 1.1 The original NPSI agreement and its administration

The NPSI program was established to help the owners of woodlots affected by the 1998 ice storm who were not entitled to receive assistance under the Disaster Financial Assistance Arrangements

(DFAAs) because their primary source of income was not derived from forestry and agricultural activities. The program results from an agreement signed by the governments of Canada and Québec in August 1999. A joint NRCan/MRN Administration Committee was established to oversee the implementation of the program,



which has a budgetary envelope of \$34 million, funded in equal parts by the two levels of government.

The program comprises two elements. Program Element 1 covers all the activities and services provided to woodlot owners, while Program Element 2 covers the financial assistance granted to the six regional agencies for private forest development to allow them to administer the program.

## **1.2 Amendments to the NPSI agreement**

On April 11, 2002, NRCan and the MRN signed an amended administrative agreement to allow

the program to be extended. One year before, on April 12, 2001, NRCan and the MRN had signed an initial amendment to increase the range of work covered by the program and help return heavily damaged woodlots to a productive state. Once this had been done, it became clear that the period of application would also have to be extended to allow work to continue in order to restore damaged woodland and, more specifically, to allow the seedlings produced by the MRN for the 2002 season to be planted and to allow work on young ice-damaged stands to continue for one more season. Work will now continue until September 30, 2002, and the administrative termination of the agreement will occur on March 31, 2003.

## 2. Work completed, 2001-2002

The statements for the *Financial assistance program for owners of woodlots who were affected by the January 1998 ice storm and whose primary source of income is not derived from forestry* for the fiscal year 2001-2002 show the expenditure incurred for each activity.

When the annual program was signed, budgeted expenditure for 2001-2002 amounted to \$8.07 million. Actual expenditure amounted to \$6.58 million, or \$3.29 million for each level of government (Table 2), which represents 82% of the budgeted amount (Table 3). The most active agencies in 2001-2002 were those in the Bois-Francs, Estrie, Laurentides and Montérégie regions (Table 4).

**Table 2: Expenditure incurred under the NPSI program in 2001-2002**

|  |                       |
|--|-----------------------|
| <b>Total expenditure</b>   |                       |
| <b>\$6 581 914.04</b>  |                       |
| <b>Apportionment of expenditure between levels of government</b> |                       |
| <b>Federal</b>   | <b>Provincial</b>     |
| <b>\$3 290 957.02</b>  | <b>\$3 290 957.02</b> |

### 2.1 Program Element 1

The first part of the program covers activities linked to the development and transfer of knowledge, advisory services for woodlot owners, support for restoration activities, and activities connected with program monitoring and assessment.

#### 2.1.1 *Advisory services, information and training*

During the 2001-2002 fiscal year, the only training sessions provided were those aimed at forestry advisors.

#### **Training sessions for forestry advisors**

\* In collaboration with the regional agency for private forest development in the Estrie region, the MRN organized a training session on the improvement of damaged stands. According to Benoit Truax of the Centre estrien de recherche sur les feuillus (CERF, the Estrie centre for hardwood research), improvement planting in damaged stands is attractive because, in many ways, it mirrors the natural regeneration process of several hardwood species. The training session looked at ways to assess the potential of ice-damaged stands for improvement planting, and a site visit gave the participating forestry advisors an opportunity to become familiar with this method and to observe the results of research work.

\* For the second year, the MRN and the regional agencies for private forest development organized a joint training session focusing on damage assessment and restoration work in young stands.

Expenditure on training activities amounted to only 31% of the forecast amount (Table 3).

With regard to the development of technical expertise, most of the expenditure was incurred by the MRN, especially in connection with research work. The MRN continued to evaluate the effectiveness of the apparatus installed to monitor damaged stands. The data collected will provide a better understanding of the ability of stands to recover from a natural disaster, and of the consequences of natural disasters over the long term.

**Table 3: Budgeted and actual expenditure for the 2001-2002 fiscal year**

|   | Budgeted       | Actual         | Percentage completed |
|---|----------------|----------------|----------------------|
| <b>PROGRAM ELEMENT 1</b>  |                |                |                      |
| <b>1.1 Advisory services, information and training</b>              |                |                |                      |
| <i>Training</i>   | \$38 045.00    | \$11 794.95    | 31%                  |
| <i>Development</i>  | \$130 590.00   | \$123 014.13   | 94%                  |
| <b>1.2 Support for the implementation of restoration activities</b> |                |                |                      |
| <i>Advisory services</i>  |                |                |                      |
| File opening  | \$56 488.00    | \$78 631.09    | 139%                 |
| Damage assessment   | \$389 562.00   | \$427 559.43   | 110%                 |
| Damage assessment for young stands                                  | \$0.00         | \$13 354.40    |                      |
| Recovery plans  | \$475 525.00   | \$552 620.36   | 116%                 |
| Restoration plans   | \$161 920.00   | \$137 828.71   | 85%                  |
| Advisory services for biodiversity                                  | \$31 901.00    | \$7 949.21     | 25%                  |
| Updating of forest management plans (FMPs)                          | \$13 403.00    | \$4 882.81     | 36%                  |
| Operation reports   | \$764 750.00   | \$367 952.67   | 48%                  |
| Follow-up visits  | \$60 260.00    | \$14 820.98    | 25%                  |
| <i>Technical assistance</i>   |                |                |                      |
| Tree marking for salvage cut  | \$680 225.00   | \$886 716.72   | 130%                 |
| Marking of contours   | \$4 968.00     | \$14 185.46    | 286%                 |
| Marking of young trees  | \$412 620.00   | \$411 355.86   | 100%                 |
| <i>Forest management work</i>                                       |                |                |                      |
| Partial salvage cut   | \$2 034 575.00 | \$1 692 415.50 | 83%                  |
| Total salvage cut   | \$264 600.00   | \$53 937.50    | 20%                  |
| Cutting back of debris along road corridors                         | \$3 025.00     | \$0.00         | 0%                   |
| Site preparation  | \$44 880.00    | \$61 629.00    | 137%                 |
| Tree planting   | \$32 850.00    | \$53 294.61    | 162%                 |
| Restoration of young ice-damaged stands                             | \$591 850.00   | \$790 685.00   | 134%                 |
| Road planing  | \$47 710.00    | \$110 912.91   | 232%                 |
| Mitigation measures to improve biodiversity                         | \$27 750.00    | \$2 460.00     | 9%                   |
| GST refund to owners  | \$0.00         | \$28 821.41    |                      |
| QST refund to owners  | \$0.00         | \$33 022.88    |                      |
| <b>1.3 Studies and knowledge development</b>                        |                |                |                      |
| <i>Biodiversity</i>   | \$109 140.00   | \$114 536.51   | 105%                 |
| <b>1.4 Miscellaneous</b>  |                |                |                      |
| <i>Monitoring and evaluation</i>                                    | \$244 930.00   | \$178 404.94   | 73%                  |
| <i>Operational audits</i>   | \$284 315.00   | \$163 538.02   | 58%                  |
| <i>Other activities</i>   | \$378 475.00   | \$14 507.61    | 4%                   |
| <b>PROGRAM ELEMENT 2</b>  |                |                |                      |
| <i>Administration costs</i>   | \$789 475.00   | \$260 220.92   | 33%                  |
| <b>TOTAL</b>  | \$8 073 832.00 | \$6 611 053.59 | 82%                  |
| <i>Interest on investments</i> <sup>1</sup>                         | \$0.00         | -\$29 139.55   |                      |
| <b>GRAND TOTAL</b>  | \$8 073 832.00 | \$6 581 914.04 | 82%                  |

1. Interest earned on investments is deducted from the administration costs of the agencies.

**Table 4: Expenditure incurred during the 2001-2002 fiscal year,  
by agency and by program element**

|   | Bois-Francis     | Chaudière    | Estrie         | Laurentides    | Montréal       | Outaouais    | MRN          | TOTAL          |
|---|------------------|--------------|----------------|----------------|----------------|--------------|--------------|----------------|
| <b>PROGRAM ELEMENT 1</b>  |                  |              |                |                |                |              |              |                |
| <b>1.1 Advisory services, information and training</b>              |                  |              |                |                |                |              |              |                |
| <i>Training</i>   | \$2 460.22       | \$1 157.03   | \$3 915.13     | \$980.68       | \$2 288.79     | \$993.09     | n/a          | \$11 794.95    |
| <i>Development</i>  | n/a <sup>1</sup> | n/a          | n/a            | n/a            | n/a            | n/a          | \$123 014.13 | \$123 014.13   |
| <b>1.2 Support for the implementation of restoration activities</b> |                  |              |                |                |                |              |              |                |
| <i>Advisory services</i>  |                  |              |                |                |                |              |              |                |
| File opening  | \$14 999.26      | \$5 521.20   | \$13 664.97    | \$27 421.96    | \$9 708.11     | \$7 315.59   | n/a          | \$78 631.09    |
| Damage assessment   | \$79 735.33      | \$33 368.75  | \$96 425.46    | \$143 643.22   | \$39 695.13    | \$34 691.54  | n/a          | \$427 559.43   |
| Damage assessment for young stands                                  | \$0.00           | \$839.68     | \$2 921.64     | \$3 140.18     | \$4 865.56     | \$1 587.35   | n/a          | \$13 354.40    |
| Recovery plans  | \$200 546.09     | \$37 843.23  | \$118 090.42   | \$35 790.03    | \$128 011.32   | \$32 339.28  | n/a          | \$552 620.36   |
| Restoration plans   | \$19 243.68      | \$5 728.25   | \$30 228.57    | \$28 986.30    | \$23 723.91    | \$29 918.00  | n/a          | \$137 828.71   |
| Advisory services for biodiversity                                  | \$662.56         | \$0.00       | \$287.56       | \$0.00         | \$6 624.09     | \$375.00     | n/a          | \$7 949.21     |
| Updating of forest management plans (FMPs)                          | \$2 519.05       | \$0.00       | \$2 191.23     | \$0.00         | \$172.54       | \$0.00       | n/a          | \$4 882.81     |
| Operation reports   | \$75 257.41      | \$26 486.24  | \$104 362.18   | \$51 848.67    | \$81 688.23    | \$28 309.95  | n/a          | \$367 952.67   |
| Follow-up visits  | \$3 542.78       | -\$644.14    | \$7 608.91     | \$0.00         | \$4 313.44     | \$0.00       | n/a          | \$14 820.98    |
| <i>Technical assistance</i>   |                  |              |                |                |                |              |              |                |
| Tree marking for salvage cut  | \$309 736.36     | \$71 327.00  | \$225 509.96   | \$72 224.20    | \$162 102.43   | \$45 816.76  | n/a          | \$886 716.72   |
| Marking of contours   | \$3 998.85       | \$1 366.50   | \$3 569.81     | \$1 880.66     | \$3 283.39     | \$86.27      | n/a          | \$14 185.46    |
| Marking of young trees  | \$44 652.71      | \$21 394.65  | \$49 966.86    | \$136 408.15   | \$32 429.00    | \$126 504.50 | n/a          | \$411 355.86   |
| <i>Forest management work</i>                                       |                  |              |                |                |                |              |              |                |
| Partial salvage cut   | \$375 244.50     | \$121 347.00 | \$521 189.00   | \$219 850.50   | \$371 704.00   | \$83 080.50  | n/a          | \$1 692 415.50 |
| Total salvage cut   | \$7 350.00       | \$2 145.00   | \$35 460.00    | \$1 065.00     | \$7 362.50     | \$555.00     | n/a          | \$53 937.50    |
| Cutting back of debris along road corridors                         | \$0.00           | \$0.00       | \$0.00         | \$0.00         | \$0.00         | \$0.00       | n/a          | \$0.00         |
| Site preparation  | \$11 905.50      | \$10 289.50  | \$11 448.50    | \$0.00         | \$23 958.00    | \$4 027.50   | n/a          | \$61 629.00    |
| Tree planting   | \$29 772.49      | \$2 235.40   | \$11 905.46    | \$547.50       | \$5 496.20     | \$3 337.56   | n/a          | \$53 294.61    |
| Restoration of young ice-damaged stands                             | \$130 140.50     | \$56 059.50  | \$50 207.50    | \$268 527.00   | \$33 250.00    | \$252 500.50 | n/a          | \$790 685.00   |
| Road planing  | \$14 463.48      | \$16 548.30  | \$56 660.30    | \$0.00         | \$13 027.88    | \$10 212.95  | n/a          | \$110 912.91   |
| Mitigation measures to improve biodiversity                         | \$0.00           | \$0.00       | \$0.00         | \$2 115.00     | \$345.00       | \$0.00       | n/a          | \$2 460.00     |
| GST refund to owners  | \$4 049.64       | \$179.94     | \$4 906.29     | \$16 009.99    | \$1 047.31     | \$2 628.24   | n/a          | \$28 821.41    |
| QST refund to owners  | \$4 642.71       | \$206.28     | \$5 623.74     | \$18 336.41    | \$1 200.66     | \$3 013.08   | n/a          | \$33 022.88    |
| <b>1.3 Studies and Knowledge development</b>                        |                  |              |                |                |                |              |              |                |
| <i>Biodiversity</i>   | n/a              | n/a          | n/a            | n/a            | n/a            | n/a          | \$114 536.51 | \$114 536.51   |
| <b>1.4 Miscellaneous</b>  |                  |              |                |                |                |              |              |                |
| <i>Monitoring and evaluation</i>                                    | n/a              | n/a          | n/a            | n/a            | n/a            | n/a          | \$178 404.94 | \$178 404.94   |
| <i>Operational audits</i>   | \$23 707.06      | \$7 547.11   | \$59 954.34    | \$44 202.76    | \$21 630.00    | \$6 496.75   | n/a          | \$163 538.02   |
| <i>Other activities</i>   | \$5 394.47       | \$1 217.82   | \$2 178.07     | \$6 253.44     | \$0.00         | -\$536.18    | n/a          | \$14 507.61    |
| <b>PROGRAM ELEMENT 2</b>  |                  |              |                |                |                |              |              |                |
| <i>Administration costs</i>   | \$37 761.55      | \$17 790.53  | \$60 518.02    | \$39 117.31    | \$80 643.28    | \$24 390.23  | n/a          | \$260 220.92   |
| <b>TOTAL</b>  | \$1 401 786.20   | \$439 954.77 | \$1 478 793.92 | \$1 118 348.96 | \$1 058 570.77 | \$697 643.46 | \$415 955.58 | \$6 611 053.59 |
| <i>Interest on investments</i> <sup>2</sup>                         | -\$6 162.28      | -\$3 493.26  | \$0.00         | -\$5 725.19    | -\$9 099.35    | -\$4 659.48  | n/a          | -\$29 139.55   |
| <b>GRAND TOTAL</b>  | \$1 395 623.92   | \$436 461.51 | \$1 478 793.92 | \$1 112 623.77 | \$1 049 471.42 | \$692 983.98 | \$415 955.58 | \$6 581 914.04 |

1. n/a: not applicable.

2. Interest earned on investments is deducted from the administration costs of the agencies.

### 2.1.2 *Support for the implementation of restoration activities*

This part of the program covers the advisory services and technical assistance provided to woodlot owners by forestry advisors, as well as forest management work carried out to restore woodlots. The changes made to the agreement, as advocated by woodlot owners and their representatives, led to a broadening of the range of eligible restoration work in damaged woodlots.

In 2001-2002, as in previous years, there sometimes was an important discrepancy between the budgeted and actual expenditure for this category of activities.

During the 2001-2002 fiscal year, 1 709 files were processed (Table 5). This was a decrease from the 2 476 files processed the previous year, as could be expected in the last year of the program. The opening of files resulted in an expenditure of \$78 631.09, or 139% of the budgeted amount (Table 3).

The expenditure on advisory services offered to preserve biodiversity was less than the amount budgeted, and remain low (\$7949) (Table 3). A little less than half this amount was paid to expert scientists for work performed to locate sensitive biodiversity elements on twelve different properties. The remainder was used to allow forestry advisors to be present during on-site advice sessions, which were designed to give advisors and owners more scientific backing and to raise their awareness of the need to protect specific biodiversity elements.

Since the 1998 ice storm brought about major changes in many woodlots, the program provides financial assistance for owners who wish to update their forest management plans (FMPs) in order to plan their forest management work in the best possible way. In 2001-2002, few woodlot owners took advantage of this program element and, as a result, less than \$5 000, or 36% of the budgeted amount, was spent in this area (Tables 3 and 4).

**Table 5: Number of files opened and areas treated, by agency and by activity**

|   | Bois-Francs | Chaudière | Estrie  | Laurentides | Montérégie | Outaouais | TOTAL   |
|---|-------------|-----------|---------|-------------|------------|-----------|---------|
| Files opened (number)                               | 326         | 120       | 297     | 596         | 211        | 159       | 1 709   |
| Tree marking for salvage cut (ha)                   | 2 071.4     | 477.0     | 1 508.1 | 483.0       | 1 084.1    | 306.4     | 5 930.0 |
| Marking of young trees (ha)                         | 129.4       | 62.0      | 144.8   | 395.3       | 94.0       | 366.6     | 1 192.1 |
| Partial salvage cut (ha)                            | 773.7       | 250.2     | 1 074.6 | 453.3       | 766.4      | 171.3     | 3 489.5 |
| Total salvage cut (ha)                              | 49.0        | 14.3      | 236.4   | 7.1         | 49.1       | 3.7       | 359.6   |
| Cutting back of debris along road corridors (500 m) | 0           | 0         | 0       | 0           | 0          | 0         | 0       |
| Site preparation (ha)                               | 19.2        | 17.8      | 22.6    | 0           | 36.3       | 6.6       | 102.5   |
| Planting of seedlings (number)                      | 102 281     | 6 920     | 47 395  | 1 500       | 25 947     | 12 756    | 196 798 |
| Restoration of young stands (ha)                    | 195.7       | 84.3      | 75.5    | 403.8       | 50.0       | 379.7     | 1 189.0 |
| Road planing (km)                                   | 7.9         | 9.4       | 33.6    | 0           | 8.0        | 6.5       | 65.4    |

In 2001-2002, activities to assess damage and plan restoration work fell slightly below the level recorded for the previous year. Expenditure on damage assessment work and assessment work in young stands amounted to almost \$441 000, compared to \$679 000 in 2000-2001. Expenditure on recovery plans and restoration plans amounted to \$552 630 and \$137 828, respectively (Tables 3 and 4). Once again, a lot of tree marking work was completed. For the 7 122 ha marked (4 036 the previous year), expenditure amounted to \$1 312 258 (Table 3).

The owners of damaged woodlots could apply for a follow-up visit; in other words, a second visit by a forestry advisor to allow them to make more enlightened decisions concerning the management of their forest property. This type of follow-up was made even more important by the fact that several woodlot owners initially carried out extremely limited management work, meaning that several trees initially left standing began to decay in the years following the ice storm. In 2001-2002, the expenditure incurred was \$14 820 (Table 3), or three times the amount spent in 2000-2001.

During the 2001-2002 fiscal year, the expenditure incurred to carry out restoration work in damaged woodlots amounted to \$2 762 875, 63% of which was spent on partial salvage cuts and 29% on the restoration of young stands. Compared to 2000-2001, the amount of work has grown substantially. The areas covered increased from 1 413 ha to 3 490 ha, and from 305 ha to 1 189 ha, respectively. During the 2001-2002 fiscal year, woodlot owners received \$1 692 415 for partial salvage cuts, or 83% of the budgeted amount. The most common treatment method was crop tree release cutting

(1 111 ha out of 1 189 ha), which involves the removal of vegetation hindering the growth of crop trees. In 2000-2001, most of the work to restore young stands was carried out on the territory of the Laurentides regional agency for private forest development. However, in 2001-2002, the agencies in the Bois-Francs and Outaouais regions increased their activities; together, the three agencies accounted for 82% of the expenditure incurred.

Much less was spent on other types of management work. For example, \$53 937 was paid out for total salvage cuts, which represents 20% of the budgeted amount (Table 3). A total salvage cut is carried out only as a last resort, since woodlot owners and forestry advisors prefer to preserve a residual stand whenever possible. This explains why less than 2% of the amounts paid out to woodlot owners were related to total salvage cuts.

Site preparation and tree planting are relatively recent activities, since the first seedlings produced following the ice storm only became available for the 2001 planting season. A second delivery of seedlings is scheduled for the 2002 planting season. Expenditure in 2001-2002 on site preparation activities amounted to \$61 629, or 137% of the budgeted amount, and involved 102.5 ha of land. The most common type of site preparation work was bush clearing and cleaning with or without timber salvage, which was carried out on 68% of the land. The advantage of this type of site preparation is that it can be carried out on large or small areas, in strip or group patterns, or in microsite patterns in the case of improvement planting. In 2001-2002, almost 197 000 seedlings were planted, and the total area replanted was estimated at around 118 ha.

Assistance for the construction and improvement of forest roads is provided to allow woodlot owners to gain access to damaged stands and salvage damaged trees. Since more salvage work than expected was carried out, the assistance provided for forest roads also increased. Work was carried out on 65.5 km of forest roads, 82% of which consisted in the construction of new roads. Expenditure amounted to over \$110 000, or 232% of the budgeted amount.

The changes made to the agreement allowed the following activities to be added to the program: the cutting back of debris along road corridors, mitigation measures to improve biodiversity, and GST and QST refunds to owners. As in 2000-2001, no work was carried out to cut back debris along road corridors. Several notices were issued during the fiscal year concerning sites where the presence of biodiversity was confirmed; this question will be addressed in point 2.1.3. In some cases, the mitigation measures needed to protect elements of biodiversity required major changes to the traditional activities carried out to restore woodlots. In these cases, an extra amount of \$150/ha was available to ensure compliance with the measures. During the 2001-2002 fiscal year, two recommendations were made by the MRN to grant the extra amount, covering a total area of 16.4 ha, and the expenditure of \$2460 was the first money spent in this area under the program. The number of owners who applied for a tax refund in 2001-2002 was slightly higher than in the previous year (Tables 3 and 4).

Lastly, the operation report allows forestry advisors to assess the quality of the work carried out on a woodlot. The forestry advisor must ensure that the work is in compliance with the standards established under the program. The operation report describes the quality of the work carried out and thus constitutes the document used to support the application for payment to the owner. During the 2001-2002 fiscal year, \$367 952 was paid to forestry advisors who verified the quality of the work carried out on 5 258 ha of forest land and 65.5 km of forest roads. Although the amount of work was greater than expected, the expenditure was only 48% of the budgeted amount (Table 3).

### **2.1.3 Studies and knowledge development**

This heading covers various actions taken to maintain biodiversity under the ice storm programs, and more specifically the actions taken to prepare notices specifying mitigation measures.

The restoration of woodlots that are among the richest in Québec in terms of biodiversity offers many interesting challenges. These forest lands are home to most of Québec's threatened or vulnerable animal and plant species, and contain several exceptional forest ecosystems and many different wildlife habitats. During the 2001-2002 fiscal year, 127 new notices were issued by the MRN. The mitigation measures specified in the notices were initially proposed by the ministère de l'Environnement (MENV) and the Société de la faune et des parcs du Québec (FAPAQ), or directly by the MRN, and are designed to ensure the conservation of particular elements of biodiversity. The measures must be integrated with the plans to salvage damaged trees or to restore young stands, and must be followed during marking and other forest management work. During the 2001-2002 fiscal year, expenditure of almost \$115 000 was incurred for the preparation of notices, which is close to the budgeted amount (Table 3).

### **2.1.4 Miscellaneous**

This heading covers the monitoring and evaluation of the program, operational audits, and all the other activities agreed on by the Administration Committee. During the 2001-2002 fiscal year, over \$178 000, or 73% of the budgeted amount (Table 3), was allocated to administrative monitoring and to the development and improvement of the computerized program management system. The heading also covers expenditure relating to the research budget for the project *Ice storm damage and maple tapping: development of an ecophysiological vitality scale*. The results of the project, combined with the results from other monitoring projects carried out by the MRN, are expected to provide a more accurate statement of the health of the forest affected by the ice storm.

The cost of the operational audits completed by the agencies amounted to 58% of the budgeted amount. These costs relate to the verification of the activities carried out by forestry advisors, and of work carried out in the field. They represent 2.84% of the amounts paid out to forestry advisors and woodlot owners, well below the planned 5% threshold (Table 6).

The item Other activities covers a total disbursement of \$14 500 (Table 3), mainly associated with seedling transportation.

## 2.2 Program Element 2

This part of the program covers the financial assistance paid to the agencies to administer the program, as well as the interest received from investments.

### 2.2.1 Administration costs

During the 2001-2002 fiscal year, unadjusted administration costs (see point 2.2.2) amounted to 33% of the budgeted amount and 3.75% of

the overall spending by the agencies (Tables 3 and 7). When establishing their annual forecasts, the agencies generally reserve an amount equal to 15% of their budgeted expenditure. Moreover, since total expenditure was below the budgeted amount, the administration costs were also lower than expected.

### 2.2.2 Interest on investments

The interest received by the agencies is generated by the deposit of cash advances with financial institutions. On the basis of the agreements entered into by the agencies and the MRN, the interest is deducted from the administration costs reimbursed to the agencies (Tables 4 and 6).

**Table 6: Administration and operational audit costs for the 2001-2002 fiscal year**

|   | Amount         | Percentage |
|---|----------------|------------|
| Total expenditure by agencies                       | \$6 165 958.46 |            |
| Amount paid to forestry advisors and woodlot owners | \$5 753 627.03 |            |
| Administration costs                                | \$260 220.92   |            |
| Interest on investments                             | -\$29 139.55   |            |
| Adjusted administrative costs <sup>1</sup>          | \$231 081.37   | 3.75%      |
| Operational audits <sup>2</sup>                     | \$163 538.02   | 2.84%      |

1. The percentage of administrative costs is calculated on the basis of total agency expenditure.

2. The percentage of operational audit costs is calculated on the basis of the amounts paid to forestry advisors and woodlot owners.





### 3. Statements for the 1999-2000, 2000-2001 and 2001-2002 fiscal years

The tables in this section show cumulative expenditure for the 1999-2000, 2000-2001 and 2001-2002 fiscal years under the NPSI program.

**Table 7: Cumulative expenditure for 1999-2000, 2000-2001 and 2001-2002**

|  |                       |
|--|-----------------------|
| <b>Total expenditure</b>   |                       |
| <b>\$13 869 660.82</b>   |                       |
| <b>Apportionment of expenditure<br/>between levels of government</b> |                       |
| <b>Federal</b>   | <b>Provincial</b>     |
| <b>\$6 934 830.41</b>  | <b>\$6 934 830.41</b> |

**Table 8: Number of files opened and areas treated, by agency and by activity**

|   | <b>Bois-Francis</b> | <b>Chaudière</b> | <b>Estrie</b> | <b>Laurentides</b> | <b>Montérégie</b> | <b>Outaouais</b> | <b>TOTAL</b> |
|---|---------------------|------------------|---------------|--------------------|-------------------|------------------|--------------|
| Files opened (number)                               | 924                 | 811              | 2 027         | 1 144              | 1 891             | 608              | 7 405        |
| Tree marking for salvage cut (ha)                   | 2 646.4             | 844.8            | 3 224.8       | 656.5              | 3 297.0           | 574.9            | 11 244.4     |
| Marking of young trees (ha)                         | 148.8               | 63.5             | 208.3         | 625.8              | 127.0             | 383.1            | 1 556.5      |
| Partial salvage cut (ha)                            | 1 054.0             | 499.1            | 2 091.3       | 453.3              | 1 067.4           | 215.5            | 5 380.6      |
| Total salvage cut (ha)                              | 183.1               | 94.5             | 576.9         | 7.1                | 93.7              | 3.7              | 959.0        |
| Cutting back of debris along road corridors (500 m) | 0                   | 0                | 0             | 0                  | 0                 | 0                | 0            |
| Site preparation (ha)                               | 30.2                | 25.1             | 23.3          | 0                  | 45.1              | 6.6              | 130.3        |
| Planting of seedlings (number)                      | 102 281             | 11 853           | 47 945        | 1 500              | 25 947            | 12 756           | 202 281      |
| Restoration of young stands (ha)                    | 216.8               | 102.5            | 126.2         | 604.0              | 53.6              | 390.7            | 1 493.8      |
| Road planing (km)                                   | 8.5                 | 11.9             | 40.0          | 0                  | 9.0               | 8.8              | 78.2         |

**Table 9: Administration and operational audit costs**

|   | <b>Amount</b>   | <b>Percentage</b> |
|---|-----------------|-------------------|
| Total expenditure by agencies                       | \$12 132 366.05 |                   |
| Amount paid to forestry advisors and woodlot owners | \$10 817 052.20 |                   |
| Administration costs                                | \$821 720.52    |                   |
| Interest on investments                             | -\$85 874.18    |                   |
| Adjusted administrative costs <sup>1</sup>          | \$735 846.34    | 6.07%             |
| Operational audits <sup>2</sup>                     | \$294 607.26    | 2.72%             |

1. The percentage of administrative costs is calculated on the basis of total agency expenditure.

2. The percentage of operational audit costs is calculated on the basis of the amounts paid to forestry advisors and woodlot owners.

**Table 10: Statements for the 1999-2000, 2000-2001 and 2001-2002 fiscal years**

|   | Budgeted        | Actual          | Percentage completed |
|---|-----------------|-----------------|----------------------|
| <b>PROGRAM ELEMENT 1</b>  |                 |                 |                      |
| <b>1.1 Advisory services, information and training</b>              |                 |                 |                      |
| <i>Training</i>   | \$144 990.00    | \$185 183.23    | 128%                 |
| <i>Development</i>  | \$531 472.00    | \$511 176.07    | 96%                  |
| <b>1.2 Support for the implementation of restoration activities</b> |                 |                 |                      |
| <b><i>Advisory services</i></b>                                     |                 |                 |                      |
| File opening  | \$369 374.00    | \$340 704.06    | 92%                  |
| Damage assessment   | \$1 803 562.00  | \$1 896 300.34  | 105%                 |
| Damage assessment for young stands                                  | \$0.00          | \$49 265.21     |                      |
| Recovery plans  | \$1 491 696.00  | \$1 419 124.81  | 95%                  |
| Restoration plans   | \$401 720.00    | \$194 029.92    | 48%                  |
| Advisory services for biodiversity                                  | \$34 601.00     | \$21 193.78     | 61%                  |
| Updating of forest management plans (FMPs)                          | \$36 158.00     | \$18 507.52     | 51%                  |
| Operation reports   | \$1 498 625.00  | \$542 490.45    | 36%                  |
| Follow-up visits  | \$79 460.00     | \$19 042.40     | 24%                  |
| <b><i>Technical assistance</i></b>                                  |                 |                 |                      |
| Tree marking for salvage cut  | \$1 790 671.00  | \$1 679 196.26  | 94%                  |
| Marking of contours   | \$8 668.00      | \$21 173.81     | 244%                 |
| Marking of young trees  | \$744 120.00    | \$537 101.20    | 72%                  |
| <b><i>Forest management work</i></b>                                |                 |                 |                      |
| Partial salvage cut   | \$4 624 861.00  | \$2 608 698.19  | 56%                  |
| Total salvage cut   | \$626 443.00    | \$145 905.72    | 23%                  |
| Cutting back of debris along road corridors                         | \$6 600.00      | \$0.00          | 0%                   |
| Site preparation  | \$242 880.00    | \$77 057.00     | 32%                  |
| Tree planting   | \$80 300.00     | \$55 207.99     | 69%                  |
| Restoration of young ice-damaged stands                             | \$1 256 850.00  | \$993 377.00    | 79%                  |
| Road planing  | \$130 285.00    | \$130 947.21    | 101%                 |
| Mitigation measures to improve biodiversity                         | \$33 750.00     | \$2 460.00      | 7%                   |
| GST refund to owners  | \$0.00          | \$30 753.20     |                      |
| QST refund to owners  | \$0.00          | \$36 150.80     |                      |
| <b>1.3 Studies and knowledge development</b>                        |                 |                 |                      |
| <b><i>Biodiversity</i></b>  | \$564 810.00    | \$548 019.55    | 97%                  |
| <b>1.4 Miscellaneous</b>  |                 |                 |                      |
| <b><i>Monitoring and evaluation</i></b>                             | \$1 364 377.00  | \$678 099.15    | 50%                  |
| <b><i>Operational audits</i></b>                                    | \$685 673.00    | \$293 782.92    | 43%                  |
| <b><i>Other activities</i></b>                                      | \$447 031.00    | \$98 866.69     | 22%                  |
| <b>PROGRAM ELEMENT 2</b>  |                 |                 |                      |
| <b><i>Administration costs</i></b>                                  | \$1 974 354.00  | \$821 720.52    | 42%                  |
| <b>TOTAL</b>  | \$20 973 331.00 | \$13 955 535.00 | 67%                  |
| <b><i>Interest on investments</i><sup>1</sup></b>                   | \$0.00          | -\$85 874.18    |                      |
| <b>GRAND TOTAL</b>  | \$20 973 331.00 | \$13 869 660.82 | 66%                  |

1. Interest earned on investments is deducted from the administration costs of the agencies.

**Table 11 : Statements for the 1999-2000, 2000-2001 and 2001-2002 fiscal years, by agency and by activity**

|   | Bois-Francis     | Chaudière      | Estrie         | Laurentides    | Montérégie     | Outaouais      | MRN            | TOTAL           |
|---|------------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|
| <b>PROGRAM ELEMENT 1</b>  |                  |                |                |                |                |                |                |                 |
| <b>1.1 Advisory services, information and training</b>              |                  |                |                |                |                |                |                |                 |
| <i>Training</i>   | \$14 859.98      | \$11 698.61    | \$83 054.64    | \$9 938.42     | \$59 917.47    | \$5 714.10     | n/a            | \$185 183.23    |
| <i>Development</i>  | n/a <sup>1</sup> | n/a            | n/a            | n/a            | n/a            | n/a            | \$511 176.07   | \$511 176.07    |
| <b>1.2 Support for the implementation of restoration activities</b> |                  |                |                |                |                |                |                |                 |
| <b>Advisory services</b>  |                  |                |                |                |                |                |                |                 |
| File opening  | \$42 513.24      | \$37 314.12    | \$93 262.27    | \$52 635.44    | \$87 004.91    | \$27 974.08    | n/a            | \$340 704.06    |
| Damage assessment   | \$225 782.58     | \$214 487.11   | \$575 090.50   | \$296 499.77   | \$418 470.80   | \$165 969.58   | n/a            | \$1 896 300.34  |
| Damage assessment for young stands                                  | \$805.18         | \$2 392.52     | \$20 186.89    | \$11 456.49    | \$11 629.03    | \$2 795.11     | n/a            | \$49 265.21     |
| Recovery plans  | \$308 870.89     | \$99 588.65    | \$484 341.53   | \$55 825.83    | \$408 861.77   | \$61 636.15    | n/a            | \$1 419 124.81  |
| Restoration plans   | \$25 190.47      | \$8 948.95     | \$49 564.27    | \$42 363.71    | \$34 041.65    | \$33 920.87    | n/a            | \$194 029.92    |
| Advisory services for biodiversity                                  | \$806.34         | \$0.00         | \$662.56       | \$0.00         | \$19 206.10    | \$518.78       | n/a            | \$21 193.78     |
| Updating of forest management plans (FMPs)                          | \$3 571.53       | \$425.59       | \$3 997.12     | \$0.00         | \$9 207.76     | \$1 305.53     | n/a            | \$18 507.52     |
| Operation reports   | \$95 701.38      | \$46 134.81    | \$195 259.53   | \$63 088.34    | \$110 047.64   | \$32 258.76    | n/a            | \$542 490.45    |
| Follow-up visits  | \$3 542.78       | \$0.00         | \$10 150.96    | \$0.00         | \$5 348.67     | \$0.00         | n/a            | \$19 042.40     |
| <b>Technical assistance</b>   |                  |                |                |                |                |                |                |                 |
| Tree marking for salvage cut  | \$388 671.12     | \$126 160.57   | \$485 068.48   | \$98 168.09    | \$494 847.73   | \$86 280.26    | n/a            | \$1 679 196.26  |
| Marking of contours   | \$4 611.36       | \$2 184.33     | \$6 183.18     | \$1 880.66     | \$6 228.03     | \$86.27        | n/a            | \$21 173.81     |
| Marking of young trees  | \$51 347.17      | \$21 912.26    | \$71 879.12    | \$215 947.94   | \$43 816.48    | \$132 198.24   | n/a            | \$537 101.20    |
| <b>Forest management work</b>                                       |                  |                |                |                |                |                |                |                 |
| Partial salvage cut   | \$510 300.43     | \$240 802.50   | \$1 015 960.50 | \$219 850.50   | \$517 266.76   | \$104 517.50   | n/a            | \$2 608 698.19  |
| Total salvage cut   | \$29 529.22      | \$14 169.00    | \$86 535.00    | \$1 065.00     | \$14 052.50    | \$555.00       | n/a            | \$145 905.72    |
| Cutting back of debris along road corridors                         | \$0.00           | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         | n/a            | \$0.00          |
| Site preparation  | \$19 165.50      | \$15 107.50    | \$11 655.00    | \$0.00         | \$27 101.50    | \$4 027.50     | n/a            | \$77 057.00     |
| Tree planting   | \$29 772.49      | \$4 036.03     | \$12 018.21    | \$547.50       | \$5 496.20     | \$3 337.56     | n/a            | \$55 207.99     |
| Restoration of young ice-damaged stands                             | \$144 172.00     | \$68 162.50    | \$83 923.00    | \$401 660.00   | \$35 644.00    | \$259 815.50   | n/a            | \$993 377.00    |
| Road planing  | \$15 614.03      | \$21 047.37    | \$67 588.88    | \$0.00         | \$14 044.38    | \$12 652.55    | n/a            | \$130 947.21    |
| Mitigation measures to improve biodiversity                         | \$0.00           | \$0.00         | \$0.00         | \$2 115.00     | \$345.00       | \$0.00         | n/a            | \$2 460.00      |
| GST refund to owners  | \$4 660.62       | \$179.94       | \$5 042.49     | \$17 194.60    | \$1 047.31     | \$2 628.24     | n/a            | \$30 753.20     |
| QST refund to owners  | \$5 343.15       | \$206.28       | \$5 779.95     | \$20 607.68    | \$1 200.66     | \$3 013.08     | n/a            | \$36 150.80     |
| <b>1.3 Studies and knowledge development</b>                        |                  |                |                |                |                |                |                |                 |
| <i>Biodiversity</i>   | n/a              | n/a            | n/a            | n/a            | n/a            | n/a            | \$548 019.55   | \$548 019.55    |
| <b>1.4 Miscellaneous</b>  |                  |                |                |                |                |                |                |                 |
| <i>Monitoring and evaluation</i>                                    | n/a              | n/a            | n/a            | n/a            | n/a            | n/a            | \$678 099.15   | \$678 099.15    |
| <i>Operational audits</i>   | \$49 780.26      | \$18 138.48    | \$103 320.17   | \$46 452.70    | \$65 146.32    | \$10 944.99    | n/a            | \$293 782.92    |
| <i>Other activities</i>   | \$12 029.11      | \$13 382.63    | \$22 219.45    | \$25 752.39    | \$6 819.61     | \$18 663.51    | n/a            | \$98 866.69     |
| <b>PROGRAM ELEMENT 2</b>  |                  |                |                |                |                |                |                |                 |
| <i>Administration costs</i>   | \$110 644.32     | \$71 246.58    | \$207 635.90   | \$120 462.61   | \$203 082.71   | \$108 648.40   | n/a            | \$821 720.52    |
| <b>TOTAL</b>  | \$2 097 285.15   | \$1 037 726.33 | \$3 700 379.60 | \$1 703 512.67 | \$2 599 874.99 | \$1 079 461.56 | \$1 737 294.77 | \$13 955 535.00 |
| <i>Interest on investments</i> <sup>2</sup>                         | -\$26 793.68     | -\$6 551.17    | -\$10 673.88   | -\$7 218.01    | -\$29 977.97   | -\$4 659.48    | \$0.00         | -\$85 874.18    |
| <b>GRAND TOTAL</b>  | \$2 070 491.47   | \$1 031 175.16 | \$3 689 705.72 | \$1 696 294.66 | \$2 569 897.02 | \$1 074 802.08 | \$1 737 294.77 | \$13 869 660.82 |

1. n/a: not applicable.

2. Interest earned on investments is deducted from the administration costs of the agencies.



## 4. Conclusion

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As this report for the 2001-2002 fiscal year shows, the owners of damaged woodlots have responded well to the changes made to the NPSI agreement. The amounts spent on new activities have increased, especially to restore young stands: the assistance paid for this activity increased from roughly \$200 000, in 2000-2001, to over \$790 000, in 2001-2002. In addition, over 30% of the amounts paid to forestry advisors, for advisory services, and to owners, for work to restore woodlots, are directly linked to the new activities.

The program, as amended, has not only allowed to restore young stands, but also to plant seedlings to help return heavily damaged woodland to a productive state. Other work to restore mature stands continued, and \$2.6 million was spent on marking salvageable trees and carrying out partial salvage cuts.

Overall, the work carried out under the program increased substantially, since expenditure rose from \$2.81 million in 1999-2000 to \$4.48 million in 2000-2001, and to \$6.58 million in 2001-2002. As mentioned previously, the cost of the program is borne in equal shares by the Government of Canada and the gouvernement du Québec.

The extension of the period of application of the NPSI program will allow work to continue until September 30, 2002, and this will clearly contribute to meeting the program's main objective, namely the restoration of woodlots damaged by the 1998 ice storm.



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