

2020 Bill 40

Second Session, 30th Legislature, 69 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 40

**FORESTS (GROWING ALBERTA'S
FOREST SECTOR)
AMENDMENT ACT, 2020**

THE MINISTER OF AGRICULTURE AND FORESTRY

First Reading

Second Reading

Committee of the Whole

Third Reading

Royal Assent

BILL 40

2020

FORESTS (GROWING ALBERTA'S FOREST SECTOR) AMENDMENT ACT, 2020

(Assented to _____, 2020)

HER MAJESTY, by and with the advice and consent of the
Legislative Assembly of Alberta, enacts as follows:

Amends RSA 2000 cF-22

1 The *Forests Act* is amended by this Act.

2 The following is added before the enacting clause:

Preamble

WHEREAS Alberta's vast and abundant forests are an important part of the province's diverse ecosystem that contribute to biodiversity and clean air and water for the benefit of current and future generations of Albertans, including Indigenous peoples;

WHEREAS Alberta is a world leader in environmentally sustainable forest policies and practices that are grounded in science and based on the principles and practices of sustainable forest management;

WHEREAS the forest industry is a significant contributor to Alberta's economy, and the Government of Alberta and the forest industry work together to ensure that the forest industry remains innovative, productive and competitive;

WHEREAS security of access to a sustainable timber supply is the basis of the forest industry's ability to contribute to Alberta's economic prosperity;

Explanatory Notes

- 1** Amends chapter F-22 of the Revised Statutes of Alberta 2000.
- 2** Adds preamble.

WHEREAS the Government of Alberta recognizes the threat from a changing climate to Alberta's forests, including the increased risk of wildfires and pests, and the potential of forests to mitigate climate impacts; and

WHEREAS Alberta seeks to manage threats to forests from wildfires and pests, to find opportunities to reduce risks from wildfires to human life and communities, and to promote healthy ecosystems;

3 The enacting clause is amended by adding "THEREFORE" before "HER MAJESTY".

4 Section 1 is amended

(a) by adding the following after clause (d):

(d.1) "forest management unit" means an area of forest land established by the director as a forest management unit under section 14(1);

(b) by repealing clause (h);

(c) by repealing clause (k) and substituting the following:

(k) "quota holder" means a holder of a timber quota;

(d) by repealing clause (m) and substituting the following:

(m) "timber disposition" means

(i) a forest management agreement,

(ii) a timber licence,

(iii) a timber permit, or

(iv) a timber quota referred to in section 17(5);

(m.1) "timber dues" means timber dues payable in respect of Crown timber;

3 The enacting clause presently reads:

*HER MAJESTY, by and with the advice and consent of the
Legislative Assembly of Alberta, enacts as follows:*

4 Section 1 presently reads in part:

1 In this Act,

- (d) “forest land” means public land intermittently covered with forest growth;*
- (h) “management unit” means an area of forest land designated by the Minister as a management unit;*
- (k) “quota holder” means a holder of a coniferous timber quota or a deciduous timber allocation;*
- (m) “timber disposition” means a forest management agreement, timber licence or timber permit;*
- (n) “timber quota” means a share of the allowable cut of coniferous timber within a forest management unit and may also include an allocation by area or volume of deciduous timber within a forest management unit.*

(e) by repealing clause (n) and substituting the following:

- (n) “timber quota” means a share of the annual allowable cut of timber specified with respect to a forest management unit, expressed as the volume or area of deciduous or coniferous timber allocated to a quota holder for harvesting.

5 Section 4 is amended

(a) by repealing clause (c) and substituting the following:

- (c) subject to section 30, prescribing the amounts or the methods by which Crown charges, except the fees referred to in section 8.1, are to be determined;
- (c.1) respecting Crown charges, including regulations respecting
 - (i) timber appraisal procedures,
 - (ii) the time and method of payment of Crown charges, and
 - (iii) the means of enforcement of payment of Crown charges;

(b) by repealing clause (e).

6 Section 5 is amended

(a) by repealing clauses (c) and (d);

(b) by adding the following after clause (f):

- (g) prescribing standard clauses for the purposes of section 16(1.1);
- (h) respecting matters that must be addressed in a forest management agreement under section 16(1.1)(b);
- (i) respecting transitional matters arising as a result of changes to the prescribed standard clauses referred to in clause (g).

5 Section 4 presently reads in part:

4 The Lieutenant Governor in Council may make regulations

- (c) respecting the various Crown charges that may be collected, timber appraisal procedures, rates of Crown charges, the time and method of payment of Crown charges and the means of enforcement of payment;*
- (e) establishing fees to be paid to the Minister for the giving of the Minister's consent to an assignment of a timber disposition or a timber quota;*

6 Section 5 presently reads in part:

The Minister may make regulations

- (c) prescribing forms, notices, records and accounts;*
- (d) prescribing rates to be charged for the use of employees and equipment and facilities of the Minister's Department;*
- (f) establishing training programs and facilities.*

7 Section 5.1 is amended by striking out “or guideline” and substituting “, guideline or manual”.

8 The following is added after section 8:

Fees

8.1 The Minister may, by order, prescribe or provide for the method of prescribing

- (a) the fees and other charges to be paid in connection with the submission of anything to the Crown or for any service or thing provided by the Crown under this Act and the regulations, and
- (b) rates to be charged for the use of employees and equipment and facilities of the Minister’s department.

Documents

8.2 The director may prescribe forms, notices, records and accounts to be used under this Act or the regulations.

9 Section 14(1) is repealed and the following is substituted:

Forest management units

14(1) The director may establish forest management units on forest land.

10 Section 15 is amended

(a) in clause (b) by adding “, where section 17(5) does not apply” after “timber quota holders”;

(b) by adding the following after clause (b):

- (b.1) pursuant to the sale of timber quota certificates, where section 17(5) applies;

11 Section 16 is amended by adding the following after subsection (1):

7 Section 5.1 presently reads:

5.1 A regulation under this Act may adopt or incorporate, in whole or in part, with or without modification, any rule, directive, code, standard or guideline that relates to any matter in respect of which a regulation may be made under this Act.

8 Fees; documents.

9 Section 14(1) presently reads:

14(1) For the purposes of administration of this Part, the director may divide forest land into forest management units.

10 Section 15 presently reads in part:

15 Crown timber may be disposed of under this Act or the regulations in one or more of the following ways:

- (b) pursuant to the sale of timber quota certificates and the issue of timber licences to timber quota holders;*

11 Section 16(1) presently reads:

(1.1) A forest management agreement

- (a) is deemed to include the standard clauses set out in the regulations,
- (b) must include clauses addressing the matters set out in the regulations, and
- (c) may include any other clauses negotiated between the parties.

12 Section 17 is amended by adding the following after subsection (4):

(5) Notwithstanding section 18(4), the director may authorize a timber quota holder to harvest Crown timber under the quota holder's timber quota without obtaining a timber licence.

(6) With the exception of section 25(6), every provision under the Act or regulations that applies in respect of a timber licence applies, with any necessary modifications, in respect of a timber quota referred to in subsection (5).

13 Section 18(5) is amended by striking out "5-year" and substituting "5- or 10-year".

14 Section 21 is amended

- (a) by repealing subsection (1) and substituting the following:**

Timber licence

21(1) Where section 17(5) does not apply, a timber quota holder shall be issued a timber licence on compliance with subsection (2).

16(1) The Minister may enter into a forest management agreement with any person to enable that person to enter on forest land for the purpose of establishing, growing and harvesting timber in a manner designed to provide a yield consistent with sustainable forest management principles and practices.

12 Section 17(4) presently reads:

(4) Notwithstanding that a quota is issued for coniferous timber or deciduous timber, the director may

(a) with respect to a coniferous timber quota authorize the holder to harvest a limited amount of deciduous timber as incidental to the holder's main harvesting, and

(b) with respect to a deciduous timber quota authorize the holder to harvest a limited amount of coniferous timber as incidental to the holder's main harvesting

but in either case the authorization shall specify the location, time and the amount of forest land on which the timber may be so harvested or the volume of timber that may be so harvested in addition to the quota held.

13 Section 18(5) presently reads:

(5) The harvesting of timber under the authority of a quota certificate must be carried out, subject to section 19, in consecutive 5-year harvest periods, each called a quadrant.

14 Section 21 presently reads in part:

21(1) A timber quota holder shall be issued a timber licence on compliance with subsection (2).

(5) Subject to the regulations, a holder of a timber licence shall pay timber dues as prescribed by the licence, the Act or the regulations on the timber cut by the holder and

(b) in subsection (5)

- (i) by striking out** “as prescribed by the licence, the Act or the regulations” **and substituting** “as determined in accordance with the regulations”;
- (ii) in clause (b) by adding** “forest” **before** “management unit”.

15 Section 22 is amended

(a) by repealing subsection (2)(c) and substituting the following:

- (c) pay the applicable fees and costs as determined in accordance with the regulations or an order made under section 8.1.

(b) in subsection (5)

- (i) by striking out** “as prescribed by the permit, the Act or the regulations” **and substituting** “as determined in accordance with the regulations”;
- (ii) in clause (b) by adding** “forest” **before** “management unit”.

16 Section 23 is repealed.

17 Section 24 is amended by striking out “an agreement, licence or permit” **and substituting** “a timber disposition”.

18 Section 25 is amended

(a) by repealing subsection (3)(b) and substituting the following:

- (b) cancel it, or

- (a) pay a reforestation levy based on the volume of timber cut, or*
- (b) progressively reforest any land where the holder has harvested or an equivalent amount of forest land within the management unit, whichever the director directs.*

15 Section 22 presently reads in part:

- (2) An applicant for a timber permit shall*
 - (c) pay the fees and costs as specified in the regulations.*
- (5) Subject to the regulations, a holder of a timber permit shall pay timber dues as prescribed by the permit, the Act or the regulations on the timber cut by the holder and*
 - (b) progressively reforest any land where the holder has harvested or an equivalent amount of forest land within the management unit, whichever the director directs.*

16 Section 23 presently reads:

23 No timber licence or timber permit, except for non-commercial use, may be issued until the applicant has satisfied the director that the applicant has complied with the Workers' Compensation Act.

17 Section 24 presently reads:

24 No person who is a minor shall acquire an agreement, licence or permit by application or transfer.

18 Section 25 presently reads in part:

(3) With respect to a forest management agreement the Minister may, notwithstanding the provisions of the agreement,

(b) by repealing subsection (5)(b) and substituting the following:

(b) a suspended or cancelled forest management agreement,

19 Section 28(4) is amended

(a) by striking out “a timber licence or timber permit” and substituting “a timber quota to which section 17(5) applies, timber licence or timber permit”;

(b) by striking out “licence or permit” and substituting “quota, licence or permit”.

20 Section 29 is amended

(a) in subsection (1)

(i) by striking out “a timber licence or timber permit or a party to a forest management agreement” and substituting “a timber disposition”;

(ii) by striking out “or party”;

(b) in subsection (2)

(i) by striking out “a timber licence or timber permit or a party to a forest management agreement” and substituting “a timber disposition”;

(ii) by striking out “or party’s”.

21 Section 30 is repealed and the following is substituted:

Rates of timber dues

30(1) The Lieutenant Governor in Council may make regulations

(a) respecting the methods by which the amounts of timber dues are to be determined;

(b) with the prior approval of the Lieutenant Governor in Council, cancel it, or

(5) The Minister may reinstate

(b) with the approval of the Lieutenant Governor in Council, a suspended or cancelled forest management agreement,

19 Section 28(4) presently reads:

(4) The holder of a timber licence or timber permit becomes the owner of timber authorized to be cut pursuant to the licence or permit when the timber is actually cut by the holder or on the holder's behalf, but is nonetheless entitled, except as against the Crown, to compensation from any person who deprives the holder of the holder's right to cut and recover any timber.

20 Section 29 presently reads in part:

29(1) The holder of a timber licence or timber permit or a party to a forest management agreement shall in accordance with the regulations keep complete and accurate records of the quantity of timber harvested, manufactured and disposed of by the holder or party and shall produce the records at the request of a forest officer.

(2) The holder of a timber licence or timber permit or a party to a forest management agreement shall in accordance with the regulations keep complete and accurate records of the holder's or party's reforestation operations and shall produce the records at the request of a forest officer.

21 Section 30 presently reads:

30 The Lieutenant Governor in Council may make regulations respecting the rates of timber dues payable in respect of Crown timber and may make provision in the regulations for the determination of timber dues on the basis of the appraised value of the standing timber.

- (b) prescribing the frequency with which the amounts of timber dues are to be determined by the methods referred to in clause (a);
- (c) prescribing the amounts of timber dues other than those determined by the methods referred to in clause (a).

(2) A regulation made under subsection (1) may provide that the Minister shall

- (a) determine which information is to be used to determine the amounts of timber dues by the methods referred to in subsection (1)(a), and
- (b) publish the amounts of timber dues determined by the methods referred to in subsection (1)(a).

22 Section 35(1)(b) is repealed and the following is substituted:

- (b) on the holder of the timber disposition, in the case of a seizure made under section 34(1)(b).

23 The following is added after section 76:

Transitional

77(1) If a forest management agreement is entered into before the coming into force of section 16(1.1), section 16(1.1) does not apply to that forest management agreement.

(2) If negotiations in respect of a forest management agreement have commenced but no forest management agreement has been entered into in respect of those negotiations before the coming into force of section 16(1.1), section 16(1.1) applies to any forest management agreement that is entered into as a result of those negotiations on or after the coming into force of that section.

24(1) This Act, except sections 6(b), 11 and 23, has effect on May 1, 2021.

22 Section 35(1) presently reads in part:

35(1) When a seizure is made pursuant to section 34, a copy of the notice of seizure must be served within 10 days after the date of the seizure

(b) on the holder of the forest management agreement or of the timber licence or permit, as the case may be, in the case of a seizure made under section 34(1)(b).

23 Transitional.

24 Coming into force.

(2) Sections 6(b), 11 and 23 come into force on Proclamation.

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