

Draft Regulations

Draft Regulation

An Act respecting farm-loan insurance and forestry-loan insurance (R.S.Q., c. A-29.1)

Regulation — Amendment

Notice is hereby given, in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), that the Regulation to amend the Regulation respecting the application of the Act respecting farm-loan insurance and forestry-loan insurance, the text of which appears below, may be made by the Government upon the expiry of 45 days following this publication.

This draft regulation proposes a concordance amendment so that the financing granted under the draft regulation entitled “Forest Management Funding Program” may be covered by the guarantee of the Fonds d’assurance-prêts agricoles et forestiers established by the Act respecting farm-loan insurance and forestry-loan insurance (R.S.Q., c. A-29.1).

To date, study of the matter has revealed no impact on the public and on businesses, particularly on small and medium-sized businesses.

Further information may be obtained by contacting Mr. Robert H. Verge, Director of the Direction de l’analyse et de la coordination, Société de financement agricole, 1020, route de l’Église, Sainte-Foy (Québec), G1V 4P2, tel.: (418) 643-2575, fax: (418) 528-9346.

Any interested person having comments to make on the matter is asked to send them in writing, before the expiry of the 45-day period, to the undersigned, 200 A, chemin Sainte-Foy, 12^e étage, Québec (Québec), G1R 4X6.

GUY JULIEN,
*Minister of Agriculture, Fisheries
and Food*

Regulation to amend the Regulation respecting the application of the Act respecting farm-loan insurance and forestry-loan insurance

An Act respecting farm-loan insurance and forestry-loan insurance (R.S.Q., c. A-29.1, s. 24)

1. The Regulation respecting the application of the Act respecting farm-loan insurance and forestry-loan insurance (R.R.Q., 1981, c. A-29.1, r. 1) amended by the Regulations made by Orders in Council 1127-88 dated 13 July 1988, 895-89 dated 14 June 1989, 1650-90 dated 28 November 1990, 130-92 dated 5 February 1992, 698-93 dated 19 May 1993 and 700-95 dated 24 May 1995 is further amended by substituting the words “the Forest Management Funding Program established under the Forest Act (R.S.Q., c. F-4.1) and made by Order in Council (insert the number and date of the Order in Council making that program)” for the words “the Act to promote forest credit by private institutions (R.S.Q., c. C-78.1)” in paragraph 1 of section 2.

2. This Regulation comes into force on the fifteenth day following the date of its publication in the *Gazette officielle du Québec*.

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Draft Regulation

Forest Act
(R.S.Q., c. F-4.1)

Forest management funding program

Notice is hereby given, in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), that the Forest Management Funding Program, the text of which appears below, may be made by the Government upon the expiry of 45 days following this publication.

The purpose of the draft regulation is to encourage the establishment, maintenance or development of forest production units of 80 hectares or more and the establishment or development of forest service enterprises.

To that end, it proposes to financially support forest producers by allowing them access to financing at an advantageous interest rate.

To date, study of the matter has revealed the following impact on the public and on businesses, particularly on small and medium-sized businesses:

— the introduction of a forest management funding program will contribute to regional economic development and rural revitalization. It will promote, in particular, the progressive development of forest service enterprises.

Further information may be obtained by contacting Mr. Robert H. Verge, Director of the Direction de l'analyse et de la coordination, Société de financement agricole, 1020, route de l'Église, Sainte-Foy (Québec), G1V 4P2, tel.: (418) 643-2575, fax: (418) 528-9346.

Any interested person having comments to make on the matter is asked to send them in writing, before the expiry of the 45-day period, to the Associate Deputy Minister for Forests, Mr. Jacques Robitaille, Ministère des Ressources naturelles, 880, chemin Sainte-Foy, 10^e étage, Québec (Québec), G1S 4X4.

GUY CHEVRETTE,
Minister of State for Natural Resources

Forest management funding program

Forest Act
(R.S.Q., c. F-4.1, s. 124.37 and s. 172.2; 1996, c. 14)

DIVISION I PROGRAM OBJECTIVE

1. This Program is designed to enable the Société de financement agricole (“the Corporation”) to financially support forest producers, by means of a loan, for the purpose of encouraging the establishment, maintenance or development of forest production units of 80 hectares or more and the establishment or development of forest service enterprises.

DIVISION II INTERPRETATION

2. For the purposes of this Program,

“forest producer” means a person or an organization certified as a forest producer under section 120 of the Forest Act (R.S.Q., c. F-4.1; 1996, c. 14); (*producteur forestier*)

“lender” means

(1) a savings and credit union governed by the Savings and Credit Unions Act (R.S.Q., c. C-4.1);

(2) any of the following banks: the National Bank of Canada, the Royal Bank of Canada, the Canadian Imperial Bank of Commerce, the Bank of Montréal, the Bank of Nova Scotia, the Toronto Dominion Bank or the Laurentian Bank of Canada;

(3) a person to whom is owed all or part of the sale price of forest assets; or

(4) any other person authorized by the Corporation under subparagraph 2 of the first paragraph of section 16 of the Act respecting the Société de financement agricole (R.S.Q., c. S-11.0101); (*prêteur*) and

“loan” means a loan, including a loan taken over by another borrower and all or part of the sale price owed by a borrower following the acquisition of forest assets, where the loan is granted under this Program, under the Act to promote forest credit by private institutions (R.S.Q., c. C-78.1) or under the Forestry Credit Act (R.S.Q., c. C-78). (*prêt*)

3. For the purposes of this Program, an interest in an entity certified as a forest producer is,

(1) in the case of a forest producer composed of one or more natural persons, the rights held in a forest production unit;

(2) in the case of a forest producer composed of a company, the voting shares;

(3) in the case of a forest producer composed of a general or limited partnership, the shares held by the partners;

(4) in the case of a forest producer composed of a cooperative, the shares; or

(5) in the case of a forest producer composed of a combination of natural persons, companies, or general or limited partnerships or cooperatives, the rights held in a forest production unit, the voting shares, the shares held by the partners, or the shares in each of those categories of persons.

DIVISION III GENERAL

4. Financial assistance granted under this Program shall be in the form of a loan.

Such financial assistance may be granted by the Corporation to a forest producer who meets the conditions of this Program and the particular conditions determined by the Corporation in accordance with the powers conferred upon it by subparagraph 1 of the first paragraph of section 16 of the Act respecting the Société de financement agricole.

A person or an organization which, without being a forest producer, is composed of at least 1 forest producer or 1 person holding interests in an entity certified as a forest producer shall be considered to be a forest producer for the purposes of this Program.

5. In order to be admissible, an application for financial assistance shall be submitted to the Corporation in writing and shall be accompanied by the information and documents required by the Corporation under section 22 of the Act respecting the Société de financement agricole.

6. In order to be eligible for a loan, a forest producer shall demonstrate,

(1) where he is a natural person, that he is of full age, is domiciled in Québec and is a Canadian citizen or permanent resident within the meaning of the Immigration Act (R.S.C., 1985, c. I-2);

(2) where it is a legal person, that its head office and principal place of business are in Québec; and

(3) where it is composed of more than 1 person, that it consists only of persons who meet the conditions of subparagraphs 1 and 2.

A forest producer shall also meet the following conditions:

(1) have a forest management plan that meets the conditions listed in subparagraph 1 of the first paragraph of section 120 of the Act for the forest area in respect of which the loan is applied for;

(2) need the financial assistance requested for the establishment, maintenance or development of a forest production unit of 80 hectares or more or for the establishment or development of a forest service enterprise, taking into account its overall financial position;

(3) be able to meet its financial obligations;

(4) have the necessary resources to carry out its plan;

(5) demonstrate that the project's profit outlook ensures its financial viability, in the case of a forest service enterprise; and

(6) be able to provide the guarantees required by the Corporation under subparagraph 1 of the first paragraph of section 16 of the Act respecting the Société de financement agricole.

7. For the duration of the loan, the forest producer shall meet the conditions that rendered him or it eligible therefor.

8. In accordance with section 4 of the Act respecting farm-loan insurance and forestry-loan insurance (R.S.Q., c. A-29.1), a lender who grants a loan under this Program shall be entitled to insurance from the Fonds d'assurance-prêts agricoles et forestiers for the duration of the loan.

DIVISION IV GRANTING OF A LOAN

9. The Corporation may, within the scope of the objective described in section 1, grant a loan to a forest producer.

10. A loan may be granted under this Program only for the following purposes:

(1) the establishment, maintenance or development of a forest production unit of 80 hectares or more under forest management; or

(2) the establishment or development of a forest enterprise owning machinery or equipment used for a forest management activity and providing its services to owners of private woodlots.

11. The following are excluded from the financial assistance provided for in this Program:

(1) activities for which financial assistance may be provided under the Program for farm financing established under the Act respecting the Société de financement agricole and made by Order in Council 699-95 dated 24 May 1995;

(2) activities related to forest seedling production and to the acquisition of assets for the processing of timber into firewood for commercial purposes;

(3) the purchase of mobile sawmills; and

(4) the holders of wood processing plant operating permits whose authorized annual consumption is more than 2 000 cubic metres of rough timber for peeling, sawing or pulp and paper production.

12. The maximum amount of a loan that may be granted to a forest producer is \$500 000.

The balance on loans granted to the borrower under this Program, the Act to promote forest credit by private institutions or the Forestry Credit Act shall be taken into account in calculating that maximum amount. Notwithstanding the foregoing, debts that have devolved on the borrower by succession after the last loan was granted are not taken into account in that calculation.

13. A loan shall have a maximum term of 30 years and shall be repayable under the terms and conditions determined by the Corporation.

14. The interest rate on a loan may not exceed the lender's hypothecary interest rate in force on the date of the loan contract. The rate may be adjusted on the expiry of each period of 12, 36 or 60 months according to the agreement entered into by the lender and the borrower.

For the purposes of this section, "hypothecary interest rate" means,

(1) in the case of a lender who has such a rate, the interest rate on a closed-term loan secured by a first hypothec on a single-family dwelling; or

(2) in the case of a lender who does not have such a rate, the interest rate on a closed-term loan secured by a first hypothec on a single-family dwelling of any of the following financial institutions: Fiducie Desjardins Inc., the National Bank of Canada, the Royal Bank of Canada, the Canadian Imperial Bank of Commerce or the Bank of Montreal.

15. Where the lender is a person to whom is owed all or part of the sale price of forest assets, the interest rate may be set for a period not exceeding 5 years where the parties so agree. That interest rate may not exceed, for the chosen term, the current hypothecary interest rate of any of the financial institutions listed in subparagraph 2 of the second paragraph of section 14.

16. Interest on a loan shall be capitalized monthly and not in advance, regardless of the payment schedule agreed to by the parties.

DIVISION V MISCELLANEOUS AND FINAL

17. No amount of money may be charged to a forest producer by a lender referred to in paragraphs 1 to 4 of the definition of "lender" in section 2 for services rendered by the Corporation or for services offered by the lender free of charge in the normal course of its activities.

18. This Program comes into force on the fifteenth day following the date of its publication in the *Gazette officielle du Québec*.

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Draft Regulation

Health Insurance Act
(R.S.Q., c. A-29)

Regulation — Amendments

Notice is hereby given, in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), that the Regulation to amend the Regulation respecting the application of the Health Insurance Act, the text of which appears below, may be made by the Government upon the expiry of 45 days following this publication.

The purpose of the draft regulation is to harmonize the coverage of mammographies for detection purposes with the parameters of the Programme québécois de dépistage du cancer du sein.

To that end, the draft regulation prescribes that mammographies for detection purposes will be insured where such service is rendered every 2 years to beneficiaries of 40 years of age or older in a place designated by the Minister, on the conditions set therein.

To date, study of the matter reveals an impact in the form of a better coverage for a target clientele for whom those services are recognized effective, thus giving that clientele easier access to detection services meeting high-quality standards and requirements, which should entail an important reduction in the rate of mortality caused by breast cancer.

Further information may be obtained by contacting Mrs. Andrée Bernard, service head, Service de la prévention en santé, ministère de la Santé et des Services sociaux, 1075, chemin Sainte-Foy, 3^e étage, Québec (Québec), G1S 2M1.

Any interested person having comments to make is asked to send them in writing, before the expiry of the 45-day period, to the Minister of Health and Social Services, 1075, chemin Sainte-Foy, 15^e étage, Québec (Québec), G1S 2M1.

JEAN ROCHON
*Minister of Health
and Social Services*