

NEW BRUNSWICK FOREST PRODUCTS COMMISSION

MARCH 2021

INVESTIGATION - MARKETING BOARD FUNDING OF NEW BRUNSWICK FEDERATION OF WOODLOT OWNERS

INTRODUCTION

On October 9, 2020, the Commission received a formal request to review the relationship between the seven Forest Products Marketing Boards (“Boards”) established in New Brunswick and the New Brunswick Federation of Woodlot Owners (“NBFWO”). The request specifically alleges that the Boards are identified as members of the NBFWO and that activities undertaken by the NBFWO are not in alignment with the provisions of the *Natural Products Act, ch. N-1.2, 1999*. Further, the request alleges that the NBFWO claims that because the Boards are members, all woodlot owners are deemed to be members of the NBFWO. At its regular monthly meeting on November 19, 2020, the Commission made a decision to open an investigation pursuant to section 12(4) of the *Natural Products Act* to determine if Boards are utilizing levy funds appropriately by financing the NBFWO through their membership dues and any other expenditures that are made by the Boards.

RELEVANT LEGISLATION

The portions of all relevant legislation reviewed and considered by the Commission in the preparation of this Report are attached to this Report as Appendix “A”.

INSPECTION ANALYSIS AND DATA

The Commission requested the following list of records from the Boards:

1. For each fiscal period between April 1, 2018 and the present, a report of any and all payments made by your Board to the NB Federation of Woodlot Owners, including:
 - a. Date
 - b. Amount
 - c. Purpose of the payment (i.e. regular dues, special project, legal, etc.)

From the information collected, the Commission found the following:

Marketing Board Payments to NB Federation of Woodlot Owners					
2018-19		Communications			
Marketing Board	Dues	/ Other	Legal	Totals	Comments
Carleton-Victoria	\$ 11,499.85	\$ 3,835.67	\$ -	\$ 15,335.52	
Madawaska	\$ 10,665.00	\$ 4,049.96	\$ -	\$ 14,714.96	\$5,335 for dues comes from GNB Silv Funding
North Shore	\$ 15,700.92	\$ 3,638.89	\$ -	\$ 19,339.81	
Northumberland	\$ 9,430.00	\$ 3,164.25	\$ -	\$ 12,594.25	
SENB	\$ 8,349.92	\$ 4,221.37	\$ -	\$ 12,571.29	
SNB	\$ 23,575.00	\$ 5,429.59	\$ -	\$ 29,004.59	
YSC	\$ 19,995.69	\$ 4,411.02	\$ -	\$ 24,406.71	
Totals	\$ 99,216.38	\$ 28,750.75	\$ -	\$ 127,967.13	

2019-20		Communications			
Marketing Board	Dues	/ Other	Legal	Totals	Comments
Carleton-Victoria	\$ 10,370.05	\$ 6,892.80	\$ 1,489.50	\$ 18,752.35	
Madawaska	\$ 10,685.00	\$ 6,892.80	\$ 1,000.00	\$ 18,577.80	\$5,335 for dues comes from GNB Silv Funding
North Shore	\$ 17,744.59	\$ 8,041.71	\$ 1,712.93	\$ 27,499.23	
Northumberland	\$ 9,430.00	\$ 6,892.79	\$ 1,489.50	\$ 17,812.29	
SENB	\$ 16,730.07	\$ 8,382.32	\$ -	\$ 25,112.39	\$8,365.02 for dues comes from GNB Silv Funding - legal fees lumped into Comm. Pmt.
SNB	\$ 23,736.00	\$ 7,926.72	\$ -	\$ 31,662.72	
YSC	\$ 19,174.42	\$ 7,926.72	\$ 1,712.93	\$ 28,814.07	
Totals	\$ 107,870.13	\$ 52,955.86	\$ 7,404.86	\$ 168,230.85	

2020-21 <u>To 11/30/2020</u>		Communications				
Marketing Board	Dues	/ Other	Legal	Totals	Comments	
Carleton-Victoria	\$ 5,185.02	\$ 2,468.50	\$ -	\$ 7,653.52		
Madawaska	\$ 10,670.00	\$ 2,636.03	\$ -	\$ 13,306.03	\$714.29 other to P. DeMarsh scholarship fund	
North Shore	\$ 17,744.50	\$ 1,388.20	\$ -	\$ 19,132.70		
Northumberland	\$ 9,430.00	\$ 3,636.02	\$ -	\$ 13,066.02	\$714.29 other to P. DeMarsh scholarship fund	
SENB	\$ 13,941.67	\$ 2,921.73	\$ -	\$ 16,863.40	\$5,228.12 for dues comes from GNB Silv Funding	
SNB	\$ 15,824.00	\$ 1,971.79	\$ -	\$ 17,795.79		
YSC	\$ 4,809.89	\$ 5,048.40	\$ -	\$ 9,858.29	\$821.43 other to P. DeMarsh scholarship fund	
Totals	\$ 77,605.08	\$ 20,070.67	\$ -	\$ 97,675.75		

Review of Data

The Commission notes that the Boards each provide significant funding to the NBFWO on a yearly basis. Financial contributions by the Boards range from a yearly-low of \$7,653.52 to a yearly-high of \$31,662.72. Although not fundamentally important, it is notable that the funds in question come in large part from each Boards' levies collected from private woodlot owners and producers in their jurisdiction.

In some cases, financial contributions and dues to the NBFWO come from funds outside of each Board's collected levies. For example, the Madawaska and SENB Boards have contributed dues out of money received from the Province of New Brunswick's Private Woodlot Silviculture Program (the "Silviculture Program"). The Silviculture Program is a cost-sharing fund given to each of the Boards for the sole purpose of forest management plans and eligible silviculture treatments on private woodlots within their jurisdiction. The purpose of the Silviculture Program is specifically to encourage sustainable forest management and improve the amount of higher-value timber supply in New Brunswick.

Finally, the Commission notes that each of the Boards have contributed to the NBFWO's legal fees. The Commission notes that these are not the legal fees incurred by an individual Board for their own purposes; these legal fees were incurred by the NBFWO and are being paid (or at least contributed) by the Boards.

In the three year period examined by the Commission, the NBFWO received in the range of \$97,675.75 to \$168,230.85 in funding from the Boards.

NBFWO ACTIVITIES

The Commission explored the NBFWO website to determine the activities that were being funded by the Boards. In the “What We Do” section, the Commission finds the following:

<p>About</p> <p>WHO WE ARE</p> <p>WHAT WE DO</p> <p>MARKETING BOARDS</p> <p>FEDERATION BOARD MEMBERS</p> <p>CONTACT</p>	<p>Promote and protect the interests and rights of those engaged in lumbering operations.</p> <ul style="list-style-type: none"> • Cooperate with government departments, and other like-minded organizations. • Lobby for the establishment of plans and programs necessary to achieve relative income security for all forest workers. • Promote good forest management. • Promote good relationships with wood using industries. • Study the long range use of woods available and promote industries that give a better price for wood.
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Review of Activities:

In addition to the Commission’s review of the NBFWO website and information available thereupon, the Commission has reviewed the following blog posts submitted by NBFWO to its website:

Blog Name:	Date:	Activity:
Will the Premier Step Up to Restore Fairness?	February 5, 2021	Lobbying / Government Relations
For the Love of the Woods, A Fight for Fairness	December 21, 2020	Lobbying / Government Relations
If We Don’t Have A Fair Marketplace, We Will Fix It	October 7, 2020	Lobbying / Government Relations
Wood Prices Soar While We’re Left Out In the Cold	November 16, 2020	Lobbying / Government Relations
Restoring a Healthy Wood Supply System	August 13, 2020	Lobbying / Government Relations
Time For Our Politicians to Act for Fairness in Forestry	September 10, 2020	Lobbying / Government Relations
The Curious Case of the New Brunswick Forest Products Commission	July 24, 2020	Lobbying / Government Relations

Forging On in Uncertain Times and Looking to the Future	April 23, 2020	Message to Industry
Is Fairness Finally Coming for Woodlot Owners	January 24, 2020	Lobbying / Government Relations
A Time of Reckoning for our Woodlands	October 30, 2019	Lobbying / Government Relations
Time for Government Action on Forestry	September 27, 2019	Lobbying / Government Relations
Remembering Peter Demarsh, a Champion for Forestry	August 9, 2019	Message to Industry
The Wasted Potential In Our Woods	May 31, 2019	Lobbying / Government Relations
Battle with US Government, Inaction Costing Us \$100 Million	Mar 21, 2019	Lobbying / Government Relation
Strong Wood Marketing Boards Benefit All	Feb 1, 2019	Lobbying / Government Relations (Marketing Board Specific)
Biodiverse Forests Are Not A Priority Here	January 17, 2019	Lobbying / Government Relations
New Government In – Time to Move On a New Crown Lands and Forests Act	November 15, 2018	Lobbying / Government Relations
How Recent Commitments to Better Forest Policy Might Lead to Change. This Time.	September 17, 2018	Lobbying / Government Relations
Understanding the Incredible Potential of our Crown Lands	August 31, 2018	Lobbying / Government Relations
Parties Agree There's a Problem With How Crown Land Is Managed – Now What?	August 23, 2018	Lobbying / Government Relations
Do Citizens Need to be Hurt for NB Companies to Survive?	August 10, 2018	Lobbying / Government Relations
New Brunswick is Blowing an Opportunity We Can't Afford to Blow	July 12, 2018	Lobbying / Government Relations
Time for a New and Improved Crown Lands and Forests Act	May 31, 2018	Lobbying / Government Relations
How Things Have Changed – Meet a 6 th Generation Woodlot Owner	May 1, 2018	
New Brunswickers Get It. They See the Unfairness and They Don't Like It.	April 5, 2018	Lobbying / Government Relations
Private Woodlot Owners: The Most Unfairly Treated Group in New Brunswick?	Mar 16, 2018	Lobbying / Government Relations

Analysis of Activities:

Based on its review of NBFWO activities, the Commission found that the most common theme amongst all NBFWO public posts and activity was to lobby the New Brunswick Government to make changes to legislation or to further empower the Boards in ways which would improve the situation for private woodlot owners. With the exception of a few posts which were aimed at non-lobbying messages to the public, the NBFWO has focused on relations between the New Brunswick Government and private woodlot owners and the Boards. The NBFWO portrays the situation facing private woodlot owners and the Boards to be quite dire.

The Commission notes that none of the blog posts or other activities reviewed are made to promote, advertise, or market the product which is being cultivated on private woodlots in New Brunswick. There are no posts about specific products being produced or sold in New Brunswick, either. There are some activities which pertain specifically to the Boards but only for the purpose of seeking an expansion of powers for the Boards. There is no effort by the NBFWO to assist the Boards with their mandate – the promotion and marketing of regulated products in New Brunswick.

The Commission was not able to locate any documents published by the NBFWO which relates to the promotion of New Brunswick forest products or the marketing and advertising of the same. The Commission is concerned that the NBFWO is not concerned with the product in New Brunswick but, rather, industry relationships with the Government.

Conclusion:

Additionally, the Commission reviewed the 27 Blog posts on the NBFWO website to determine what category of activity was being conducted through these documents. The most commonly occurring theme amongst the posts was for the New Brunswick Government to make changes to legislation or to further empower the Boards in some way that would improve the situation for New Brunswick woodlot owners, which is portrayed in the majority of the posts to be quite dire. Notably, other than suggesting that legislative changes would “fix” the problems of the woodlot owners, there is little to no “promotion or advertising” of the products that are regulated by the Boards in New Brunswick.

MEMBERSHIP

From the NBFWO website, the membership of the organization is clearly laid out as follows:

About	New Brunswick Federation of Woodlot Owners is a federation of private woodlot owner Associations from around the province. The New Brunswick regional forest products marketing boards are members of the NBFWO.
WHO WE ARE	
WHAT WE DO	
MARKETING BOARDS	
FEDERATION BOARD MEMBERS	Therefore if you are a member of your local marketing board you are also a member of the federation. New members are welcome; any private woodlot owner association in NB is eligible to be a member of the NBFWO.
CONTACT	

Review of Membership:

Based on the Commission's review of information pertaining to the NBFWO, the Commission has concluded that the Boards voluntarily maintain membership in the NBFWO. NBFWO claims that by extension, all private woodlot owners who are owners or producers within the Boards' regulated areas are essentially forced to become members of the NBFWO. This is not membership by consent. Furthermore, Marketing Boards are not membership based associations. They are regulatory bodies and have authority over any person who is engaged in the marketing or production and marketing of the regulated product. Any person engaged in those activities is subject to regulation and control by the Marketing Boards, and it is not optional, nor do they become a "member" of the Marketing Board.

Furthermore, based on the Commission's review of the NBFWO membership, there are private woodlot owners who have been deemed to be members of the NBFWO but who have not consented to such membership. This is particularly concerning to the Commission because there are private woodlot owners who are, through levy remittances to their local Marketing Board, contributing to the NBFWO but have not chosen to do so.

Conclusion:

Based on its review, the Commission understands that all Boards are voluntary members of the NBFWO and have provided consent for the same. However, by extension, all private woodlot owners in New Brunswick are automatically considered to be members of the NBFWO while consent for the same may not have been provided.

JURISDICTIONAL SCAN OF SIMILAR ORGANIZATIONS

The Commission looked at similar organizations in New Brunswick and in other Provinces. The purpose of this review was to determine whether other jurisdictions had reviewed or analyzed a

similar situation which might provide some guidance to the Commission in New Brunswick. In conducting this review, the following organizations were reviewed by the Commission:

1. Ontario Woodlot Association
2. New Brunswick Agriculture Alliance
3. Woodlot Association of Manitoba
4. Woodlot Association of Alberta
5. Private Forest Landowners Association (B.C.)
6. Federation of Nova Scotia Woodland Owners
7. PEI Woodlot Owners Association
8. Federation des producteurs forestiers du Quebec

Review of Other Organizations:

The Commission notes that there are organizations similar to the NBFWO who operate across Canada. In these cases, however, membership is treated much differently. Membership to associations in other jurisdictions rest with individual private woodlot owners or woodlot businesses based on individual memberships and individual dues. In those circumstances, individual private woodlot owners have the choice to become a member of the association and pay dues accordingly. Each private woodlot owner then has the ability to provide input into the association accordingly. Legislative creations such as the Board are not present as members of these associations, nor is there automatic membership of private woodlot owners without consent.

The Commission also reviewed New Brunswick-based organizations in other industries. The New Brunswick Agriculture Alliance has a membership based on farm registrations but this is done on an individual basis. The Agriculture commodity boards are not involved in the New Brunswick Agriculture Alliance. Furthermore, there is no automatic membership in respect of that organization; consent is required for membership.

The Commission specifically reviewed the relationship between legislative regulation bodies such as the Boards in respect of industry associations across Canada. The Commission found a fundamental difference between “associations” and “boards”. Participation or membership in these associations is all voluntary and at-request (not automatic). Associations typically act in the interest of their members through advocating or lobbying on behalf of the profession or group of interest. In this way, these associations are very similar to the NBFWO.

Based on the Commission’s review of associations which are similar to the NBFWO, there are lobbying activities which can potentially result in advocacy against the regulatory framework of legislative bodies such as the Boards. It is, then, quite possible that an association such as the NBFWO would be required, at some point, to lobby or advocate *against* the regulatory framework that is put in place by a local Board, where under the current arrangement that Board is a member of the NBFWO.

Furthermore, associations such as the NBFWO are not governed through legislative authority and typically are self-governed with a board of directors comprised of individual members. Marketing Boards are governed through the legislative authority that they have been given under the *Natural Products Act* (New Brunswick) and, while they are also self-governed by a board of directors elected by their peers, their role is predominantly to properly govern the exercise and application of their regulatory powers. An association's role is typically more developmental, educational, or advocacy on behalf of the members. These roles are, based on the Commission's review, could potentially conflict with one another.

Finally, the Commission searched for guidelines or regulations in other jurisdictions with respect to acceptable expenditures by Boards with the hope that such guidelines and regulations may assist the Commission with respect to this issue. This search resulted in the discovery of a document prepared by the Ontario Farm Products Commission called "Guidelines for Marketing Board Expenditures and Reporting Requirements and Regulations on Investments by Marketing Boards". This document can be found at: [Guidelines for Marketing Board Expenditures and Reporting Requirements and Regulations on Investments by Marketing Boards \(gov.on.ca\)](http://www.gov.on.ca).

While this document covers more than just expenditures to associations such as the NBFWO, the Commission sees value in the other topics, as well, as they relate to issues that have happened with New Brunswick Forest Products Marketing Boards in the past.

Conclusion:

In almost all cases, membership to the woodlot owners in other Provinces were individual woodlot owner or woodlot business based with individual dues. Other organizations and associations [similar to the NBFWO] operate a membership comprised of private industry stakeholders on a voluntary basis. Membership by regulatory and statutorily-created boards is not found in other jurisdictions and industries in Canada. This framework allows an association to engage in lobbying and other activities for the benefit of private industry stakeholders in an effective manner without jeopardizing the independence of any statutorily-created regulatory bodies.

The use of Board levies to fund the current activities of the NBFWO is inconsistent with the provisions of the *Natural Products Act* and Regulations. Additionally, the Commission is significantly concerned that woodlot owners in New Brunswick do not have a choice as to whether or not they are deemed to be members of the NBFWO, especially when they do not have a choice of whether or not they are regulated by their local Board. If they are conducting activities that fall within the regulatory framework (i.e. marketing regulated product), they are legally required to comply with the regulatory framework. Therefore, their membership in the NBFWO is automatic, even if they do not consent to the same. In this regard, the freedom of all private woodlot owners to choose to contribute to an association such as the NBFWO is restricted. It is possible that many private woodlot owners in New Brunswick are not even aware of their "automatic" membership in the NBFWO, as the Commission is not apprised of any reporting letters or other documents issued by NBFWO which may advise a private woodlot ownership of their membership.

FINDINGS AND CONCLUSION

Through this investigation, the Commission finds that the majority of expenditures by the seven Forest Products Marketing Boards in their dues structure and additional expenditures towards activities conducted by the NBFWO are inappropriate and do not align with expenditures that comply with the provisions of the *Natural Products Act*. The Commission has interpreted those provisions specifically as follows:

1. Boards are permitted through the legislation to use funds generated by collection of levies for specific purposes. Those purposes under regulation *2005-104 – Forest Products Marketing Boards Levies Regulation – Natural Products Act* include (underlining added for emphasis):
 - a. the creation of reserves,
 - b. the payment of expenses and losses resulting from the sale or disposal of any such regulated product,
 - c. the equalization or adjustment among producers of any regulated product of money realized from the sale of such regulated product during such period or periods of time as the board or marketing agency may determine, and
 - d. promotion and research activities.
2. Boards are vested the powers under regulation *2014-1 – New Brunswick Forest Products Marketing Plan Regulation – Natural Products Act* to do the following:
 - a. to undertake and assist in the promotion of the consumption and use of the regulated product, the improvement of the quality and variety of the regulated product and the publication of information in relation to the regulated product;
 - b. to undertake or engage other persons to advertise and promote the regulated product;
3. It is the Commission's opinion that the majority of activities undertaken or publications by the NBFWO do not constitute promotion or advertising of the regulated product within the intent of the *Natural Products Act* (New Brunswick). Further, the majority of the NBFWO's publications appear to lobby for regulatory change, some of which could be regulatory change exercised by the Boards if they chose to do so. While lobby efforts may be an appropriate expense by an individual Board, the funding of lobbying efforts of another organization is not appropriate.
4. Certain Boards have inappropriately used funds received from Government of New Brunswick through the Provincial Private Land Silviculture Program to pay part of their NBFWO dues and/or expenses of the NBFWO. The funds in question are intended to be used for Boards' administration of the silviculture program.
5. Boards have funded legal expenses of the NBFWO, which is not contemplated at all within the legislation for the permitted uses of funds generated through levy collection by the

Boards. Legal expenses of an individual Board would be legitimate use of levy funds, however funding another organization's legal expenses are not in these circumstances.

6. Individual woodlot owners, all of whom the NBFWO purports to represent, are not given a choice as to their membership and/or support financially or otherwise to the organization. The Commission finds this highly unusual and inappropriate. In its investigation, the Commission found similar organizations in New Brunswick and other jurisdictions are based and funded on memberships and dues structures at the individual level. The Commission also recognizes that despite the fact that this current structure of the NBFWO has been in place for a long period of time, this is the first time that the Commission has been formally requested to investigate the issue in this context.
7. A clear distinction must be made between private woodlot owners in New Brunswick and the Boards that regulate them. Private woodlot owners should have the freedom to become members of the NBFWO with their own consent. There should be no automatic membership implied to individual woodlot owners through the perceived membership by their respective Boards.

RECOMMENDED ACTIONS

As a result of the findings from this investigation, it is recommended that the Commission adopt the following remedial actions:

1. Drafting an order of the Commission to provide specifically that the Boards are not permitted to use funds generated by collection of levies for the purposes of funding the New Brunswick Federation of Woodlot Owners and must cease all membership by a date to be determined following final legal review and implementation of the Order. For clarity, private woodlot owners are free to seek individual membership with the NBFWO for their own individual purposes.
2. Drafting of an order of the Commission to provide the specific guidelines to the Forest Products Marketing Boards with respect to expenditures and how they will be interpreted. The order may be called "Order Respecting Expenditures and Investments of Forest Products Marketing Boards";
3. In addition to the abovementioned Order, incorporating a new chapter in the Commission's "Guidelines for Forest Products Marketing Boards & Their Directors" publication that is dedicated to the subject matter in the Order.
4. Recirculating the new "Guidelines" publication to the Marketing Boards and making a copy of the revised publication on the Commission's website.

APPENDIX "A"

RELEVANT LEGISLATION

Natural Products Act, ch. N-1.2, 1999

Action and Investigation

Section 12 of NPA:

12(3) The Commission may take any action referred to in subsection (4) if the Commission reasonably believes that an agency, board or person carrying out functions on behalf of an agency or board is committing an act or pursuing a course of conduct that may

- (a) violate this Act or the regulations,
- (b) constitute an unsound business practice,
- (c) prejudice the interests of persons for whose benefit the agency or board has been established,
- (d) constitute a failure by the agency or board or person to file a report or document required to be filed with the Commission or to provide information required to be provided to the Commission,
- (e) lead to a defect, irregularity or inconsistency in the administration of a plan, or
- (f) fall outside the scope, purposes or powers of the agency or board.

12(4) For the purposes of subsection (3), the Commission may do any one or more of the following:

- (a) investigate the business and affairs of the agency or board, or the business and affairs of the person carrying out functions on behalf of the agency or board;
- (b) prepare a report concerning the results of an investigation and, where the Commission considers it necessary, make the report public; and
- (c) order the agency or board to take such remedial action as the Commission considers necessary.

15 The Commission has general supervision over all agencies and boards constituted under this Act and shall perform such other duties and functions and exercise such authority prescribed by regulation in order to carry out the purpose and intent of this Act.

Levies or charges for purposes of board or marketing agency

37(1) The Lieutenant-Governor in Council may, by regulation, grant to any board or marketing agency in relation to the marketing or the production and marketing of any regulated product locally within the Province, authority

(a) to fix levies or charges and to impose them on and collect them from persons engaged in the marketing or the production and marketing of the whole or any part of the regulated product;

(b) for the purposes of paragraph (a), to classify the persons referred to in that paragraph into groups and fix the levies or charges payable by the members of the different groups in different amounts; and

(c) to use the levies or charges under paragraph (a) for the purposes of such board or marketing agency, including

(i) the creation of reserves,

(ii) the payment of expenses and losses resulting from the sale or disposal of any such regulated product,

(iii) the equalization or adjustment among producers of any regulated product of money realized from the sale of such regulated product during such period or periods of time as the board or marketing agency may determine, and

(iv) promotion and research activities.

Regulation 2014-1 New Brunswick Forest Products Marketing Board Plan Regulation – Natural Products Act, (O.C. 2014-1)

3(1) The purpose of this Regulation is to establish a separate plan for each of the following forest products marketing boards:

(a) the Carleton-Victoria Forest Products Marketing Board;

(b) the Madawaska Forest Products Marketing Board;

(c) the North Shore Forest Products Marketing Board;

(d) the Northumberland County Forest Products Marketing Board;

(e) the South East New Brunswick Forest Products Marketing Board;

(f) the Southern New Brunswick Forest Products Marketing Board; and

(g) the York-Sunbury-Charlotte Forest Products Marketing Board.

Purposes for the establishment of a Board

7 The purposes for which a Board is established are:

- (a) the promotion, control and regulation within its regulated area of the marketing of the regulated product;
- (b) the promotion within its regulated area of the production of the regulated product;
- (c) the development, conservation and management of forestry resources on private woodlots in its regulated area; and
- (d) the promotion of the consumption and use of the regulated product.

Mission statement and strategic objectives of a Board

8 The mission statement and strategic objectives of a Board are:

- (a) through communications, liaison, research and education, to represent people within its regulated area who market or produce and market the regulated product to other sectors of the forest industry, consumers and the public, with respect to all matters concerning the marketing or the production and marketing of the regulated product; and
- (b) to promote the development and use of private woodlots within its regulated area as a dependable source of supply of high quality primary forest products for wood-using industries.

Powers of a Board

9 The following powers are vested in a Board:

- (a) to market the regulated product;
- (b) to prohibit the marketing or the production and marketing, in whole or in part, of the regulated product;
- (c) to regulate the time and place at which, and to designate the body by or through which, the regulated product shall be marketed or produced and marketed;
- (d) to require any and all persons before commencing or continuing in the marketing or the production and marketing of the regulated product to register with and obtain licences from the Board;
- (e) to fix and collect periodic licence fees or charges for services rendered by the Board from any and all persons marketing or producing and marketing the regulated product, and for this purpose to classify those persons into groups, and fix the licence fees and charges or either of them payable by the members of the different groups in different amounts, and to recover any licence fees and charges or either of them in any court of competent jurisdiction;

(f) to suspend or cancel a licence for violation of any provision of the Act, the Plan, the regulation or any order of the Board and to reinstate a licence that has been suspended or cancelled;

(g) to require any person who produces the regulated product to offer to sell and to sell the regulated product to or through the Board;

(h) to prohibit any person from processing, packing or packaging any of the regulated product that has not been sold to, by or through the Board;

(i) to use, in carrying out the purposes of the Plan and paying the expenses of the Board, any money received by the Board;

(j) to require any person who receives the regulated product to deduct from the money payable for the regulated product any licence fee or charge referred to in paragraph (e) that is payable to the Board by the person marketing or producing and marketing the regulated product received and to forward that licence fee or charge to the Board or its agent designated for that purpose;

(k) to implement and administer forest management programs on private woodlots;

(l) to undertake and assist in the promotion of the consumption and use of the regulated product, the improvement of the quality and variety of the regulated product and the publication of information in relation to the regulated product;

(m) to undertake or engage other persons to advertise and promote the regulated product;

(n) to cooperate with any Canadian Board or Provincial Board to regulate the marketing of the regulated product and to act conjointly with the Canadian Board or Provincial Board for those purposes;

(o) to make the orders that are considered by the Board necessary or advisable to regulate effectively the marketing or the production and marketing of the regulated product or to exercise any power vested in the Board; and

(p) the powers of a corporation under the Business Corporations Act and, subject to the Act, in the exercise of those powers the members of the Board shall be deemed to be its shareholders and directors.

Regulation 2005-104 Forest Products Marketing Boards Levies Regulation – Natural Products Act

Levies or charges in relation to marketing

3(1)A board is authorized, in relation to the marketing or the production and marketing of the regulated product locally within the Province,

(a) to fix levies or charges and to impose them on and collect them from persons engaged in the marketing or the production and marketing of the whole or any part of the regulated product;

(b) for the purposes of paragraph (a), to classify the persons referred to in that paragraph into groups and fix the levies or charges payable by the members of the different groups in different amounts; and

(c) to use the levies or charges under paragraph (a) for the purposes of such board, including

(i) the creation of reserves,

(ii) the payment of expenses and losses resulting from the sale or disposal of the regulated product,

(iii) the equalization or adjustment among persons engaged in the marketing or the production and marketing of the regulated product of money realized from the sale of the regulated product during such period or periods of time as the board may determine, and

(iv) promotion and research activities.