

Regulations and other acts

Gouvernement du Québec

O.C. 385-2006, 10 May 2006

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

Forest royalties — Amendments

Regulation to amend the Regulation respecting forest royalties

WHEREAS, under subparagraphs 1, 3 and 3.1 of the first paragraph of section 172 of the Forest Act (R.S.Q., c. F-4.1), the Government may, by regulation,

— determine, for each species, group of species and quality of timber or, where applicable, for each area of land, the unit rate or the rules of calculation of the unit rate at which the Minister is to determine, for any class of forest management permit, the dues payable by the permit holder;

— establish rules for calculating the value of silvicultural treatments and other activities as well as contributions to the financing of the treatments or activities admitted as payment of prescribed dues and establish the conditions governing the granting of credits applicable to the payment of dues referred to in section 73.1 of the Act, including the information, reports or other documents to be prepared or submitted;

— prescribe the form and content of the progress report on silvicultural treatments or other activities submitted to the Minister under section 73.2;

WHEREAS the Government made the Regulation respecting forest royalties by Order in Council 372-87 dated 18 March 1987;

WHEREAS it is expedient to amend that Regulation;

WHEREAS, in accordance with sections 10 and 13 of the Regulations Act (R.S.Q., c. R-18.1), a draft of the Regulation attached to this Order in Council was published in Part 2 of the *Gazette officielle du Québec* dated 5 April 2006, with a notice that it could be made by the Government on the expiry of 10 days following that publication;

WHEREAS, under the first paragraph of section 18 of that Act, a regulation may come into force on the date of its publication in the *Gazette officielle du Québec* if the authority making it is of the opinion that the urgency of the situation requires it;

WHEREAS, under the second paragraph of that section, the reason justifying such coming into force must be published with the regulation;

WHEREAS the Government is of the opinion that the urgency due to the following circumstances justifies such coming into force:

— the first silvicultural treatments in Québec are carried out in May and, without them, forest workers could see their working season significantly shortened if the measures proposed in the Regulation do not take effect in the very near term;

— given the difficult economic situation of the forest industry, it is expedient to implement the measures announced in the 2006-2007 Budget Speech;

WHEREAS it is expedient to make the Regulation with amendments;

IT IS ORDERED, therefore, on the recommendation of the Minister of Natural Resources and Wildlife:

THAT the Regulation to amend the Regulation respecting forest royalties, attached to this Order in Council, be made.

ANDRÉ DICAIRE,
Clerk of the Conseil exécutif

Regulation to amend the Regulation respecting forest royalties*

Forest Act
(R.S.Q., c. F-4.1, s. 172, 1st par., subpars. 1, 3 and 3.1)

1. The Regulation respecting forest royalties is amended in section 2 by adding the following paragraph after the second paragraph:

“However, for the year 2006-2007, that value shall be adjusted not later than 1 July 2006, in accordance with the first paragraph.”.

2. Section 11 is replaced by the following:

“**11.** The value of the silvicultural treatments carried out by an agreement holder to attain the annual yield indicated in the agreement that are accepted by the Minister and admissible as payment of dues, corresponds to the amount determined according to the formula

$A + B.$

For the purposes of the formula,

(1) A is the sum of the amounts of the treatments each of which is 90% of the lesser of

(a) the unit cost indicated in the Minister’s Order made under section 73.3 of the Forest Act for carrying out the treatment, multiplied, as the case may be, by the number of hectares, thousand plants, thousand microsites or linear or cubic metres on which the treatment was carried out; and

(b) the unit cost for carrying out the treatment;

(2) B is 90% of the lesser of

(a) the sum of the amounts of the treatments each of which is the unit cost for the planning and monitoring indicated in the Minister’s Order made under section 73.3 of the Act for the treatment, multiplied, as the case may be, by the number of hectares, thousand plants, thousand microsites or linear or cubic metres on which the treatment was carried out; and

(b) the unit cost for the planning and monitoring of the treatments referred to in the first paragraph.

11.1. The value of the activities, other than those referred to in section 11, carried out by an agreement holder to promote the protection or development of forest resources that are accepted by the Minister and admissible as payment of dues, corresponds to the amount determined according to the formula

$A + B.$

For the purposes of the formula,

(1) A is the sum of the amounts of the activities each of which is the lesser of

(a) the unit cost indicated in the Minister’s Order made under section 73.3 of the Act for carrying out the activity, multiplied, as the case may be, by the number of hectares, thousand plants, thousand microsites or linear or cubic metres on which the activity was carried out; and

(b) the unit cost for carrying out the activity;

(2) B is the lesser of

(a) the sum of the amounts of the activities each of which is the unit cost for the planning and monitoring indicated in the Minister’s Order made under section 73.3 of the Act for the activity, multiplied, as the case may be, by the number of hectares, thousand plants, thousand microsites or linear or cubic metres on which the activity was carried out; and

(b) the total unit cost for the planning and monitoring of the activities referred to in the first paragraph.

11.2. The cost of carrying out silvicultural treatments and other activities to protect or develop forest resources includes the costs for

(1) the carrying out of the treatment by silvicultural workers; and

(2) the operational supervision and monitoring of the silvicultural workers.

The costs for the planning and monitoring of the silvicultural treatments and other activities to protect or develop forest resources include the costs for

(1) negotiating and preparing contracts for carrying out the silvicultural treatments;

(2) the research, delimitation and making of inventories before treatment in the forest management sectors;

* The Regulation respecting forest royalties, made by Order in Council 372-87 dated 18 March 1987 (1987, *G.O.* 2, 1099), was last amended by the regulation made by Order in Council 149-2006 dated 15 March 2006 (2006, *G.O.* 2, 1107A). For previous amendments, refer to the *Tableau des modifications et Index sommaire*, Québec Official Publisher, 2005, updated to 1 September 2005.

(3) general supervision and quality monitoring of silvicultural treatments;

(4) the taking of inventories after treatment, scaling and digitization of the areas treated; and

(5) cartography and preparation of the reports for carrying out the treatments and other activities.

11.3. On submitting the report referred to in section 70 of the Act, an agreement holder must provide vouchers for the costs of the silvicultural treatments and other activities to protect or develop forest resources, broken down into the costs relating to the carrying out, planning and monitoring, or a financial report relating to those costs audited by an accountant not employed by the agreement holder.

11.4. For the purposes of section 73.3 of the Act, the value of silvicultural treatments and other forest management activities is fixed annually. However, for the year 2006-2007, that value may be fixed a second time, not later than 1 July 2006.

The value of the treatments and activities consists of the costs relating to carrying them out and the costs relating to the planning and monitoring of the treatments or activities. The value of each of those components is indicated in the Minister's Order.

The value of the treatments and activities corresponds to the average unit costs of the silvicultural treatments or other forest management activities carried out pursuant to sections 65 and 96 of the Act.

In the absence of such treatments or activities, the value of the treatments or activities corresponds to the costs determined according to the cost approach applicable in matters of property assessment, by comparing the treatments or activities to similar treatments or activities whose unit costs are known."

3. Section 13 is amended

(1) by inserting "admissible" before "value of the activities" in the part preceding subparagraph 1 of the first paragraph;

(2) by replacing "subparagraph 1 of the first paragraph of section 11" in subparagraph 1 of the first paragraph by "section 11.4";

(3) by striking out "where the unit cost of an activity has not been fixed by the Minister in accordance with subparagraph 1 of the first paragraph of section 11, or" in the second paragraph;

(4) by striking out the third paragraph;

(5) by striking out "fixed in accordance with the third paragraph" in the fourth paragraph.

4. Section 15 is amended

(1) by replacing "their area and" and "as well as the cost for carrying them out and name of the person who carried them out" in subparagraph 1 of the first paragraph by "their area," and "the costs for their carrying out, planning and monitoring as defined in section 11.2 and the names of the persons who carried them out", respectively;

(2) by replacing "he has concluded or not a written contract with a third person for the carrying out" in subparagraph 3 of the first paragraph by "the agreement holder has concluded a written contract with a third person governing the carrying out, planning or monitoring";

(3) by replacing "related to the activities referred to in the second paragraph of section 11 that were paid over and above the cost of carrying out those silvicultural treatments" in subparagraph 3 of the first paragraph by "for the planning and monitoring that were paid to third persons".

5. This Regulation comes into force on the date of its publication in the *Gazette officielle du Québec*.

7595

M.O., 2006

Order number AM 2006-016 respecting unit rates applicable to the calculation of dues for forest management permits for the supply of wood processing plants dated 10 May 2006

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

THE MINISTER OF NATURAL RESOURCES AND WILDLIFE,

CONSIDERING the third paragraph of section 5 of the Forest Act (R.S.Q., c. F-4.1) which provides that the Minister shall determine the unit rates for the classes of forest management permits for which the unit rates have not been determined by regulation of the Government;

CONSIDERING section 72 of that Act which provides that the Minister shall determine the unit rate corresponding to the stumpage value according to the rules of calculation determined by regulation of the Government;