

## Crown Aggregate Resources Review 2012

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### Introduction

The Resource, Exploration and Development Branch of the Department of Energy and Mines 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 originate from commercial enterprises,

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

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 products, wind farm infrastructure, breakwater and erosion control, and landscaping or decorative stone.

### Allocation of the Crown Resource

In 2012, 1,900,000 tonnes of aggregate were produced from Crown land. That amount represents 19% of all aggregate produced in the Province. The royalty rate for Crown aggregate is currently \$0.25 per tonne. Total royalty collected from aggregate resources in 2012 decreased by 48% from the previous year to \$ 469,685.

The extraction of aggregates on Crown lands is managed under three types of agreements:

**Written authorization:** This type of agreement is issued at local DNR offices, only for small quantities of material and is valid for 30 days. In 2012, 112 written

authorizations were issued for a total of 25,829 t (1.4 %).

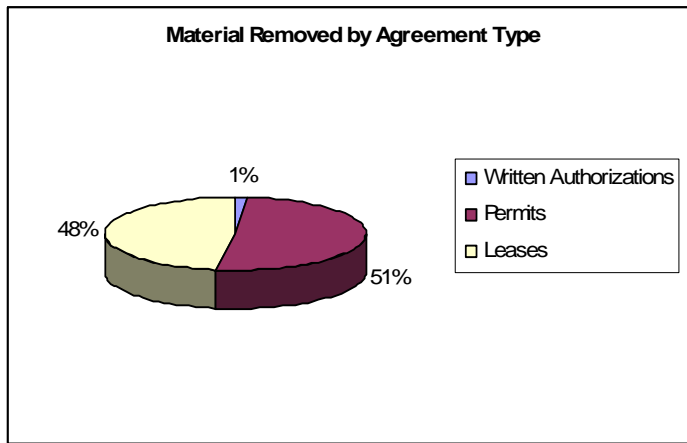
**Quarry permit:** This is the standard agreement. It is valid from the date of issuance until the end of the calendar year. In 2012, 255 quarry permits were issued for a total of 959,778 t (51 %).

**Quarry lease:** A lease is a more formal arrangement that provides exclusive access to a source of aggregate. Quarry leases are issued for terms up to 10 years. Currently, there are 17 quarry leases that produced 893,135 t (48 %) in 2012.

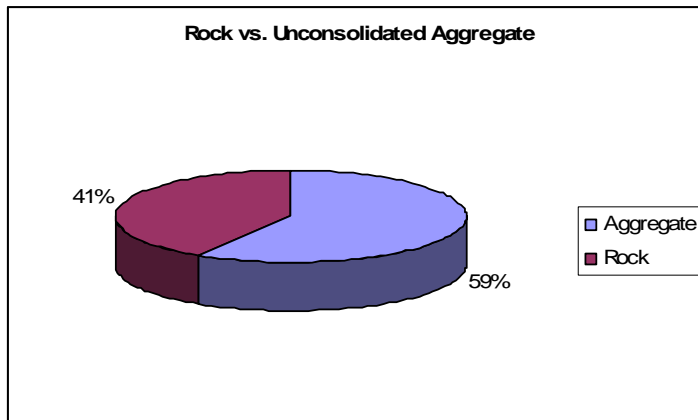
### Activity in 2012

The end of the infrastructure improvement project at the Port of Belledune and a significant cutback in provincial

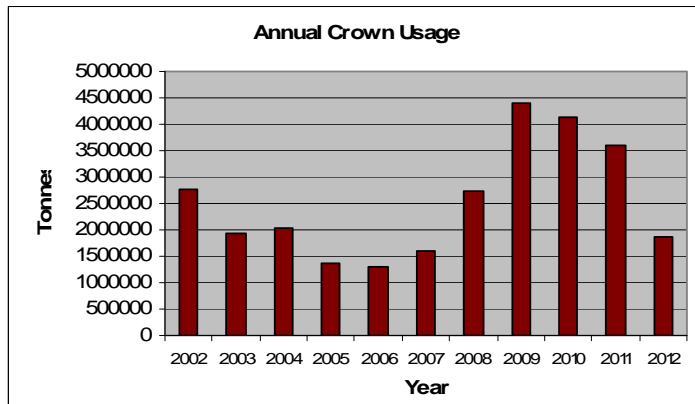
road construction expenditures in 2012 resulted in a lower demand for aggregate.



**Figure 1. Allocation by agreement type**  
 48% of Crown aggregate removed in 2012 was done under quarry leases despite leases accounting for only 4 % of the agreements (17 of 384).



**Figure 2. Type of material used**  
 Bedrock sources of aggregate declined from 60% in 2011 to 41% of the total Crown material removed in 2012.



**Figure 3. Annual usage of Crown aggregate – 2002 to 2012**

## Questions?

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