



NATIONAL ASSEMBLY

FIRST SESSION

THIRTY-SEVENTH LEGISLATURE

Bill 14

**An Act to amend the Forest Act and
other legislative provisions and to enact
certain special provisions applicable
to forest management activities prior
to 1 April 2006**

Introduction

**Introduced by
Mr. Pierre Corbeil
Minister for Forests, Wildlife and Parks**

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EXPLANATORY NOTES

The main object of this bill is to postpone the date of filing and of coming into force of the forest management plans based on the new delimitation of management units for one year. The bill also maintains the provisional measures applicable to timber supply and forest management agreements and forest management agreements before the implementation of the new mode of forest management based on new units, with certain changes, until 31 March 2006.

The bill contains provisions that enable the Minister of Natural Resources, Wildlife and Parks to enter into agreements with municipalities or organizations other than for-profit organizations to delegate the management of programs designed to maintain or improve the protection, development or transformation of forest resources. The bill also stipulates that municipalities and Native band councils holding a forest management contract are exempted from paying contributions into the forestry fund.

The bill proposes changes in the verification and control of forest management activities, particularly with respect to scaling data and data on the volume of wood affected by harvesting operations, in the approval and implementation of forest management plans, in the state of forest work and the conformity of forest work with forest management standards, and in credits applicable to the payment of dues. It also makes changes to the mechanism for applying credits to dues and stipulates that certain sums other than those mentioned in the Forest Act are to be paid into the forestry fund, in order to finance forest management and development activities.

The bill contains provisions obliging agreement and contract holders to change their annual management plan if the Minister of Natural Resources, Wildlife and Parks notes that forest inventory data that served to validate the relevance of the silvicultural treatments are inaccurate. In addition, the bill provides additional information concerning the cases in which the Minister may change the areas destined for forest production and the rules to be followed in such situations, and establishes rules applicable to agreement and contract holders for paying dues over time.

The bill states that holders of forest management contracts, with the authorization of the Minister, may harvest in the course of

the year preceding the end of the period covered by the general forest management plan, the part of the volume of wood they did not harvest in preceding years. It exempts contract holders from the obligation to belong to forest protection agencies if they carry on their activities outside the zones covered by the organization plans of those agencies.

In addition to making changes in penal matters and providing for cases where the Minister or the Government may impose financial penalties, the bill sets special forestry rules applicable to forest management activities before 1 April 2006. Under those rules, agreement holders must work together to prepare a decision-making and dispute resolution mechanism for use when drawing up and implementing annual management plans. The rules also impose a reduction in the volumes of wood granted under the 2005-2006 management permit, based on the results of the calculation of the allowable cuts made for the new management units when the 2006-2011 general forest management plans were being prepared. The bill stipulates that, as of its coming into force, the parts of a common area located to the north of the northern limit are deemed to be forest reserves.

Lastly, the bill introduces provisions on sugar bush management permits for acericultural purposes, operating permits for wood processing plants and one-time harvesting accreditation, as well as harmonization provisions.

LEGISLATION AMENDED BY THIS BILL:

- Cities and Towns Act (R.S.Q., chapter C-19);
- Municipal Code of Québec (R.S.Q., chapter C-27.1);
- Forest Act (R.S.Q., chapter F-4.1);
- Act to amend the Forest Act and other legislative provisions (2001, chapter 6);
- Act to ensure the implementation of the Agreement Concerning a New Relationship Between le Gouvernement du Québec and the Crees of Québec (2002, chapter 25).

Bill 14

AN ACT TO AMEND THE FOREST ACT AND OTHER LEGISLATIVE PROVISIONS AND TO ENACT CERTAIN SPECIAL PROVISIONS APPLICABLE TO FOREST MANAGEMENT ACTIVITIES PRIOR TO 1 APRIL 2006

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

1. Section 4 of the Forest Act (R.S.Q., chapter F-4.1) is amended by replacing “which may be granted for a period of five years” by “which may be granted for a period ending on 31 December of the fifth year of the permit”.

2. Section 7 of the said Act is amended by adding the following paragraphs at the end:

“This section does not apply to the holder of a timber supply and forest management agreement, a forest management agreement or a forest management contract who, in order to obtain a forest management permit to supply a wood processing plant, has made an agreement with the Minister respecting the payment of back dues.

Such an agreement must specify the dates and terms and conditions of payment and the applicable interest rates.

The Minister may suspend or cancel the forest management permit or refuse to issue such a permit if the holder of the timber supply and forest management agreement, forest management agreement or forest management contract fails to comply with the agreement made with the Minister. For such purpose, the Minister shall first notify the holder in writing as prescribed by section 5 of the Act respecting administrative justice (chapter J-3) and allow the holder a period of at least 30 days, as specified in the notice, to submit observations and remedy the failure.”

3. Section 14 of the said Act is amended

(1) by inserting “the prescriptions given therein and the” after “in accordance with” in the first paragraph;

(2) by inserting “the forest management activities the holder has been authorized to carry out and” after “indicate” in the second paragraph.

4. Section 14.3 of the said Act is amended by replacing “according to the terms and conditions set out in sections 73.1 to 73.3” in the first sentence of

the first paragraph by “according to the terms and conditions set out in section 73.1, except those set out in the sixth paragraph, and in sections 73.2 and 73.3”.

5. The said Act is amended by inserting the following section after section 14.3:

“14.4. In the case of a natural disaster affecting the sugar bush subject to the permit or other forest resources in the territory, the Minister may modify the permit to ensure that the sugar bush or other forest resources affected are protected and conserved.

The Minister may also, for the same purposes, require the permit holder to apply standards of forest management or standards for tapping maple trees or doing other required work that are different from those prescribed by regulation of the Government, when the government standards do not provide adequate protection for the maple bush or the forest resources affected by the disaster. These new standards, the areas where they are applicable and the regulatory standards for which they are substituted, if any, must be set out in the modified permit.”

6. Section 16.2 of the said Act is amended by adding “and the regulatory provisions applicable to his forest management activities” at the end of subparagraph 1 of the first paragraph.

7. Section 25.1 of the said Act is amended by replacing the first and second paragraphs by the following paragraphs:

“25.1. The Minister may make an order upon observing that the holder of a forest management permit is not complying with the conditions set out in the permit or with the forest management plan or the standards prescribed in or under this Act and applicable to the permit holder’s forest management activities. The order shall require the offender to submit to the conditions set out in the management permit or comply with the management plan or the legal or regulatory provisions in force. The order may also require the offender to suspend all or part of a forest management activity, as indicated by the Minister, for the period and under the conditions set by the Minister.

The order must include reasons and shall take effect on the date on which it is served. Where the person to whom the order applies is the holder of a timber supply and forest management agreement or a forest management agreement, a copy of the order must be forwarded to all the agreement holders carrying on activities in the same management unit as the person referred to in the order.”

8. Section 29 of the said Act is amended

(1) by adding the following sentence at the end of the first paragraph: “The method and basis of calculating the annual allowable cut, described in the manual, must contain information on how to take into account zones that have

been selected by the Minister and the Minister of the Environment with a view to the latter Minister recommending to the Government that it grant the zones a temporary protected status under the Natural Heritage Act (2002, chapter 74).”;

(2) by adding “, particularly objectives targeting biodiversity conservation” after “territory” at the end of the third paragraph.

9. Section 35.2 of the said Act is amended by replacing “1 April 2005” in the second sentence of the first paragraph by “1 April 2006”.

10. Section 35.6 of the said Act is amended by replacing “increased” in the third line of the first paragraph by “biodiversity conservation objectives, as well as higher”.

11. Section 35.15 of the said Act is amended by adding “, which includes taking into account zones that have been selected by the Minister and the Minister of the Environment with a view to the latter Minister recommending to the Government that it grant the zones a temporary protected status under the Natural Heritage Act” at the end of subparagraph 2 of the first paragraph.

12. Section 50 of the said Act is amended by replacing “as a result of the application of another Act” in the second line of the second paragraph by “either as a result of the application of another Act, which includes taking into account zones that have been selected by the Minister and the Minister of the Environment with a view to the latter Minister recommending to the Government that it grant the zones a temporary protected status under the Natural Heritage Act or”.

13. Section 51 of the said Act, replaced by section 42 of chapter 6 of the statutes of 2001, is amended by replacing “1 April 2004” in the first sentence of the first paragraph by “1 April 2005”.

14. Section 55 of the said Act is amended by striking out the third paragraph.

15. Section 55.1 of the said Act is amended by striking out “and, where applicable, the stipulations as to the arbitration procedure” in the first paragraph.

16. Section 59 of the said Act, replaced by section 46 of chapter 6 of the statutes of 2001, is amended by replacing “1 January of the year 2005” in the first sentence of the first paragraph by “1 January of the year 2006”.

17. Section 59.1 of the said Act, enacted by section 46 of chapter 6 of the statutes of 2001, is amended by adding “and, where applicable, the schedules for carrying out forest management activities, which the Minister may impose in order to ensure that the forest management strategies adopted to reach the annual allowable cut, annual yield and objectives assigned to the management unit are applied” at the end of subparagraph 2 of the first paragraph.

18. Section 59.6 of the said Act, enacted by section 46 of chapter 6 of the statutes of 2001, is amended by adding the following paragraph after the second paragraph:

“Where, during a given year, the Minister notes inaccuracies in the forest inventory data having served to validate the relevance of the silvicultural treatments included in the annual management plan, the Minister may require that the agreement holders submit modifications to the annual plan for approval, within the time determined by the Minister, in order that the necessary corrections may be made to the annual plan on the basis of the new data.”

19. Section 60 of the said Act, replaced by section 47 of chapter 6 of the statutes of 2001, is amended

(1) by inserting the following subparagraph after subparagraph 1 of the first paragraph:

“(1.1) to provide, on request and within the time determined by the Minister, photographic, videographic or other documents containing information permitting an assessment of the progress of the forest management work carried out during a given year by the agreement holder, particularly to make sure that such work complies with forest management standards;”;

(2) by replacing subparagraph 5 of the first paragraph by the following subparagraph:

“(5) to evaluate, using the method provided in the Minister’s instructions concerning the estimation of the volume of timber affected by harvesting, the volume of ligneous matter left on the harvest sites of the management unit, including the trees or parts of trees, by species or group of species, that should have been harvested in carrying out silvicultural treatments under the annual management plan.”

20. Section 70.1 of the said Act is amended

(1) by inserting “the scaling data, the credits applicable to the payment of prescribed dues and” after “verify” in the first sentence;

(2) by replacing “used by the agreement holder in” in paragraph 1 by “currently or previously used by the agreement holder in determining the payment of prescribed dues, justifying the application of credits to the payment of dues or”.

21. Section 73.1 of the said Act, amended by section 56 of chapter 6 of the statutes of 2001, is again amended by adding the following paragraph after the fifth paragraph:

“The Minister shall reimburse to an agreement holder any sum corresponding to the amount of credits accepted by the Minister under this section in

payment of dues for a given year that is in excess of the dues that must be paid by the holder in respect of the timber harvested during the term of the agreement holder's forest management permit. However, this sum must be reduced by any contributions owed to the forestry fund or assessments owed to a forest protection organization recognized by the Minister under this Act."

22. Section 86.1 of the said Act is amended

(1) by replacing subparagraphs 1 and 2 of the second paragraph by the following subparagraphs:

"(1) the volume of ligneous matter harvested by the agreement holder, as scaled in accordance with section 26;

"(2) the volume of ligneous matter left on the harvest sites of the management unit, including the trees or parts of trees, by species or group of species, that should have been harvested in carrying out silvicultural treatments under the annual management plan, as evaluated according to the method provided in the Minister's instructions concerning the estimation of the volume of timber affected by harvesting.";

(2) by replacing "in proportion to the volume allocated to each" at the end of the third paragraph by "in proportion to the volume of timber harvested by each during the year for which the reduction is applied";

(3) by adding the following paragraph after the third paragraph:

"In addition, the Minister may impose a penalty on the agreement holder, in the amount obtained by multiplying by the applicable unit rate the volume of timber referred to in subparagraph 2 of the second paragraph, reduced by the volume determined by regulation of the Government. If, because several agreements cover the same management unit, the Minister is unable to determine on which agreement holder the penalty may be imposed, the Minister shall impose the penalty on all the holders of agreements concerning the species or group of species concerned in proportion to the volume of timber harvested by each during the year for which the penalty is applied."

23. The said Act is amended by inserting the following section after section 86.1:

"86.2. When an agreement holder referred to in an order made by the Minister under section 25.1 requiring the holder to carry out the silvicultural treatments provided for in the annual management plan refuses or neglects to comply with it, the Minister, after giving the holder an opportunity to submit observations, may reduce the volume authorized for the current or a subsequent year by a volume equivalent to the effect of not carrying out silvicultural treatments on the annual allowable cut.

The effect of not carrying out silvicultural treatments is determined on the basis of the expected average yield for the treatments.”

24. Section 92.0.1 of the said Act is amended by replacing “46.1, 79.1 or 86.1” in the second paragraph by “46.1, 79.1, 86.1 or 86.2”.

25. Section 92.0.3 of the said Act is amended by replacing subparagraph 3 of the first paragraph by the following subparagraph:

“(3) a volume of timber is made available following a person’s waiver of the right provided for in a reservation agreement entered into pursuant to section 170.1 or by reason of the failure by that person to exercise that right in a previous year;”.

26. Section 92.0.12 of the said Act is amended by adding “except as regards the sixth paragraph of section 73.1 to which that section refers” at the end of the fourth paragraph.

27. Section 95.6 of the said Act is amended by adding “, and the amendments that may be made to that agreement from time to time by the parties” at the end.

28. Section 103 of the said Act is amended

(1) by adding the following sentence at the end of the first paragraph: “The annual plan must be accompanied by compiled and analyzed forest inventory data which, in the opinion of the Minister, make it possible to validate the relevance of the silvicultural treatments to be carried out during the year.”;

(2) by replacing “Ce dernier” in the second paragraph of the French text by “Le ministre”.

29. The said Act is amended by adding the following section after section 103:

“**103.1.** The Minister may approve or reject the plans, or modify and approve them.”

30. Section 104.1 of the said Act is amended

(1) by replacing “35.8 and” in the first sentence by “35.8, the fourth paragraph of section 35.14, section”;

(2) by striking out “the first paragraph of section 59.2,” in the first sentence;

(3) by inserting “, 77.4 and 77.5” after “73.4 to 73.6” in the first sentence;

(4) by adding “or, for the purposes of section 73.4, the volume of timber authorized under the management permit” at the end of paragraph 3;

(5) by adding the following paragraph at the end:

“However, the provisions of sections 73.4 to 73.6 referred to in this section do not apply where the contract holder is a municipality or a Native band council.”

31. The said Act is amended by adding the following section after section 104.3:

“104.3.1. If, for a given year, a contract holder does not harvest the full volume of timber authorized for the management area covered by the contract, the contract holder may harvest the unharvested volume of timber during the subsequent years preceding the end of the period covered by the general forest management plan, except during a year in which the Minister applies the reduction provided for in section 96.1, after obtaining the authorization of the Minister.

Where the Minister applies a reduction under section 86.1 or 96.1 in respect of a year, a contract holder shall not in subsequent years harvest that part of the volume of timber which could not be harvested owing to the application of the reduction.”

32. Section 106 of the said Act is amended by replacing “in accordance with the first, second and third paragraphs of section 73.1” in the second paragraph by “in accordance with the conditions set out in section 73.1, except those set out in the fourth paragraph”.

33. The said Act is amended by inserting the following after section 124.40:

“TITLE II.1

“DELEGATED MANAGEMENT OF PROGRAMS INTENDED TO MAINTAIN OR IMPROVE THE PROTECTION, DEVELOPMENT OR TRANSFORMATION OF FOREST RESOURCES

“124.41. The Minister, by an agreement, may delegate to a municipality or an organization other than a for-profit organization, in whole or in part, the management of programs developed under paragraph 3 of section 12 of the Act respecting the Ministère des Ressources naturelles (chapter M-25.2) and intended to maintain or improve the protection, development or transformation of forest resources.

The value of the activities designed to protect and develop forest resources under a program is determined by the Minister or the Minister’s delegate as stipulated in the agreement, by applying the same rules of calculation as those determined by regulation of the Government for the activities provided for in a

funding agreement entered into in accordance with the fourth paragraph of section 73.1.

“124.42. The agreement shall define the powers and responsibilities delegated to the municipality or organization and fix the conditions of the delegation, in particular the reporting obligations of the delegate.

“124.43. The municipality or organization that is a party to a program management delegation agreement may exercise all the powers and responsibilities of the Minister under this Act that are necessary for the implementation of the program, to the extent and as determined in the agreement.

“124.44. The Minister may, in the agreement, agree to pay a specific amount to the municipality or organization for the management of the program.

“124.45. The municipality or organization exercising the powers and responsibilities delegated to it under this Title shall not engage the liability of the Government.”

34. Section 126 of the said Act is amended by inserting “define the intensive protection zone and” after “must” in the first sentence of the second paragraph.

35. Section 126.1 of the said Act is amended by replacing “by-laws” by “by-laws or organization plan”.

36. Section 127 of the said Act is amended

(1) by adding “and comprised in the intensive protection zone defined in the organization plan” at the end of the first paragraph;

(2) by adding “as regards the part of the woodlot comprised in the intensive protection zone defined in the organization plan” at the end of the second paragraph.

37. Section 128 of the said Act is amended

(1) by replacing “in the area approved by the Minister” in the first paragraph by “in the intensive protection zone”;

(2) by adding the following paragraph after the third paragraph:

“The Minister may enter into special agreements with the forest protection organization concerning the prevention and extinction of fires outside the intensive protection zone, particularly as regards expenses.”

38. Section 147 of the said Act is amended by inserting “define the protected territory and” after “must” in the first sentence of the second paragraph.

39. Section 147.0.1 of the said Act is amended by replacing “by-laws” by “by-laws or organization plan”.

40. Section 147.1 of the said Act is amended by adding “and comprised in the protected territory defined in the organization plan” at the end of the first paragraph.

41. Section 147.4 of the said Act is amended by replacing “territory approved by the Minister” in the first paragraph by “protected territory defined in the organization plan”.

42. Section 164 of the said Act is amended by inserting “belonging to a class prescribed by regulation of the Government” after “wood processing plant”.

43. Section 165 of the said Act is amended by inserting “a maximum period of” after “valid for” in the first sentence of the third paragraph.

44. Section 170.4 of the said Act is amended by inserting the following paragraphs after paragraph 1.1:

“(1.2) the part of the fines that exceeds \$500,000 paid by offenders during a fiscal year of the fund for an offence under a provision of this Act or the regulations;

“(1.3) the sums collected after 31 March 2003 in respect of the sale of timber confiscated by the Minister under section 203 and the proceeds of the sale of the timber deposited after that date with the Ministère des Finances under section 192 following the guilty plea or conviction of an offender;

“(1.4) the damages, including any punitive damages awarded by the court under section 172.3, paid following a civil action for damage caused to a forest in the domain of the State, in particular where the person responsible for the damage cut timber illegally;

“(1.5) the sums paid to reimburse the costs incurred by the Minister under the second paragraph of section 59.2 to establish a general forest management plan;

“(1.6) the sums paid to reimburse the costs incurred by the Minister under the second paragraph of section 61 to establish a corrective plan and the sums paid to reimburse the costs incurred by the Minister under section 61.1 to perform any contractual obligation referred to in section 60 which an agreement holder failed to perform;”.

45. Section 172 of the said Act, amended by section 119 of chapter 6 of the statutes of 2001, is again amended

(1) by inserting the following subparagraph after subparagraph 4 of the first paragraph:

“(4.1) provide for the payment of a specific amount, which may be added to the dues payable by a management permit holder, for the loss of scaling, inventory or transportation forms that were in the possession of the holder, and vary the amount to be paid depending on the type or number of forms lost;”;

(2) by inserting the following subparagraph after subparagraph 9 of the first paragraph:

“(9.1) determine the volume by which the volume of timber referred to in subparagraph 2 of the second paragraph of section 86.1 is to be reduced by the Minister, for the purpose of calculating the penalty provided for in the fourth paragraph of that section;”.

46. Section 177 of the said Act is replaced by the following section:

“177. Every holder of a management permit or third person entrusted with the execution of work authorized by a permit who carries out a forest management activity on lands in the domain of the State in contravention of a provision of the permit or the management plan with which the permit holder is bound to comply is guilty of an offence and liable to a fine of \$200 to \$10,000 in all cases where the offence is not otherwise punishable.”

47. Section 184 of the said Act is amended by replacing subparagraph 2 of the second paragraph by the following subparagraphs:

“(2) every holder of such an agreement or of a forest management contract who fails to submit modifications to the general forest management plan to the Minister for approval within the time determined by the Minister under the first or second paragraph of section 59.6;

“(2.1) every holder of such an agreement who fails to submit modifications to the general forest management plan to the Minister for approval within the time determined by the Minister under the second paragraph of section 59.7;

“(2.2) every holder of such an agreement or of a forest management contract who fails to submit modifications to the annual management plan to the Minister for approval within the time determined by the Minister under the third paragraph of section 59.6;”.

48. Section 186.7 of the said Act is amended by replacing “an annual report of activities to the Minister under section 70 which contains” in subparagraph 4 of the first paragraph by “to the Minister the annual report of activities referred to in section 70 or a document justifying credit applicable to the payment of dues, containing”.

49. Section 29.13 of the Cities and Towns Act (R.S.Q., chapter C-19) is amended by adding “or Title II.1 of the Forest Act (chapter F-4.1)” at the end.

50. Article 14.11 of the Municipal Code of Québec (R.S.Q., chapter C-27.1) is amended by adding “or Title II.1 of the Forest Act (chapter F-4.1)” at the end.

51. Sections 159, 160, 162, 163, 175, 182 and 183 of the Act to amend the Forest Act and other legislative provisions (2001, chapter 6) are amended by replacing “1 April 2005” wherever it appears by “1 April 2006”.

52. Section 161 of the said Act is amended by inserting “any amendments made to such provisions and to” after “subject to” in the first sentence.

53. Section 167 of the said Act is amended by adding the following paragraph after the first paragraph:

“However, they do not apply to modifications to five-year forest management plans related to the application of the transitional measures set out in Section 5 of Part IV (C-4) of Schedule C to the Agreement referred to in section 95.6 of the Forest Act, as provided in the provisions of paragraph 5.4 of that section.”

54. The said Act is amended by adding the following sections after section 169:

“169.1. The plans may be approved or rejected by the Minister or approved as modified by the Minister.

The Minister may give the agreement holder deadlines for carrying out the forest management activities, to ensure that the forest management strategies adopted to reach the annual allowable cut and the annual yields assigned to the management unit are applied.

“169.2. Where, during a given year, the Minister notes inaccuracies in the forest inventory data having served to validate the relevance of the silvicultural treatments to be carried out by an agreement holder during that year, the Minister may require that the agreement holder submit modifications to the annual plan for approval, within the time determined by the Minister, in order that the necessary corrections may be made to the annual plan and the forest management permit on the basis of the new data.

“169.3. Where the Minister, in a case described in the second paragraph of section 50 of the Forest Act or in section 183 of this Act, withdraws an area used in calculating the annual allowable cut from the forest management unit, the Minister may, in addition to altering the territory covered by the agreement, reduce the volumes allocated in the agreement in respect of the species or group of species concerned if the Minister is unable to substitute an equivalent area for the withdrawn area in accordance with the provisions of the second paragraph of the said section 50.

Before amending the agreement, the Minister shall give the agreement holder an opportunity to submit observations.

“169.4. At the request of and within the time determined by the Minister, an agreement holder must submit modifications to the general or five-year forest management plan to the Minister for approval in order to reflect the application of the provisions referred to in section 169.3.

“169.5. Every agreement holder who fails to submit modifications to the annual management plan to the Minister for approval at the request of and within the time determined by the Minister under section 169.2 is guilty of an offence and is liable to a minimum fine of \$1,000.

Every agreement holder who fails to submit modifications to the general or five-year forest management plan to the Minister for approval at the request of and within the time determined by the Minister under section 169.4 is guilty of an offence and is liable to a minimum fine of \$1,000.”

55. Section 170 of the said Act is amended

(1) by replacing subparagraph 3 of the first paragraph by the following subparagraph:

“(3) to evaluate the volume of ligneous matter left on the harvest sites of the common area, including the trees or parts of trees, by species or group of species, that should have been harvested in carrying out the silvicultural treatments under the forest management permit, using the method provided in the Minister’s instructions for evaluating the volume of timber affected by harvesting;”;

(2) by adding the following subparagraph after subparagraph 4 of the first paragraph:

“(5) to provide, at the request of and within the time determined by the Minister, photographic, videographic or other documents containing information permitting an assessment of the progress of the forest management work carried out during a given year by the agreement holder, particularly to make sure that such work complies with forest management standards.”

56. Section 171 of the said Act is amended by inserting “or five-year” after “set out in the general” in the first paragraph.

57. Section 176 of the said Act is amended

(1) by inserting “of the Forest Act” after “sections 73.4 to 73.6” in the first paragraph and by adding the following sentence at the end of that paragraph: “No contribution into the forestry fund is payable, however, by a contract holder that is a municipality or a Native band council.”;

(2) by inserting the following paragraphs after the first paragraph:

“The provisions of sections 169.2 to 169.5 of this Act, including those referred to in section 169.3 of this Act, apply to forest management agreements and forest management agreement holders.

Such provisions also apply, with the necessary modifications, to forest management contracts and forest management contract holders. For that purpose,

(1) a management unit means a management area covered by the forest management contract;

(2) an agreement holder means the holder of a forest management contract;

(3) the volume allocated under an agreement means the annual allowable cut assigned to the management area covered by the forest management contract.”

58. Sections 180 and 181 of the said Act are amended by replacing “1 April 2005” wherever it appears by “1 April 2006”.

59. The said Act is amended by adding the following section after section 182:

“**182.1.** In addition to the cases described in the first paragraph of section 50 of the Forest Act, a management unit may be altered during the term of an agreement in the cases described in sections 80, 81.1 and 81.2 of that Act.”

60. Section 189 of the said Act is amended

(1) by replacing “1 April 2005” in the first paragraph by “1 April 2006”;

(2) by replacing “31 March 2005” in the portion of text preceding subparagraph 1 of the second paragraph by “31 March 2006”;

(3) by replacing “31 March 2004” in subparagraph 2 of the second paragraph by “31 March 2005”;

(4) by replacing “1 April 2005” in subparagraph 3 of the second paragraph by “1 April 2006”;

(5) by replacing “31 August 2006” in subparagraph 4 of the second paragraph by “31 August 2007”.

61. Section 22 of the Act to ensure the implementation of the Agreement Concerning a New Relationship Between le Gouvernement du Québec and the Crees of Québec (2002, chapter 25) is amended

(1) by replacing “31 March 2005” in the first paragraph by “31 March 2006”;

(2) by replacing “1 April 2005” wherever it appears in the second paragraph by “1 April 2006”.

SPECIAL PROVISIONS APPLICABLE TO FOREST MANAGEMENT ACTIVITIES PRIOR TO 1 APRIL 2006

62. As of (*insert the date of assent to this Act*), the parts of the common areas located north of the northern limit set by the Minister of Natural Resources and made public on 19 December 2002 are deemed to be forest reserves and no longer part of the common areas.

63. Agreement holders whose timber supply and management agreements or forest management agreements apply to the same common area must send the Minister of Natural Resources, Wildlife and Parks no later than 1 March 2004 a decision-making and dispute resolution mechanism for use when drawing up and implementing the 2004-2005 and 2005-2006 annual forest management plans.

Should the agreement holders fail to send the Minister a decision-making and dispute resolution mechanism for use when drawing up and implementing the 2004-2005 and 2005-2006 annual forest management plans by that date, the Minister may impose one on them as of that date.

The decision-making and dispute resolution mechanism shall come into force on 1 March 2004 or, in the case referred to in the second paragraph, at any later date set by the Minister.

64. Decisions made using the decision-making and dispute resolution mechanism have the same effect as stipulations agreed upon between the parties on the subject of the dispute.

65. For the year 2005-2006, if the results of the calculation of the annual allowable cut based on the new management units obtained when the 2006-2011 general forest management plans were drawn up show a drop in forest production compared with the volumes allocated, the Minister of Natural Resources, Wildlife and Parks must reduce, in the management permits for that year, the volumes of timber the timber supply and management agreement holders and forest management agreement holders were authorized to harvest under their agreement and the Forest Act, in order to take the results of that calculation into account beginning that year.

To that end, the Minister shall set a new annual allowable cut for the year 2005-2006, by species or group of species, for each common area, by adding up the results of the calculation of the annual allowable cuts for forest management units or parts of forest management units located in the common

area concerned; the annual allowable cut for a part of a forest management unit is based on the area of that part as a percentage of the total area of the unit.

If the result of the calculation of the new annual allowable cut in the common area shows a decrease in forest production, the Minister shall determine the reduction applicable to the common area, by species or group of species, and distribute the reduction for the species or group of species among the agreement holders in the common area in proportion to the volumes allocated to each. However, the Minister may vary the reduction in volumes made among the agreement holders depending on the impact the distribution of the reductions among them could have on regional or local economic activity.

66. Insofar as possible and taking the forest composition of the territory into account, the 2005-2006 annual forest management plan for a common area must distribute the total allowable cut throughout the common area, taking into account the volume reductions calculated for each of the forest management units or parts of forest management units in the common area.

FINAL PROVISIONS

67. The delimitation for management units determined and made public by the Minister of Natural Resources on 19 December 2002, and the delimitation established in accordance with the Agreement referred to in section 95.6 of the Forest Act (R.S.Q., chapter F-4.1) and made public on 13 June 2003 are deemed, for the purposes of the Forest Act, to be the delimitation referred to in section 35.2 of that Act, enacted by section 30 of chapter 6 of the statutes of 2001.

68. The contributions paid into the forestry fund by municipalities and Native band councils as holders of forest management contracts shall be reimbursed to the municipalities and Native band councils having paid the contributions.

69. The forestry fund established by section 170.2 of the Forest Act shall be made up of the following sums, in addition to the sums referred to in section 170.4 of that Act:

(1) the sums paid to reimburse the costs incurred by the Minister under section 172 of chapter 6 of the statutes of 2001 to perform any contractual obligation referred to in section 170 of that Act that the agreement holder failed to perform;

(2) the sums paid to reimburse the costs incurred by the Minister under the second paragraph of section 61 of the Forest Act, as applicable prior to 1 April 2006, to apply any required silvicultural treatment that an agreement holder failed to apply.

The fines paid by offenders for an offence under section 169.5 of chapter 6 of the statutes of 2001, enacted by section 54 of this Act, must be taken into

consideration in the calculation of the amount of fines for the purposes of paragraph 1.2 of section 170.4 of the Forest Act, introduced by section 44 of this Act.

70. Section 1 of this Act is applicable to sugar bush management permits valid at the time it comes into force.

71. For the purposes of the second paragraph of section 25.1 and sections 86.1 and 86.2 of the Forest Act, introduced by sections 7, 22 and 23 of this Act respectively, in respect of forest management activities prior to 1 April 2006, a reference to a management unit is a reference to a common area and a reference to an annual management plan is a reference to a management permit.

72. Sections 14, 15, 63 and 64 of this Act do not operate to end arbitration proceedings begun prior to 1 March 2004.

73. Section 28 of this Act applies to annual management plans submitted to the Minister for approval after (*insert the date of assent to this Act*).

74. Section 21, paragraphs 1 and 2 of section 22, sections 31 and 32, and paragraph 1 of section 55 of this Act apply in respect of forest management activities subsequent to 31 March 2003. Sections 9 to 11, 13 and 16 to 19, section 44 to the extent that it enacts paragraphs 1.5 and 1.6, and sections 47 and 58 of this Act apply in respect of forest management activities subsequent to 31 March 2006.

75. Section 182.1 of the Act to amend the Forest Act and other legislative provisions (2001, chapter 6), enacted by section 59 of this Act, shall cease to have effect on 1 April 2006.

76. The provisions of this Act come into force on (*insert the date of assent to this Act*), except

- (1) sections 14 and 15, which come into force on 1 March 2004;
- (2) sections 13, 16 to 18 and 30, section 44 to the extent that it enacts paragraph 1.5, and sections 47 and 58, which come into force on 31 March 2005;
- (3) section 19 and section 44 to the extent that it enacts paragraph 1.6, which come into force on 1 April 2006;
- (4) paragraph 3 of section 22, which comes into force on the date of coming into force of the first regulation made under subparagraph 9.1 of the first paragraph of section 172 of the Forest Act, introduced by paragraph 2 of section 45 of this Act.