

2. On application of the owner any combination of such lands, together with bare land which he intends to reforest or hold for purposes integral with the tree-farming enterprise, and mature stands, shall be entered on the Register as Registered and Dedicated Woodlands if he has registered against the title thereof a Deed of Covenant in terms set by agreement between the Federal and Provincial governments, constituting an engagement that the lands will be managed in accordance with approved silvicultural purposes.

3. The Director of Woodlands Register shall classify all lands registered into not more than five categories, according to the roughly estimated natural productivity of the land under the minimum management. He shall compute the Woodlands Tax applicable in each category at no more than will absorb 50% of the estimated yield—we just took 50% as the maximum figure; maybe it is not exact—when computed at 8% compound interest over the estimated rotation period appropriate to the site. The Tax on Registered Woodlands shall be adjusted from time to time in proportion with the changes in an index of stumpage prices.

4. The Woodlands Tax on Registered and Dedicated Woodlands shall be not more than one-half the tax on Registered Woodlands of the same category—that is, not over 25% of the yield—shall not be subject to variation with stumpage prices and shall not be subject to change for an initial period of 50 years from the date of dedication. (It is assumed that the Dominion Private Forestry Board will accumulate information on which to base any revision of this initial tax base that experience may show to be desirable.)

5. Provided, however, that buildings on Registered and on Registered and Dedicated Woodlands, to the extent that they are deemed by the Director to fulfil no purposes essential to the management of the lands as woodlands or to the operation of the tree farming enterprise, shall be assessed by him to tax in the same amount as they would be if they stood on unregistered land.

6. The Woodlands Tax as assessed and billed by the Director annually shall be paid by the owner to the municipality.

7. The owners of Registered and Dedicated Woodlands may obtain their release from dedication, and the annulment of the Deed of Covenant, by paying to the Director the difference, cumulated at 6% compound interest, between the tax on Registered Woodlands and the tax actually paid from the date of dedication.

If the lands are sold to a purchaser who does not register against the title his assumption of the Deed of Covenant, he shall pay to the Director a sum similarly calculated and if he fails to do so the lands shall be subject to expropriation if the Director and/or the provincial Private Forestry Board so decides, and, if not shall be discharged from the Register and returned to municipal assessment.

8. The Director may order an inspection, by a qualified forester, of Registered and Dedicated Woodlands and if it is found that there has not been adequate observance of the terms of the Deed of Covenant, may discharge the dedication and transfer the lands to Registered Woodlands, upon payment by the owner of the penalty suggested in (7) above, and proceed similarly on default of payment.

If the owner disputes the report of the forester and the decision of the Director, the matter shall be submitted to arbitration by three qualified foresters, one selected by the owner, one by the Director and the third by the Department of Forestry, Ottawa (later, by the Dominion Private