

# Forest Renewal Act

## Contents

(Consolidated to December 18, 1999.)

1. Definition
2. Purpose
3. Forest Renewal BC continued
4. Mandate
5. Committees
6. Committees' functions
7. Resolutions
8. Board remuneration
9. Officers and employees
10. Financial administration
11. Forest Renewal BC revenue
12. Investment

### 1. Definition

1. In this Act "*board*" means the board of directors of Forest Renewal BC.

### 2. Purpose

2. The purpose of this Act is to renew the forest economy of British Columbia, enhance the productive capacity and environmental value of forest lands, create jobs, provide training for forest workers and strengthen communities.

### 3. Forest Renewal BC continued

3. (1) A corporation, to be known as Forest Renewal BC, is continued, consisting of a board of directors made up of not more than 3 members of the Legislative Assembly and not more than 15 other directors, all to be appointed by the Lieutenant Governor in Council.

(2) The Lieutenant Governor in Council must appoint one of the directors as chair of the board.

(3) Forest Renewal BC is an agent of the government.

1996-13-2

### 4. Mandate

4. (1) Forest Renewal BC must

(a) plan and implement a regionally equitable program of expenditures in order to carry out the purpose of this Act, and

(b) do other things, consistent with this Act, that the Lieutenant Governor in Council may authorize.

(2) Without limiting subsection (1), Forest Renewal BC may do the following:

(a) enter into contracts with individuals, first nations, businesses, institutions, local governments, groups and other organizations for the delivery of programs within the purpose of this Act;

(b) subject to the approval of the Lieutenant Governor in Council, provide financial assistance by a grant, loan or guarantee;

(c) subject to the approval of the Lieutenant Governor in Council, enter into agreements with the government of Canada, the government of a province, first nations or a local government, or with an official or agency of any of them.

(3) Forest Renewal BC must comply with any general or special direction, with respect to the exercise of its powers and functions, that is made by order of the Lieutenant Governor in Council.

## **5. Committees**

**5.** (1) The board may establish committees.

(2) Without limiting subsection (1), the board must establish 5 committees and assign to each of them the separate responsibility for making recommendations to Forest Renewal BC as to the carrying out of its mandate in relation to one of the following objectives:

(a) increasing investment in the forest resources and in the forest land base;

(b) promoting activities that assist

(i) forest industry diversification,

(ii) the further processing of wood supply, and

(iii) increased manufacturing of wood products;

(c) investing in the environmental values of the forest;

(d) fostering forest employment opportunities and job training and other related initiatives to assist forest workers and to expand the forest work force;

(e) supporting community development and adjustment.

(3) In carrying out its duties, each committee must take into account the need for increased participation of first nations and aboriginal persons in the forest economy.

(4) Subject to the prior approval of the Minister of Forests, the board must appoint to each committee established under subsection (2) individuals the board considers to be qualified to advise on the subject matter assigned to that committee.

(5) At least one of the individuals appointed to each committee established under subsection (2) must be a director of the board.

## **6. Committees' functions**

6. Within a committee's area of responsibility, the committee must do the following:

- (a) make recommendations to Forest Renewal BC as to expenditures to be made;
- (b) provide advice to Forest Renewal BC as to appropriate regional goals for expenditures;
- (c) develop and recommend criteria for making, reviewing, monitoring and evaluating expenditures;
- (d) develop and recommend initiatives that fulfill the purpose of this Act;
- (e) carry out other functions assigned by the board.

## **7. Resolutions**

7. (1) The board must manage or supervise the management of the affairs of Forest Renewal BC, and may do the following:

- (a) exercise the powers conferred on the board under this Act;
- (b) exercise the powers of Forest Renewal BC;
- (c) delegate the exercise or performance of any power or duty conferred or imposed on the board to the chief executive officer of Forest Renewal BC or to any of its employees.

(2) The board may pass the resolutions it considers necessary or advisable for managing and conducting the affairs of Forest Renewal BC and exercising the board's powers or performing its duties.

- (3) A resolution of the board by telex, telegraph, facsimile transmission, telephone or any other similar means of communication, confirmed in writing or other graphic communication, is as valid as if it had been passed at a meeting of the directors properly called and constituted.

## **8. Board remuneration**

8. Forest Renewal BC may pay to a director or committee member

- (a) an allowance for reasonable travelling and incidental expenses necessarily incurred in carrying out the business of Forest Renewal BC, and
- (b) if the director or committee member is not a member of the Legislative Assembly or a public servant, remuneration at rates set by the Lieutenant Governor in Council.

## **9. Officers and employees**

9. (1) On the recommendation of the board, the Lieutenant Governor in Council may appoint a person as the chief executive officer of Forest Renewal BC.

(2) The chief executive officer must carry out the functions and duties that the board specifies.

(3) The board may appoint officers and employees of Forest Renewal BC necessary to carry on the business and operations of Forest Renewal BC and may define their duties and determine their remuneration

(4) The *Public Service Act* and the *Public Service Labour Relations Act* apply to Forest Renewal BC and to its officers and employees, except that the references to the commissioner and a deputy minister in section 22 of the *Public Service Act* must be read as references to the chief executive officer of Forest Renewal BC.

## 10. Financial administration

10. (1) The board must

(a) establish and maintain an accounting system satisfactory to the Minister of Finance and Corporate Relations, and

(b) whenever required by the Minister of Forests, render detailed accounts of its revenues and expenditures for the period or to the day the Minister of Forests designates.

(2) All books or records of account, documents and other financial records must at all times be open for inspection by the Minister of Forests or a person designated by the Minister of Forests.

(3) The Minister of Finance and Corporate Relations may direct the Comptroller General to examine and report to Treasury Board on any or all of the financial and accounting operations of Forest Renewal BC.

(4) At least once in every fiscal year, the accounts of Forest Renewal BC must be audited and reported on by an auditor appointed by the Lieutenant Governor in Council.

(5) The costs of an audit under subsection (4) must be paid by Forest Renewal BC.

(6) At least once in every fiscal year and as directed by the Minister of Forests, the board must submit to the Minister of Forests, for review and approval, a business plan with respect to the expenditures to be undertaken by or on behalf of Forest Renewal BC that includes the following:

(a) revenue, expenditure and lending proposals;

(b) a statement of assets and liabilities;

(c) other information that the Lieutenant Governor in Council may specify.

(7) The business plan submitted under subsection (6) must be laid before the Legislative Assembly by the Minister of Forests, as soon as practicable, and then stands referred to a Select Standing Committee with responsibility for forests.

(8) The board must prepare and deliver to the Minister of Forests, as soon as practicable after the end of the fiscal year of Forest Renewal BC,

(a) a report of Forest Renewal BC on its operations for the preceding fiscal year, and

(b) a financial statement in the form required by the Minister of Finance and

Corporate Relations showing the revenues, expenditures, assets and liabilities of Forest Renewal BC at the end of the preceding fiscal year.

(9) The financial statement delivered under subsection (8) (b) must be prepared in accordance with generally accepted accounting principles.

(10) The fiscal year of Forest Renewal BC is a period of 12 months beginning on April 1 in each year and ending on March 31 in the next year.

(11) The report and financial statement referred to in subsection (8) must be laid before the Legislative Assembly by the Minister of Forests as soon as practicable.

(12) The Minister of Finance and Corporate Relations is the fiscal agent of Forest Renewal BC.

## **11. Forest Renewal BC revenue**

**11.** (1) The Minister of Finance and Corporate Relations must advance \$75 million to Forest Renewal BC out of the consolidated revenue fund within 30 days after June 2, 1994.

(2) Money advanced to Forest Renewal BC under subsection (1) must be offset, in accordance with a schedule to be determined by the Minister of Finance and Corporate Relations, against money payable to Forest Renewal BC under subsection (4).

(3) As soon as practicable after each quarter of the fiscal year of the government, the Minister of Finance and Corporate Relations must issue a written estimate of

(a) the amount of the portion of the government's royalty and stumpage revenue under the *Forest Act* for that quarter that is attributable to any changes made to the rates of royalty or stumpage under the *Forest Act* that take effect after April 30, 1994, and

(b) any reduction in the amount of the government's royalty and stumpage revenue under the *Forest Act* for that quarter that is attributable to a policy or procedure approved by the minister under section 105 (1) of the *Forest Act*, that is expressed to be for the purposes of this paragraph.

(4) Subject to subsections (2) and (6), as soon as practicable after each quarter of the fiscal year of the government, the Minister of Finance and Corporate Relations must pay to Forest Renewal BC out of the consolidated revenue fund an amount calculated for that quarter by deducting, from the amount estimated under subsection (3) (a), 20% of the amounts estimated under subsection (3).

(5) [Repealed]

(6) For the purpose of subsection (4), the amount to be paid out of the consolidated revenue fund for each fiscal year of the government is to be

(a) reduced by \$50 million, if the sum of the quarterly amounts calculated under subsection (4) for that fiscal year is \$50 million or more, or

(b) reduced to zero if the sum of those amounts is less than \$50 million.

## **12. Investment**

**12.** (1) Forest Renewal BC must place with the Minister of Finance and Corporate

Relations for investment money it receives, but does not immediately require for carrying out the purpose of this Act.

(2) Money placed with the Minister of Finance and Corporate Relations under this section is to be treated for all purposes as money placed with that minister pursuant to section 40 (5) of the *Financial Administration Act*.