

**INTERJURISDICTIONAL COMPARITIVE VALUES BASED ON 1999**

	<b>NS NS Crown Long Term Agreements</b>	<b>10 Year Volume Based Agreement</b>	<b>NB Crown Licensee</b>	<b>NB Crown Sub-Licensee</b>	<b>PEI</b>	<b>NFLD Crown Industrial Private Land</b>	<b>NFLD Crown Permittee</b>
<b>Number of Beneficiaries</b>	2	22	10	65	4	3	30,000+
<b>Form</b>	Long-term land based	10 year volume based	25 year volume based	5 year volume based	Tender sale	99 year area lease	1 year volume based
<b>Volume Allocated m<sup>3</sup> solid (estimated)</b>	837,053	354,534	2,142,810	3,076,645	Varies	1,500,000	1, 050,000
<b>Importance of Public Wood</b>	Wood is delivered in chips from wood exchanges with sawmills (10%) + round wood (20%)	Wood exchanges with Long-term agreement holders is an important supply of wood	Wood exchanges with Licencees/ pulp mills is an important supply of wood	Wood exchanges with Licencees/ pulp mills is an important supply of wood	Not Significant	High	High
<b>Importance Allocation (%)</b>	21%	3% to 10%	25%	25%	Na	59%	39%
<b>Renewal of Allocation (years)</b>	50 years	10 years	<ul style="list-style-type: none"> <li>•25 year maximum</li> <li>•A performance evaluation is conducted every five years</li> <li>•An additional five years is added if accepted</li> </ul>	5 years	Na	Up to ninety-nine years, under review	1 year
<b>Basis of Review</b>	Compliance with agreement		<ul style="list-style-type: none"> <li>•Performance review with pre-established criteria</li> <li>• Value added initiatives</li> <li>• Harvest of allocation</li> <li>•General compliance with industrial plan</li> </ul>	Value added initiatives; Harvest of allocation and general compliance with industrial plan	Na	Unknown at this time	Comply with terms and conditions of permit



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<b>Conditions/Costs</b>	Forest Mgmt Plan 45years, Management Cutting Plan(1year), Road Building/ maintenance, Scaling and Admin, NOTE: Budworm Salvage has reduced the harvest and delayed the planning process which is under development.	Operations Planning (5year), Operations Planning (1year), Road Building/ maintenance, Scaling and Admin, NOTE: Most beneficiaries rely on DNR for the planning components.	Forest Mgmt. Planning every 5years, Operations Planning (1year), Road Building/ maintenance, Scaling and Administration, Forest Inventory Information, Restocking Silviculture, Basic Silviculture, Enhanced Silviculture, Forest Protection	Forest Mgmt. Planning, Operations Planning (5year), Operations Planning (1year), Road Building/ maintenance, Scaling Enhanced Silviculture, Forest Protection	Nil	Shared Forest Mgmt. Planning and Silviculture shared with the Province, Scaling & Admin, Forest Protection, Roads	Permit Fee
<b>Stumpage/Royalties</b>							
Principal	Long-term agreement	Parity with private land wood	Parity with private land wood	Parity with private land wood	Parity with private land wood	Area rates	
Basis of Valuing / Review	Evolution of agreement and indices	Fair Market Value Private Lands and Indexing	Fair Market Value Private Lands: reviewed every 5years and discounted by Overhead Costs	Fair Market Value Private Lands: reviewed every 5years and discounted by Overhead Costs	Upset price per unit area tendered based on local knowledge of Fair Market Value	Taxes	Annual indexing
Frequency of Adjustments	10 year adjustments as per Agreement and annual indexing	Annual adjustment by indices	<ul style="list-style-type: none"> <li>Reviewed every 5 years</li> <li>Annual review of indices</li> <li>Adjustment if indices surpass historical highpoint</li> </ul>	<ul style="list-style-type: none"> <li>Reviewed every 5 years</li> <li>Annual review of indices</li> <li>Adjustment if indices surpass historical highpoint</li> </ul>		Tax set annually	Annual indexing



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Indices and Price Indicators Utilized	For pulpwood only: Statistics Canada: Bleached Woodpulp, Sulphate Softwood (P2538); Statistics Canada: Newsprint Paper Export (P2552); Woodpulp, Sulphite Bleached (P2542); Pulp and Paper Weekly: Supercalendered A (SC-A)	Indexed to the Atlantic Canada Lumber Index: For Softwood Sawlogs Statistics Canada: Softwood Lumber Atlantic (Canada) (P2443); For Hardwood Sawlogs: Hardwood Lumber and Ties (P2439); For Pulpwood: NS Pulp & Paper Index: weighted Bleached Woodpulp, Sulphate Softwood (P2538); Newsprint Paper Export (P2552); Woodpulp, Sulphite Bleached (P2542); Pulp and Paper Weekly: Supercalendered A (SC-A)	SWD Madison's Canadian Lumber; HWD Hardwood Lumber Report; Pulp & Paper Weekly	SWD Madison's Canadian Lumber; HWD Hardwood Lumber Report; Pulp & Paper Weekly	Local Market Driven	NFLD Forest Service calculates using the costs of forest protection (including administration)	Statistics Canada: Newsprint Paper Export (P2554), Lumber Softwood East of the Rockies (P2464), an implicit price index of government goods and services.
<b>1999/2000 Crown Stumpage Rates: \$/m<sup>3</sup> Solid</b>							
Softwood Pulp	\$5.37	\$4.93	\$8.46	\$8.46	Tender on a per hectare basis	Nil	\$3.52
Softwood Studwood	\$10.32	\$10.32	\$13.51	\$13.51	Tender on a per hectare basis	Nil	\$4.56
Softwood Sawlogs	\$13.50	\$13.50	\$13.51	\$13.51	Tender on a per hectare basis	Nil	\$4.56
Hardwood Pulp	\$3.82	\$4.62	\$5.86	\$5.86	Tender on a per hectare basis	Nil	na
Hardwood Sawlogs	\$17.38	\$17.38	\$13.57	\$13.57	Tender on a per hectare basis	Nil	\$4.56



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<b>Costs</b>							
Forest Management/ Overhead <sup>1</sup>	\$4.67	\$2.13	\$4.67	\$4.67	\$0.00	\$11.04	
Other Costs <sup>2</sup>	\$0.00	\$0.00	\$1.59	\$1.59	\$0.95	\$1.90	\$7.85
<b>Effective Stumpage Rate<sup>3</sup>:</b>							
Softwood Pulp	\$10.04	\$7.06	\$14.72	\$14.72	Tender on a per hectare basis	\$12.94	\$11.37
Softwood Studwood	\$14.99	\$12.45	\$19.77	\$19.77	Tender on a per hectare basis	\$12.94	na
Softwood Sawlogs	\$18.17	\$15.63	\$19.77	\$19.77	Tender on a per hectare basis	\$12.94	\$12.41
Hardwood Pulp	\$8.49	\$6.75	\$12.12	\$12.12	Tender on a per hectare basis	na	na
Hardwood Sawlogs	\$22.05	\$19.51	\$19.83	\$19.83	Tender on a per hectare basis	\$12.94	\$12.41

1. Forest Management/ Overhead Costs include: road planning, construction and maintenance; forest management and operations planning; wood supply accounting and scaling and administration.
2. Varies by Province and tenure.
3. Includes the Forest Management and Overhead costs.

