



# Forest Products Marketing Board

**2021-2022 ANNUAL REPORT**  
**July 6, 2022**

# BOARD OF DIRECTORS 2022-2023

## DISTRICT & DIRECTOR(S) YEAR ELECTED **DISTRICT 1 – PARISHES OF PERTH AND ANDOVER**

Jerry Inman 2018  
292 Kincardine Road  
Kincardine, NB  
E7H 2K5 (506) 273-3518

Daniel Morrissey 2018  
5825 Route 130  
Bairdsville, NB  
E7H 3T1 (506) 273-3647

## **DISTRICT 2 – PARISH OF GRAND FALLS**

Randall Rioux 2022  
25 Ivanhoe Street  
Grand Falls, NB  
E3Z 1A1 (506) 473-5522

## **DISTRICT 3 – PARISHES OF NEW DENMARK & LORNE**

Peter Eccleston 2019  
3274 Rte 108  
New Denmark, NB  
E7G 2S8 (506) 553-6836

Herman Hudnut Outgoing 2019  
100 North View Road  
Plaster Rock, NB  
E7G 2K3 (506) 356-7295

Taylor Rossignol Newly Elected 2022  
378 Currie Rd  
Tilley, NB  
E7H 1V4 (506) 356-4727

**DISTRICT 4 – PARISH OF GORDON**

Lee Reed    Outgoing    2017  
2679 Route 390  
St. Almo, NB  
E7G 3R5        (506) 356-2252

Colin Maclean                                      Newly Elected                                      2022  
53 Centennial Street  
Plaster Rock, NB  
E7G 1J2        (506) 426-2970

**DISTRICT 5 – PARISHES OF ABERDEEN, KENT, BRIGHTON & PEEL**

Victor Somerville    2022  
6978 Route 107  
Juniper, NB  
E7L 1E2        (506) 246-5583

Blake Wiley    2022  
40 Divide Road  
Divide, NB  
E7L 1K7        (506) 246-5480

**DISTRICT 6 – PARISHES OF SIMONDS, WAKEFIELD, WICKLOW & WILMOT**

Shane Bell    2018  
236 Egypt Hill Rd  
Fielding, NB  
E7L 2L2        (506) 323-2894

Andrew Clark    2018  
3079 Route 103  
Simonds, NB  
E7P 2Z1        (506) 324-3380

**DISTRICT 7 – PARISHES OF RICHMOND, NORTHAMPTON &  
WOODSTOCK**

Roy McLellan 2019  
4212 Route 540  
Belleville, NB  
E7M 5X8 (506) 328-2029

Edwin Stone Deceased 2019  
4355 Route 105  
Northampton, NB  
E7N 1E6 (506) 323-1065

John Smart Newly Elected 2022  
4320 Rte 105  
Northampton, NB  
E7N 1E5 (506)

## **RULES OF ORDER**

To address the meeting with a comment, question, or motion, please go to the microphone and introduce yourself. You may proceed to speak on the issue or motion which is currently being addressed. You may have up to three minutes to speak on each issue or motion. You may introduce a new issue once the previous issue or motion has been dealt with. You may not speak more than once on the same issue or motion. The person who introduces an issue or makes a motion has the right to rebuttal after everyone else has had the chance to speak.

**THE ANNUAL MEETING OF DELEGATES  
Of The  
CARLETON-VICTORIA FOREST PRODUCTS MARKETING BOARD**

**July 6, 2022 @ 6:00 pm**

**Perth- Andover Legion**

**Welcome & Introductions**

**Susannah Banks NB Federation of Woodlot Owners**

**Tim Fox Update NB Forest Products Commission**

**Market Update by Mills**

**New Proposed Board Order**

**Intermission**

**Business Meeting**

- 1. Approval of Business Agenda**
- 2. Minutes of 2019 Annual Meeting of Delegates**
- 3. Business Arising from Minutes**
- 4. Financial Reports**
  - **Presentation of Financial Statements**
  - **Questions**
  - **Appointment of Auditor for 2022-2023**
- 5. Chairman's Report**
- 6. Manager's Report**
- 7. Silviculture Report**

**Adjourn Meeting & Drawing of Door Prizes**

**Joint Annual General Meeting**  
**Carleton-Victoria Wood Producers Association**  
**&**  
**Carleton-Victoria Forest Products Marketing Board**

**Minutes of June 13, 2019 Meeting**

Florenceville Royal Canadian Legion

After dinner General Manager Linda Bell, opened the meeting at 8:35 pm with giving thanks to Carol Anderson and folks for a delicious supper and to Paul DeMerchant for saying grace. Linda welcomed all and thanked everyone for coming to our annual AGM meeting.

Linda then introduced Drew Carleton for an update on the Emerald Ash Borer in New Brunswick. Drew stressed that landowners and producers needed to stay informed about Emerald Ash Borer even though the population is low in Carleton and Victoria counties, everyone needed to report any sightings so that they could monitor their movements.

Rick Doucett gave an update for the NB Federation of Woodlot Owners. Stressing the need to get the word out concerning the Federation and what they do.

Next, four mills gave a market update. Up first was AV Nackawic with Joe Simpson talking about the direct contracts offered by their mill. The second mill was Marwood with Mark Shannon and what they were looking for as far as deliveries and quality of wood. Louisiana Pacific with Dale Currier and how their mill was making beams for California and would be expanding by adding another line. Dale said that they were wide open for wood deliveries and appreciated the wood deliveries from Carleton and Victoria Counties. Adam Stone from William F Tompkins sawmill said he was very happy with deliveries and spoke about the specifications needed for the wood.

Andrew Clark was introduced by Linda Bell for a tribute to Peter DeMarch. Peter lost his life on the Ethiopian Air Disaster while traveling to the UN Conference in Nairobi this year.

Peter DeMarch helped to organize and create North Shore Forest Products Marketing Board 1971

Managed the York Sunbury Charlotte Marketing Board 1986-1988

Became Manager and President of New Brunswick Federation of Woodlot Owners 1989

Co-founder and President of CFWO-Canadian Federation of Woodlot Owners 1990

Co-founder and Chair of IFFA- International Family Forest Alliance 2002  
Made numerous Presentations for the CFWO in International Forums  
Made Presentations and wrote and co-wrote papers for IFFA at international events including the UN (United Nations)  
Andrew played a video of Peter DeMarch.

Intermission was called

The Business Meeting was called to order at 8:35pm by Roy McLellan and he asked for approval of the business agenda. A motion to accept the agenda was made by Fred Harvey and seconded by Randell Rioux. Motion carried.

At 8:40 pm the minutes of the 2018 annual meeting was read by Jerry Inman. A motion to accept the minutes of June 6, 2018 as read was made by Peter MacLean and seconded by Victor Somerville. Motion carried.

No business arising from the minutes.

Linda Bell, General Manager, then presented the audited financial reports for the year ended March 31, 2019. When no questions followed, the reports were accepted by a motion made by Edwin Stone and seconded by Peter Eccleston. Motion carried.

A motion for the appointment of an auditor for 2019-2020 year was made to be the same auditor as the current auditor used for 2018-2019, Lenehan, McCain and Associates was made by Keith Robertson and seconded by Lee Reed. Motion was carried.

The Chairman Roy McLellan made a presentation to Linda Bell for her 20 years of service with the Wood Producers.

The Chairmen's Report was presented by Roy McLellan and the Managers Report was presented by Linda Bell. Lisa Barkley presented the Silviculture Report.

Motion was made by Roy McLellan to adjourn the meeting and was seconded by Fred Harvey. Meeting Adjourned

Afterwards tickets were drawn for several prizes donated to the meeting.



CARLETON VICTORIA FOREST PRODUCTS MARKETING BOARD  
STATEMENT OF OPERATIONS  
YEAR ENDED MARCH 31, 2022

	<u>2022</u>	<u>2021</u>
Revenues		
Wood sales	\$ 9,953,212	\$ 10,481,470
Direct levies	218,649	252,169
	<u>10,171,861</u>	<u>10,733,639</u>
Cost of sales		
Wood purchases	7,659,069	8,857,482
Trucking purchases	1,579,435	1,177,971
Cutting purchases	706,180	442,076
	<u>9,944,684</u>	<u>10,477,529</u>
Gross profit	<u>227,177</u>	<u>256,110</u>
Other revenues		
GNB silviculture income	435,762	414,044
Forest management levies	61,578	56,074
Landowner silviculture contributions	11,158	20,327
USD exchange gain (loss)	5,671	(8,185)
	<u>514,169</u>	<u>482,260</u>
Gross income from operations	<u>741,346</u>	<u>738,370</u>

Draft - July 6, 2022

CARLETON VICTORIA FOREST PRODUCTS MARKETING BOARD  
STATEMENT OF OPERATIONS, continued  
YEAR ENDED MARCH 31, 2022

	<u>2022</u>	<u>2021</u>
Expenditures		
Wages and benefits	223,219	222,605
Rent	78,000	78,000
Office and computer	14,694	19,879
Professional fees	13,138	4,550
Federation dues	9,390	12,152
Interest and bank charges	8,676	9,800
Telephone	8,270	8,216
Director's fees	4,935	6,239
Advertising and promotion	3,179	5,296
Depreciation	143	186
Training and field supplies	-	3,373
Bad debts (recovered)	(19,194)	8,933
	<u>344,450</u>	<u>379,229</u>
Surplus (deficit) before other items	<u>396,896</u>	<u>359,141</u>
Other expenses (income)		
GNB silviculture expenses	357,412	375,578
Government subsidies	(20,659)	(75,701)
	<u>336,753</u>	<u>299,877</u>
Surplus of revenues over expenditures	<u>\$ 60,143</u>	<u>\$ 59,264</u>

Draft - July 6, 2022

CARLETON VICTORIA FOREST PRODUCTS MARKETING BOARD  
STATEMENT OF FINANCIAL POSITION  
AS AT MARCH 31, 2022

	2022	2021
<u>ASSETS</u>		
Current assets		
Cash	\$ 286,968	\$ 304,340
Accounts receivable (Note 3)	937,179	691,970
Inventory	26,344	1,000
HST receivable	24,905	6,523
	1,275,396	1,003,833
Canada Emergency Business Account loan forgiveness receivable	10,000	10,000
Capital assets (Note 4)	509	652
	<u>\$ 1,285,905</u>	<u>\$ 1,014,485</u>
<u>LIABILITIES</u>		
Current liability		
Accounts payable (Note 5)	\$ 392,392	\$ 246,612
Long-term debt (Note 6)	40,000	40,000
Long-term liability		
Due to Carleton Victoria Wood Producers Association Inc. (Note 7)	284,227	218,730
<u>NET ASSETS</u>		
General Fund	568,777	508,491
Capital Asset Fund	509	652
	569,286	509,143
	<u>\$ 1,285,905</u>	<u>\$ 1,014,485</u>

APPROVED

\_\_\_\_\_ Member

\_\_\_\_\_ Member

CARLETON VICTORIA FOREST PRODUCTS MARKETING BOARD  
STATEMENT OF CASH FLOWS  
YEAR ENDED MARCH 31, 2022

	<u>2022</u>	<u>2021</u>
Operating activities		
Surplus of revenues over expenditures	\$ 60,143	\$ 59,264
Adjustment for Depreciation	<u>143</u>	<u>186</u>
	60,286	59,450
Change in non-cash working capital items		
(Increase) decrease in accounts receivable	(245,209)	439,871
Increase in inventory	(25,344)	-
(Increase) decrease in HST receivable	(18,382)	20,000
Increase (decrease) in accounts payable	<u>145,780</u>	<u>(125,046)</u>
	<u>(82,869)</u>	<u>394,275</u>
Investing activity		
Canada emergency business account loan forgiveness receivable	<u>-</u>	<u>(10,000)</u>
Financing activities		
Proceeds of long-term debt	-	40,000
Advances from (to) related party	<u>65,497</u>	<u>(93,859)</u>
	<u>65,497</u>	<u>(53,859)</u>
(Decrease) increase in cash (bank indebtedness)	(17,372)	330,416
Cash (bank indebtedness), beginning of year	<u>304,340</u>	<u>(26,076)</u>
Cash, end of year	<u>\$ 286,968</u>	<u>\$ 304,340</u>
Cash consists of:		
Cash	<u>\$ 286,968</u>	<u>\$ 304,340</u>

## Chairman's Address

In the time since our last AGM a lot has happened – a pandemic, commodity prices have been historically high, and the Forest Products Commission has issued orders that affects much of what we were able to do to improve our ability to market our wood at a “fair” price.

On the pandemic front, our ability to meet has been affected, but thanks to the efforts of our staff, we have still been able to deliver a high level of service to those harvesting wood. Staff adapted to maintain service and ensure safety at the same time and are to be commended for their efforts.

The Forest Products Commission, acting on a complaint that the Marketing Boards are not using our levy money in a way that pleased the Forest Products Commission. The Forest Products Commission investigated and found that the NBFWO, which was created and funded by the Marketing Boards, and governed by a representative by each Marketing Board, was, after 40 years, somehow, an independent third party. I find this a bizarre conclusion. Nonetheless, the Boards are governed by the Forest Products Commission and must obey the order. Therefore, we must completely rethink how we as Marketing Boards work together at this time when it is necessary to speak with one voice in the negotiation of conditions of sale of our wood to obtain a fair price.

I do not know who is being served by this, but it is not us.

The Carleton Victoria Forest Products Marketing Board and the Carleton Victoria Wood Producers Association are being required to separate, at least in some ways. We had operated together on behalf of the Woodlot Owners for the past 40+ years and have created an organization that marketed wood, delivered silviculture, and erected a yard to assist in marketing. This has been done in a coordinated way for all this time, and now must change, not because of complaints made by woodlot owners, but because of outside forces. You will be hearing more about this in the coming year.

The good news is that in spite of all this, we the Marketing Board and the NB Federation of Woodlot Owners, are in conversation on a plan that I have hope may improve our effectiveness in selling our wood. There is not a lot definite to report other than that the Premier has been supportive of working something out.

Last but not least, after 23 years as an employee and --- as manager of the Carleton Victoria Forest Products Marketing Board, and the Carleton Victoria Wood Producers Association has decided to step back, only working a couple of days a week, and, as I am sure most of you already know Kim Jensen has been hired as Manager of the Marketing Board. Linda will be staying on as accountant and Manager of the Carleton Victoria Wood Producers Association.

It is my pleasant duty to express on behalf of the Board of Directors, our thanks to Linda for her work during these trying times, and our appreciation for going above and beyond the call of duty time and again. Under her stewardship our financial affairs have remained in good condition and new and innovative services have been created which benefited the entire woodlot community.

Thank you, Linda.

## Manager's Report

I would like to begin by thanking everyone for coming out tonight. It has been 3 years since our last AGM so there has been a lot of changes for all of us in that period of time. It is so nice to be back to a little more "normal" where we can actually meet and have a meal together.

Our harvesting was down last year based on the numbers we have and those numbers are down significantly since our last report in 2019. We have a lot of chaos in our system with direct contracts and non reporting so we really do not know the accurate numbers. In 2019, marketing board sales and direct sales totaled approximately 19 million dollars. For the year ended March 31<sup>st</sup>, 2022 marketing board sales including direct sales are approximately 12.5 million based on the reporting we have available. The income earned for wood producers, truckers and landowners is spent locally which greatly benefits our rural communities.

This past year has been very difficult for all contractors and truckers with the increased fuel costs and other expenses. We have had to change our system to separate out fuel surcharges which change on a regular basis that mills are paying to help offset costs. We have surcharges for most mills in Maine and some in NB. The Maine markets are typically the ones that buy the poplar and hardwood but this past year, we have seen a lot more softwood goes to those markets as their pricing is very favorable.

The Government is working on major changes to the marketing board system and has been for a couple years. There is talk from Government concerning a one board proposal with seven regional offices. We have been trying to represent your interests and will update you as events occur. There is also a plan by Government to put a levy on crown royalties that will benefit the private sector effective next year.

Staff is our most valued resource and I can't thank everyone enough for their work with our organization. Since our last AGM, Chantal has stepped up to be our silviculture manager. So many people do not want the responsibility so we certainly appreciate her commitment to this role. John McLaughlin continues to work with land owners and land management activities. Jackie Kidney has worked very hard with this accounting system to get pays out to producers and this is the most important service we have. Janet continues as our receptionist and usually gives us all a laugh every day which is certainly needed. Dean Waugh is our yard loader operator and Randy Waugh has been doing some slashing in the woods for us. Our staff are to be commended for the work they do for our organization!

This will be my last manager's report for our organization. I asked to step aside over a year ago and I am honoured that Kim Jensen is stepping into my position. Kim started full time with us in May and I told her I would help her out until she is comfortable. I hope you will all welcome her and I can tell you there is not much joy that comes with this job but I keep telling her it will get better! Kim has a strong legal background that we need and she has picked up on a lot of

issues. I wish her the very best and I feel secure leaving this with a good person who will give 100% to our organization.

I also want to thank our Board of Directors for their contribution to our organization. Our directors signed up for a 3 year term but that was extended by an additional 2 years because of Covid. We have a variety of expertise with these directors and we appreciate all the help they provide. Our appreciation goes out to our outgoing directors – Lee Reed who is being replaced by Colin McLean, and Herman Hudnut who is being replaced by Taylor Rossignol. A long time director, Ed Stone passed away on February 27, 2021 and John Smart has filled that position.

Most important to our organization are you - every producer, trucker and land owner in Carleton and Victoria counties. I want to thank you all for the support you have provided and I wish you all the best for an upcoming safe, productive year!

Respectfully submitted,

Linda Bell

Outgoing General Manager



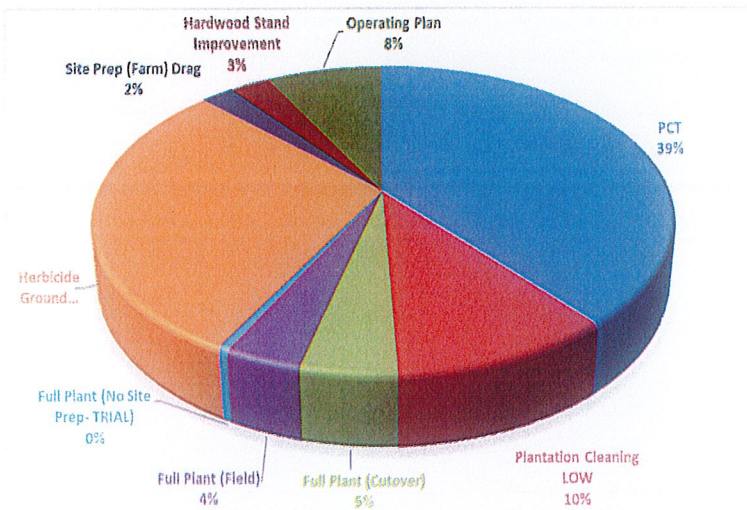
## SILVICULTURE 2021-2022

The 2021- 2022 Silvicultural year Wrapped up in March and we had no trouble spending our entire Provincial budget. For 2021-2022 our Budget was reduced. We traditionally had been receiving \$518,500.00 annually and we are now only getting \$442,374.00. This was a decision Made by DNRED in the spring of 2021. This decision was based on a 5-year average and between 2018 and 2020 we did have a few bad years that we were not able to completely spend the budget and this in turn reflected badly on our 5-year average.

Starting out last year we were already \$17,00.00 spent because we have overspent the previous year.

We saw a small increase in some of the rates last spring which has been long expected, but with the higher rates the money goes out much more quickly. We did manage to treat 579 hectares (1432 acres).

**Land Distribution**

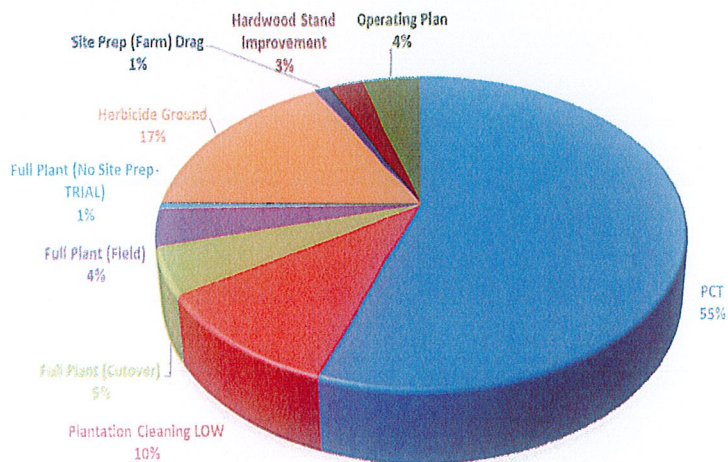


There hasn't been much planting happening over the past 2 years. We have had some difficulty getting contractors since 2020. As can be seen in the Charts planting only accounted for about 10% of our total budget.

**Spending**

As can be seen in the graphs the distribution between dollars spent and area covered can vary and that is dependant on rates paid per treatment.

These pie charts show how that money was spent (bottom Right) and how that money was distributed between the different treatments we do over our land base (top left)



This year going forward we have seen another increase in rates. This is encouraging for the contractors, but it will decrease the amount of land we are able to treat for various treatments.

We do have a decent planting program this year, we should get around 130 hectares planted. This will be the last year that we will be receiving trees from JD Irving. They no longer feel that they can supply the Marketing board with trees from our planting program. Strathlorne Nursery in Nova Scotia Whom we've been getting trees from for a number of years have agreed to increase the allocation for us and will provide us with any extra we need.

We were hoping for 180 Hectares of Pre-commercial thinning, but crews are getting smaller, and the work force is getting older so we may not be able to get as much ground covered as we would like.

Thank You,

Chantal Côté DeMerchant

Silviculture Manager

## **New Proposed Board Order**

### **Carleton-Victoria Forest Products Marketing Board Order 2022-001**

**Whereas** Section 7 of the *New Brunswick Regulation 2014-1*, under the *Natural Products Act* (O.C. 2014-1). 1999 establishes the purposes for which Carleton-Victoria Forest Products Marketing Board is established, including the promotion, control and regulation within its regulated area of the marketing of the regulated product, the promotion within its regulated area of the production of the regulated product, the development, conservation and management of forestry resources on private woodlots in its regulated area, and the promotion of the consumption and use of the regulated product.

**Whereas** Section 9(d) of said *Regulation* vests in the Board the power to require any and all persons before commencing or continuing in the marketing or the production and marketing of primary forest products on private woodlots to register with and obtain licences from the Board; and

**Whereas** pursuant to Section 9(o) the Board is vested with the power to make orders necessary or advisable to regulate effectively the marketing or the production and marketing of primary forest products;

**Whereas** the Forest Product Marketing Boards have the authority and responsibility to issue Transportation Certificates under Sections 4 and 5 of the *General Regulation - Transportation of Primary Forest Products Act*.

**Now therefore be it resolved** the Carleton-Victoria Forest Products Marketing Board makes following order:

#### **Citation**

1. This order may be cited as the Order Respecting the Registration of Producers in the regulated area of the Carleton-Victoria Forest Products Marketing Board.

#### **Definitions**

2. The following definitions apply in this order:
  - (a) "Board" means the Carleton Victoria Forest Products Marketing Board
  - (b) "Marketing" means marketing as defined in the *Natural Products Act* (NB Ch. N-1.2)
  - (c) "Producer" a person who produces and/or transports primary forest products for sale from a private woodlot
  - (d) "Primary forest products" means
    - (i) any unmanufactured product of forest trees of hardwood or softwood species, and
    - (ii) wood chips and biomass produced at or on the harvest site,

but does not include

- (i) coniferous trees cut for sale as Christmas trees, and
- (ii) products from the sap of maple trees.

(f) "Private woodlot" means all forest land except:

- (i) forest land owned by the Crown;
- (ii) forest land owned by a person whose principal business is the operation of a wood processing facility, unless the main function of the wood processing facility is the production of wood chips and biomass at or on the harvest site; and
- (iii) forest land consisting of an aggregate area of at least 100 000 ha which is owned by the same person or persons.

(g) "Regulated Area" means Carleton County and Victoria County, with the exception of the parish of Drummond in Victoria County

(h) "Regulation" means New Brunswick Regulation 2014-1 under the *Natural Products Act* (NB Ch. N-1.2)

#### **Registration of Marketing or Production and Marketing**

1. This order applies to any and all Producers operating in the regulated area.
2. Any and all Producers operating in the regulated area must submit a completed copy of Schedule A to the Carleton-Victoria Forest Products Marketing Board within 60 days of the issuance of this order. This schedule may be submitted in person, by mail or electronically.
3. In the case of a Producer who is newly commencing operations in the regulated area, a completed copy of Schedule A must be submitted to the Board prior to the commencement of their operations.
4. On receipt of Schedule A, a registration shall be issued to the Producer free of charge.
5. The registration shall contain the name address, telephone number, and where applicable, email address of the Producer to whom the licence is issued, as well as a registration number identifying that Producer.
6. The registration shall state that the Producer agrees to abide by any and all applicable provisions of the Natural Products Act (NB Ch. N-1.2), the

Transportation of Primary Forests Act, RSNB 2014, c 134 and any and all regulations, orders, directions and determinations issued thereunder.

7. Each Producer shall be assigned a sign containing their registration number. This sign which shall be placed by the Producer at roadside at the entry point of any and every lot being harvested. The sign shall state that "This is an entry to a private woodlot being harvested by" and then state the registration number of the Producer.

8. Prior to harvesting, each producer shall notify the Board of the PID's which are being harvested. Such notice can be made orally or in writing. The Board will acknowledge in writing, receipt of the notice within 3 business days. Such acknowledgement shall constitute proof that the notice was given.

#### Offence Respecting Section 2, 3, 6 or 7

9. Any Producer who is deemed by the Board to be in contravention of provisions of Sections 2, 3, 6 or 7 of this order, shall be notified of the contravention in writing, delivered by certified mail or in person, the reasons for the contravention, the steps required to place them back into compliance, and the deadline for so doing.

10. Any Producer served with such notice may request to meet with the Board for the purpose of showing why they are not in contravention of the order, and such meeting will be convened without delay, and in any event, within 3 business days, unless by the consent of the Producer.

11. Such meeting may be in person, by conference call, or virtually.

12. Any Producer who, following the meeting pursuant to Section 10, is still deemed by the Board to be in contravention of the order, and/or who fails to take corrective action as per section 8, shall have their registration revoked and shall not be issued private wood Transportation Certificates.

13. Any decision made by the Board pursuant to Section 12 may be appealed by the Producer within 30 days to the New Brunswick Forest Products Commission pursuant to section 65(1) of the Natural Products Act (NB Ch. N-1.2).

This order shall come into effect July 30, 2022.

# Schedule A

## Carleton Victoria Forest Products Marketing Board Producer Registration

Business Name: \_\_\_\_\_

Contact Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Telephone: \_\_\_\_\_

Cell Phone: \_\_\_\_\_

Registration Number (to be completed by CVFPMB Staff): \_\_\_\_\_

I hereby agree to abide by any and all applicable provisions of the *Natural Products Act (NB Ch. N-1.2)*, the *Transportation of Primary Forests Act, RSNB 2014, c 134* and any and all regulations, orders, directions and determinations issued thereunder.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date



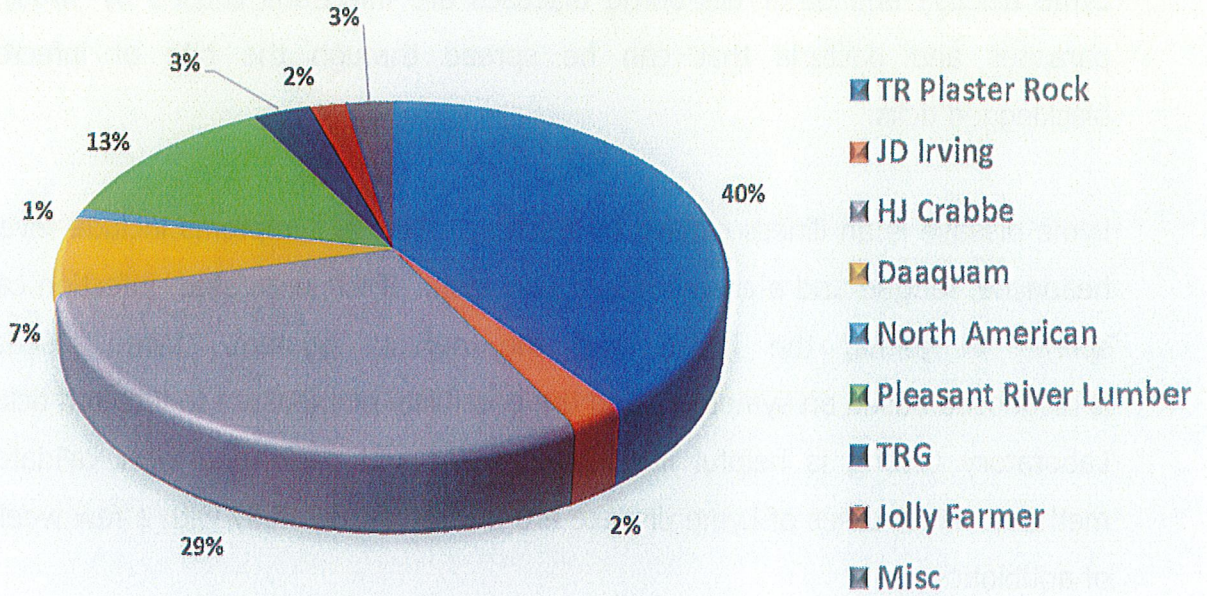
## **Be Tick Smart**

Lyme disease and other tick-borne diseases are infections caused by viruses, parasites and bacteria that can be spread through the bite of infected blacklegged ticks.

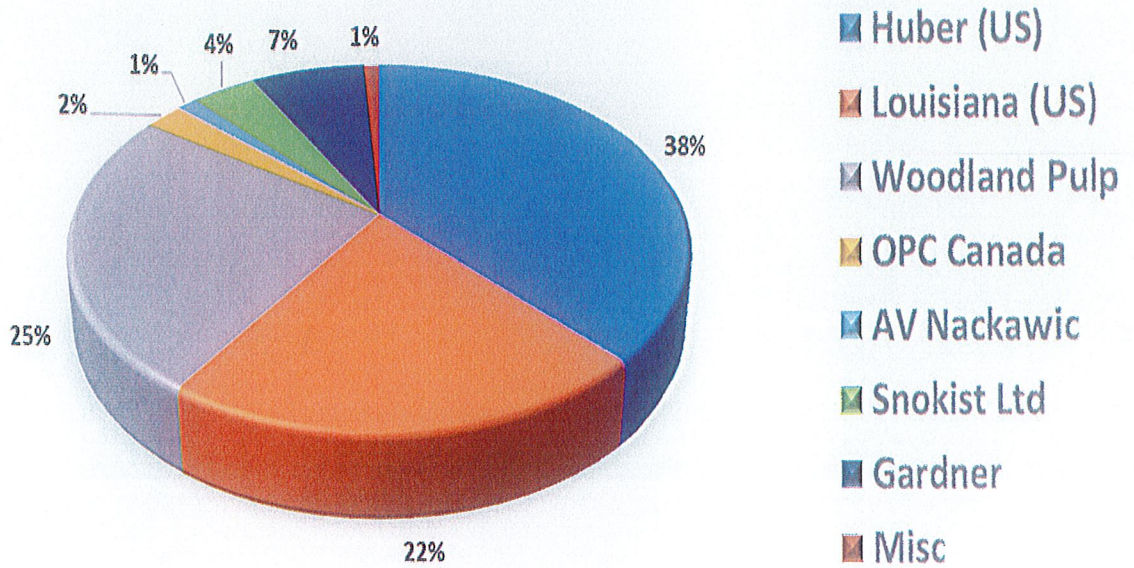
Lyme disease is an illness caused by bacteria. Typical symptoms include fever, headache, fatigue and a characteristic skin rash. If left untreated, infection can spread to joints, the heart, and the nervous system. Lyme disease is diagnosed based on symptoms and the possibility of exposure to infected ticks. Laboratory testing is helpful if used correctly and performed with validated methods. Most cases of Lyme disease are treated successfully with a few weeks of antibiotics.

It is important be Tick Smart: Protect yourself against tick bites, check for ticks after coming indoors, remove ticks safely, and act if you have symptoms of tick-borne diseases.

### SOFTWOOD 2021-2022

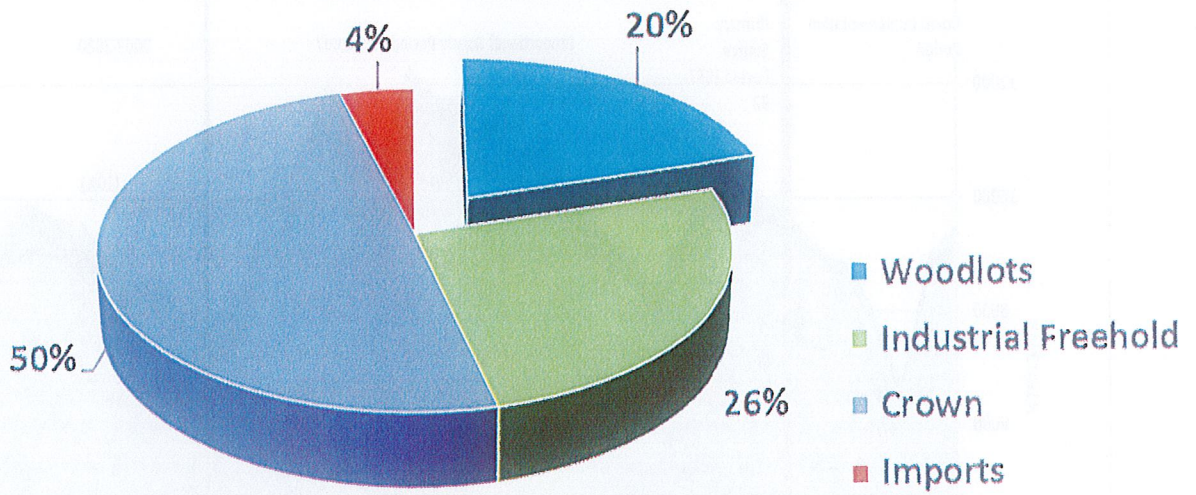


### HARDWOOD 2021-2022



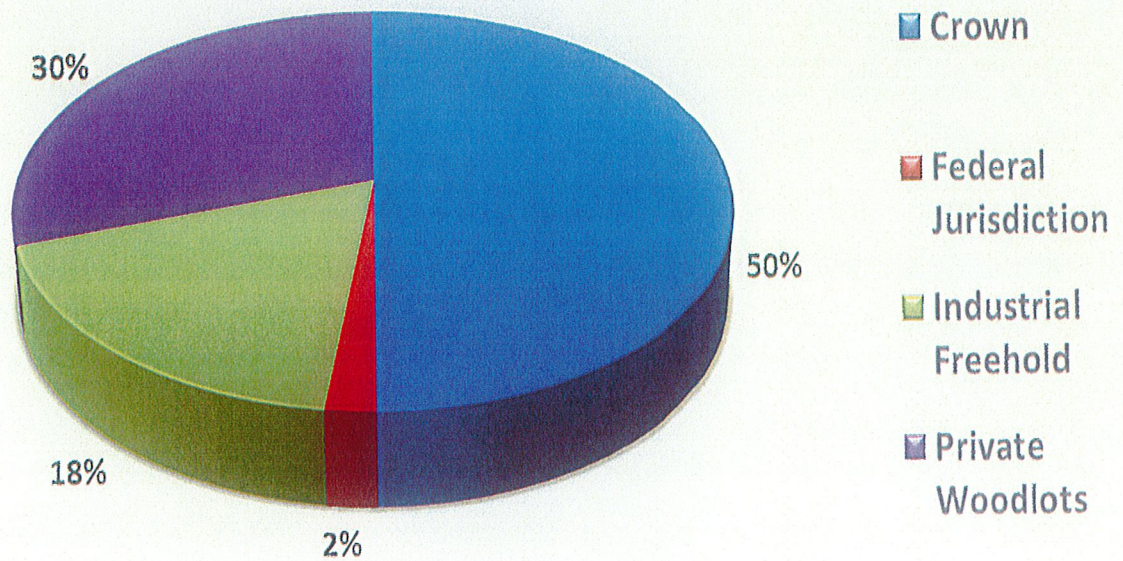


### NB Roundwood Deliveries 2020

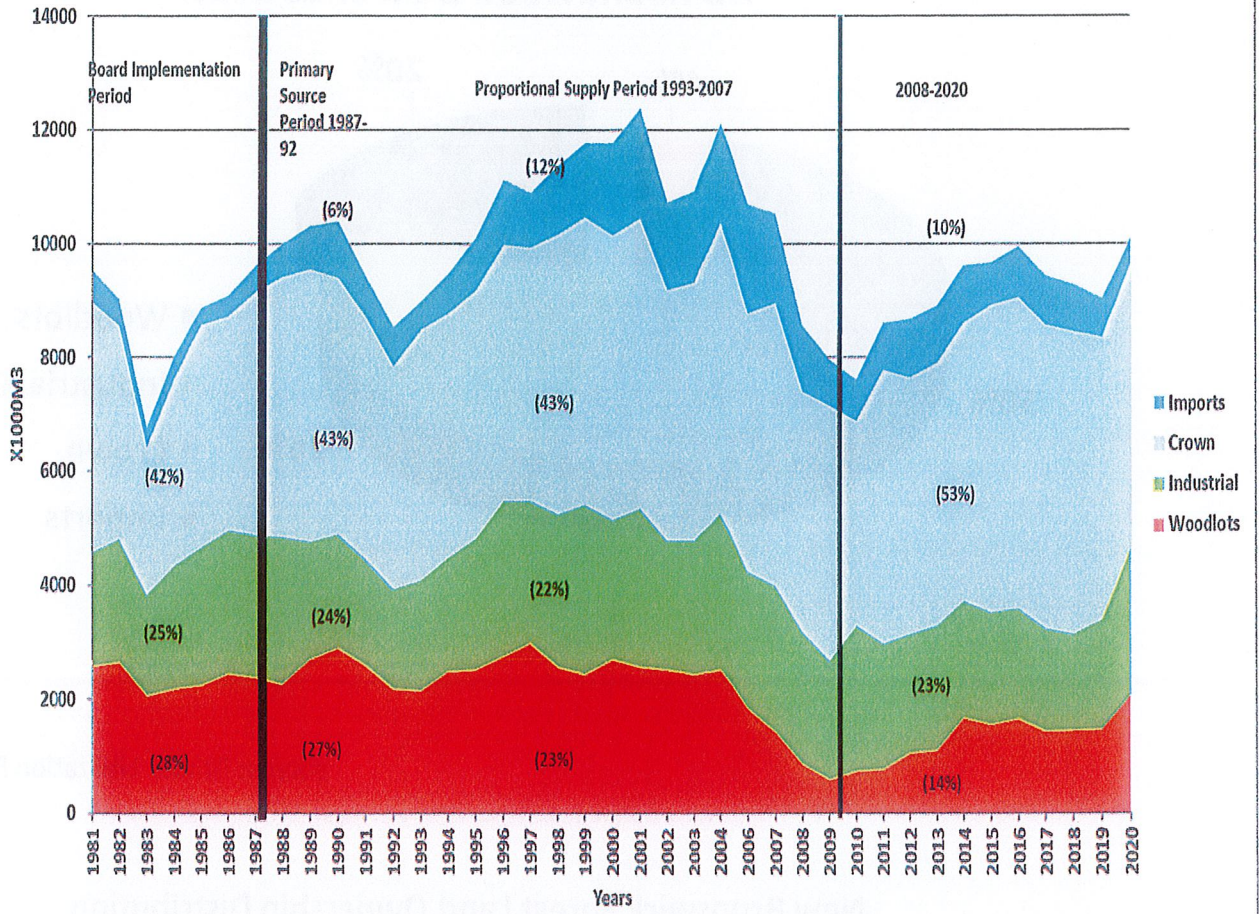


source: Timber Utilization Report

### New Brunswick Forest Land Ownership Distribution



### Timber Utilization History in NB



New Brunswick  
Forest Products Commission

ORDER No. 2021-527

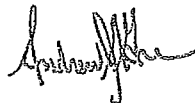
Pursuant to section 11 l(i) and 12(4)(c) of the *Natural Products Act*, Chap. N-1.2, S.N.B. 1999, the New Brunswick Forest Products Commission makes the following order:

This order may be cited as the Order Respecting Expenditures and Investments of Forest Products Marketing Boards - *Natural Products Act*.

All boards must cease their respective memberships in the New Brunswick Federation of Woodlot Owners effective December 1, 2021 and are not authorized to continue the payment of any dues with respect of the New Brunswick Federation of Woodlot Owners effective December 1, 2021.

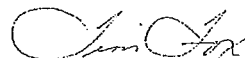
1. A board is prohibited, in relation to the expenditure and investment of marketing board funds, as follows:
  - (a) To fund, support or hold membership in any organization, association, or society whose primary mandate is to lobby or advocate on statutory matters relevant to the powers vested in the board.
  - (b) to invest in businesses relating to processing the regulated product or engaging in business ventures that compete with existing businesses, particularly if those businesses are in some way regulated by the board;
  - (c) to directly or indirectly fund political parties or governments;
  - (d) to directly or indirectly fund lobbying activities through a third party organization;
  - (e) to provide funding for another organization except in extenuating circumstances, which extenuating circumstances must be approved by the New Brunswick Forest Products Commission prior to payment.

By order of the New Brunswick Forest Products Commission made the 20th day of October 2021.



Signed:

Andrew Green,  
Chairman



Tim Fox,  
Executive Director/ Secretary

# **Guidelines for Forest Product**

## **Marketing Board Uses of**

### **Administration and Forest Management**

**Levies January 18, 2022**

#### **1. Introduction**

- a. The New Brunswick Forest Products Commission (the "Commission") has prepared these guidelines to assist New Brunswick Forest Product Marketing Boards (the "Boards") in operating within their legislated authority when spending funds generated from collection of levies (the "Funds").
- b. The Boards established under the Natural Products Act (the "Act") have been given the authority to fix and collect mandatory levies from the marketing or production and marketing of the regulated products and which are to be used for specific purposes defined in the Act.

#### **2. Principles and Regulatory Context**

- a. The Boards are established by a Marketing Plan Regulation under the Act and that is approved by the Provincial Government of New Brunswick (specifically, the New Brunswick Forest Products Marketing Board Plan Regulation 2014-1). The authority of the Boards to fix and collect levies, and to spend the Funds, is also derived from regulation under the Act (specifically, the Forest Products Marketing Board Levies Regulation 2005- 104).
- b. The Boards are regulatory bodies under legislation, they are not membership-based organizations, and do not have members. Mandatory levies set by the Boards and paid by producers are not to be confused with, or regarded as, "membership fees" for the woodlot owners or producers who pay them.
- c. The Boards carry out their regulatory authority and responsibilities primarily through formal written marketing orders, including orders to fix and collect levies. Boards are obligated to carry out their responsibilities and to make decisions under their authority without conflict of interest, and without a reasonable apprehension of bias, including decisions involving use of the Funds.
- cl. In making decisions on use of the Funds, the Boards, and individual Directors thereof, must be mindful of their accountability not only to the Commission, but also to woodlot owners and producers in their

respective jurisdictions.

- e. While the Boards have been given authority under the Act to fix and collect levies from persons who are engaged in the marketing or production and marketing of the regulated products, the Act also strictly defines the purposes for which the Boards may use the Funds.
  - f. Formal written Board orders are required to fix and specify:
    - i. the levy rates,
    - ii. the methods of collection,
    - iii. and the purposes for which the Board intends to use the Funds.
  - g. Each Board must have a written order to define the appropriate activities for expenditures of levy Funds collected for the purpose of forest management. Appropriate activities defined by the Board must fall within the specific purposes of the Board as set forth by the Act and its Regulations.
    - h. The Boards have clear authority to pay expenses related to:
      - 1. the administration of their regulated marketing systems,
      - 11. the enforcement of their regulations and/or orders, the promotion of their regulated product(s), and
      - 111. the implementation and administration of forest management programs on private woodlots.

Other expenditures are often less clear, and so a set of general and specific guidelines have been developed to assist in these decisions.

- i. Levy orders issued by the Boards should be clear on the following:
  - i. what the levy is (i.e., the amount),
  - ii. what the levy is for,
  - iii. who the levy applies to, and
  - iv. how the Funds are to be used.

Levies used to cover the cost of administrative services provided by a Board should be set at different amounts if there are groups of producers that consume different levels of service from the Boards.

Levies for forest management programs must also be clear on what activities are eligible and how woodlot owners and/or producers may

access those funds.

### **3. Guidelines for Use of the Funds**

It is difficult to cover all situations or questions in a set of guidelines relating to the expenditures of board funds. In general, Boards, and their Directors, must keep in mind

that these funds are generated through mandatory payments by producers, and for specific purposes. Directors need to ensure that all expenditures of Funds will support and promote the marketing of the regulated product(s) and Directors should be prepared to account for the expenditures on these grounds. The principles of avoiding conflict of interest and reasonable apprehension of bias are both critical.

The following outline some recommendations for more specific situations.

#### **a. Involvement in Related Industries**

- i. Boards cannot use the Funds to invest in related businesses. If woodlot owners and/or producers wish to enter the processing business, they may do so, acting on their own (or as a group) with complete independence from the Board.
- ii. Boards should avoid producing goods or providing services that compete with existing businesses, particularly if the goods or services provided by these businesses are in some way regulated by the board.

#### **b. Guidelines for Research Expenditures**

- i. Expenditures of Funds on basic or applied forestry research, product development or market research related to the regulated product(s) and processed versions of the regulated product(s) may be justified on the basis the results may "stimulate, increase and improve" the marketing of the regulated product. This includes research into forest management and production practices for the regulated product.
- ii. When sharing the results of research, marketing boards should not give a competitive advantage to one stakeholder if it will disadvantage another. If a Board has a policy of funding research, it should ensure that all its stakeholders have an opportunity to present proposals to access board funds for research.

**c. Guidelines for Lobbying/Advertising/Funding Other Organizations**

- i. Boards may use the Funds for hiring/paying lobbyists or staff to promote the consumption and use of the regulated product, the improvement of the quality and variety of the regulated product, or the publication of information related to the regulated product.
- 11. It is important to note that this does not include Boards paying membership fees to any third-party organization or association who may provide its members with lobbying, promotion, research, or marketing services. The Board should avoid relationships with any third-party organization where, because of that relationship, that organization claims the individuals under the Board's regulation as its members, without the consent of those individuals.
- iii. It is outside the authorities provided to Boards under the Act and its Regulations to lobby for legislative changes intended to protect and/or to increase their own powers. Requests of this nature should be done pursuant to section 18(3) of the Act.
- iv. A Board, acting as an unbiased regulatory decision-making body, is not permitted to lobby for changes to statutory matters on the basis of which it is simultaneously making decisions, as this would give rise to a reasonable apprehension of bias in the decision making (*\*Lobbying for changes to legislation when in the process of making decisions that would be affected by the very changes that they are lobbying for. See YSC decision*).
- v. Advertising is an appropriate expenditure of Funds provided it is in the limited context of promoting the consumption and use, improvement of the quality and variety, or the publication of related information to the regulated product.
- vi. Direct funding of political parties or governments by boards is not appropriate.
- vii. Grants, donations, gifts or other similar types of payments must comply with section 26(2) of the Act whereby any grants, donations, gifts or other similar payments of money in excess of one thousand dollars to any person, association or body of persons requires approval of the Commission. This approval must be sought, and obtained, in writing.

- viii. Boards should not donate money from the Funds to other organizations unless they can clearly demonstrate how the recipient will facilitate or improve the producing or marketing of the regulated product(s).
- ix. Notwithstanding the above, donations designed to enhance the Board's image can be made if there is reasonable expectation of some future stimulus, improvement or increase in the producing and marketing of the regulated product(s) as a result.
- x. Donating promotional material is a justifiable public relations expense. However, Boards are encouraged to ensure these donations do not represent a conflict of interest, a reasonable apprehension of bias, or distort markets in any way.

**d. Guidance on Board Investments**

- i. Many marketing boards maintain a reserve of surplus or contingency funds from the Funds obtained from levies. Formal, written policies of the Board must define specific requirements as to what types of investments boards may make with these reserve funds to ensure they are held in relatively secure financial vehicles and ultimately used in accordance with the Act and its Regulations.
- ii. As guidance, Boards may make investments in financial vehicles such as: investment certificates of banks including foreign banks authorized under the Bank Act to operate in Canada, paid up shares of credit unions, investment certificates of trust companies, debentures of loan corporations, bonds, debentures etc. guaranteed by the Federal or Provincial Governments.

**e. Guidance on Forest Management Levy Expenditures**

- i. The levies regulation under the Act gives broad discretion to Boards as to the use of levies collected for the purpose of forest management.
- ii. Each Board must have a formal, written order that clearly defines the forest management activities that are eligible for use of those levies.
- iii. Forest management levies are to be used for implementing and



administering forest management programs that assist woodlot owners in achieving specific outcomes that improve the development, conservation, and management of forestry resources on private woodlots.

- iv. The establishment of this type of an order will provide accountability for the expenditures on forest management programs.

