

# Boreal forest said worth more than diamonds

## Weigh development against natural assets, study says

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CALGARY -- The "natural wealth" of the Mackenzie River region that includes a vast boreal forest is worth far more than the extraction of resources such as diamonds and natural gas, a new study points out.

The study, produced by two ecological economists for the Canadian Boreal Initiative, doesn't call for an end to resource development but said proposed industrial activity must be weighed against the loss of valuable natural assets.

Boreal forests, the study noted, are able to store more carbon dioxide -- a greenhouse gas -- than any other similar ecosystem on Earth, including tropical rain forests. Trees and peat lands absorb and store carbon as part of photosynthesis and release oxygen.

The Canadian Boreal Initiative, an Ottawa-based environmental group, estimated that the value of annual carbon storage in the Mackenzie region is almost \$2-billion a year.

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The number is a significant figure and the report is being released today in Ottawa as the federal government led by Conservative Prime Minister Stephen Harper considers how to curb carbon emissions and rework the widely criticized Clean Air Act.

"In a carbon-conscious world, our decisions for the future need to better reflect the broader natural capital values of the Boreal region," said the 31-page study, entitled "The Real Wealth of the Mackenzie Region."

The region encompasses much of the Northwest Territories, as well as parts of Saskatchewan, Alberta, British Columbia and Yukon. In the NWT, industrial development is limited beyond several diamond mines and an oil pipeline from the town of Norman Wells to Alberta. The proposed Mackenzie Valley natural gas pipeline, a 1,200-kilometre link that aims to connect the Mackenzie Delta with Alberta, would likely result in widespread development.

Ottawa has already questioned how much conservation is necessary. The Dehcho First Nations region covers about 40 per cent of the Mackenzie pipeline in the southern NWT and as part of the proposed Dehcho land-use plan about half of 20 million hectares of land are designated as conservation zones.

The Canadian Boreal Initiative said this plan "may yield the highest potential in terms of both conventional economic benefits as well as ecological services contributing to genuine well-being over time."

In an interview this month with CBC North, a senior federal government official said the land-use plan protects too much land from development.

"The plan, as it's currently drafted, will not be approved," Tim Christian, the federal negotiator, told CBC North.

One of the main arguments in the Canadian Boreal Initiative's report is that traditional economic gauges such as gross domestic product don't fully calculate the output of assets in a country. The authors of the report, ecological economists Sara Wilson and Mark Anielski, attempt to put numbers on an "ecosystem services product," estimating that 17 services ranging from climate stabilization and water supply to recreation

and food production are worth about \$450-billion a year.

The report estimated that the ecosystem services product was worth about 10 times as much as the gross domestic product of the Mackenzie region, which is driven mostly by activities such as mining, oil and forestry, and was pegged at \$42-billion.

Of the ecosystem services product total, about half was attributed to climate stabilization, which includes "regulation of global temperature" due to boreal ecosystems capturing and storing carbon dioxide.

"This does not suggest that natural capital extraction should cease, but rather that there be a more prudent approach to future natural capital stewardship, so that valuable ecosystem services can be maintained while meeting human needs and economic development objectives," the report said.

### **Valuing 'green'**

A new report from the Canadian Boreal Initiative tries to value the Mackenzie River region's "ecosystem services product," a counterpoint to the far better-known gross domestic product.

### **\$448-billion**

Annual value of ecosystem services product for the Mackenzie River region

### **\$42-billion**

Annual value of gross domestic product including mining and energy for Mackenzie

### **\$1.9-billion**

The institute's estimate of the annual value of carbon dioxide sequestered by the Boreal ecosystem in the Mackenzie region

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