

## Extraction of aggregates on Crown lands in 2010

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### Introduction

The Minerals and Petroleum Development Branch of the Department of Natural Resources is responsible for allocating sand, gravel and crushed stone resources located on provincial Crown lands. The extraction of this resource is administered under the [Quarriable Substances Act](#).

Approximately 400 applications are received each year to extract aggregate resources from Crown land. Applications are received from commercial

enterprises, individual citizens, Crown timber license holders and various Government Departments, namely the Department of Transportation.

Aggregates are used in a wide range of applications such as public and forest road construction and maintenance, general construction applications, winter traction sand, asphalt and concrete production, breakwater and erosion control, and landscaping or decorative stone.

### Allocation of the Crown Resource

In 2010, 4 100 000 tons of aggregate were produced from Crown land under three types of agreements:

**Written authorizations:** this type of agreement is issued at local DNR offices, only for small quantities of material and is valid for 30 days. In 2010, 160 written authorizations were issued for a total of 45,745 t (1 %).

**Quarry permits:** this is the standard agreement. It is valid from the date of issuance to the end of the

calendar year. In 2010, 227 quarry permits were issued for a total of 1,037,695 t (25 %).

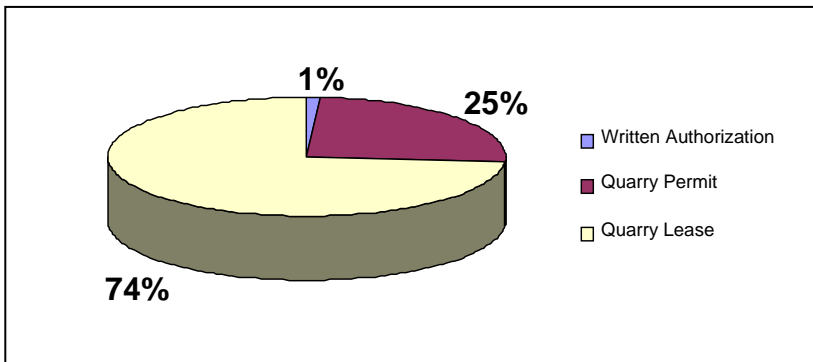
**Quarry leases:** leases are a more formal arrangement that provides sole access to a source of aggregate. Quarry leases are issued for terms up to 10 years. Currently, there are 17 quarry leases that produced 3,041,107 t (74 %) in 2010.

The royalty rate for Crown aggregate is currently \$0.25 per tonne. Total royalty collected from aggregate resources in 2010 was \$ 1,031,137.

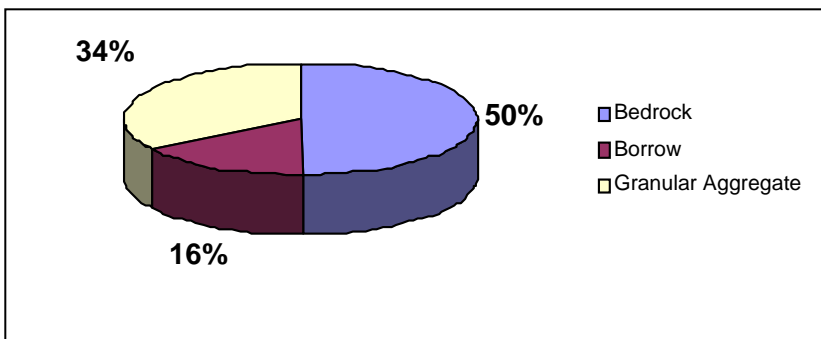
### Activity in 2010

- Two major highway projects were under construction in the southern part of the province: the Welsford bypass and Route 1 Gateway between Saint John and the USA border.
- The Port of Belledune made extensive use of crushed aggregate as it continued a major infrastructure expansion program designed to increase handling capabilities (see [www.portofbelledune.ca](http://www.portofbelledune.ca)).
- Early in the year, *Atcon Construction Ltd.* declared bankruptcy. *Ernst & Young*, the court appointed receiver, administered the sale of *Atcon's* assets including two quarry leases.

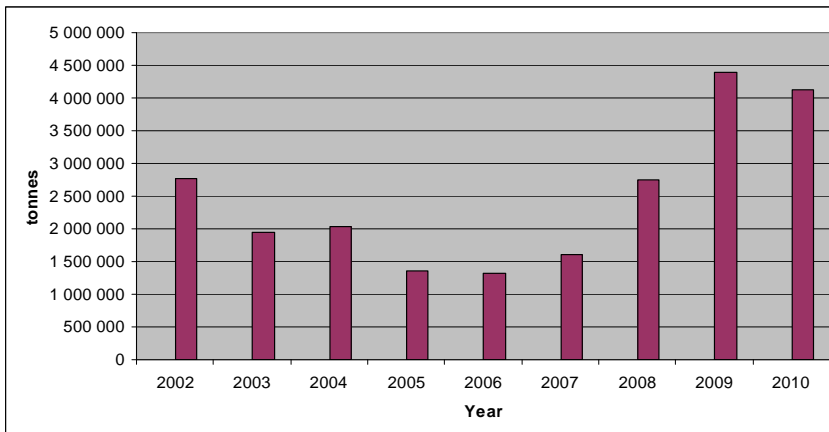
- Quarry Lease 30 (Wayerton) was awarded to *HBH Paving Ltd.*; Quarry Lease 33 (Belledune) was acquired by *Falls Construction Ltd.*
- A new quarry lease was issued in the Lake George area near Fredericton to *Northside Ventures Ltd.*
- Two major wind farm projects used aggregate to construct concrete footings and access roads: *Trans Alta's* Kent Hills project south of Moncton; and *Suez Energy's* Caribou project west of Bathurst.



**Figure 1. Allocation by agreement type**  
74% of Crown aggregate removed in 2010 was done under quarry leases despite leases accounting for only 4 % of the agreements (17 of 404).



**Figure 2. Type of material used**  
Bedrock accounted for 50% of the aggregates used in 2010 yet agreements for bedrock sites only accounted for 8 % of issuance numbers (34 of 404). This is an indicator of the generally greater production levels in bedrock quarries compared to sand and gravel pits.



**Figure 3. Annual usage of Crown aggregate – 2002 to 2010**

### Questions?

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