No. 95

3rd Session, 13th Legislature, Alberta 5 Elizabeth II, 1957

# BILL 95

A Bill to Enable Citizens of Alberta to Participate Directly in the Benefits Accruing from the Development of the Oil and Gas Resources of the Province

HON. MR. HINMAN

EDMONTON, ALBERTA Printed by A. SHNITKA, Printer to the Queen's Most Excellent Majesty, 1957

# **Explanatory** Note

This Bill enacts a new Act which will empower and require the payment to the Alberta citizen, as defined in the Act, of a dividend from one-third of the royalties received by the Province from oil and gas in each year.

2. Defines some of the terms used.

3. Creates the Citizens Dividend Fund from the proceeds of 1/3 of oil and gas royalties of current fiscal year.

4. Dividend receivable during calendar year in which it is declared.

5. Dividend to be declared before September 1st in each year and paid as determined by Lieutenant Governor in Council, but aggregate dividend shall not exceed amount which would have been credited to the fund in the previous fiscal year. Payment of dividend may be carried out by recourse to general revenue, which shall be repaid.

## BILL

## No. 95 of 1957

## An Act to Enable Citizens of Alberta to Participate Directly in the Benefits Accruing from the Development of the Oil and Gas Resources of the Province

## (Assented to , 1957)

**H**<sup>ER</sup> MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Alberta, enacts as follows:

1. This Act may be cited as "The Oil and Gas Royalties Dividend Act".

- 2. In this Act,
- (a) "eligible citizen" means a person qualified under section 7 to receive a dividend under this Act;
- (b) "fund" means the Citizens Dividend Fund established under this Act;
- (c) "paying agency" means a paying agency appointed pursuant to section 6;
- (d) "regulations" means regulations made by the Lieutenant Governor in Council under the authority of this Act.

**3.** (1) In each fiscal year, commencing with the fiscal year 1957-58, the Provincial Treasurer shall set aside for the purposes of this Act and in a fund to be known as the Citizens Dividend Fund one third of all the revenue obtained by the Province from provincial lands as royalties on oil and gas in that fiscal year.

(2) The Provincial Treasurer may from time to time invest any portion of the fund not immediately required for the purposes of this Act.

**4.** A citizens dividend is payable only during the calendar year for which it is declared to each eligible citizen upon application therefor at any paying agency.

5. (1) Before the first day of September in each calendar year, the Provincial Treasurer shall declare a citizens dividend for that calendar year which shall not exceed in the aggregate one-third of the oil and gas royalties from provincial lands received in the previous fiscal year. **6.** Permits the appointment of paying agencies for the purposes of this Act.

7. Dividend certificates to be delivered to paying agencies.

8. This clause defines an "eligible citizen" for the purposes of this Act.

**9.** Dividend to be paid by paying agency upon presentation of dividend certificate and statutory declaration properly completed, together with such proof of identity as the regulations may require.

(2) The amount of the citizens dividend shall be determined by the Lieutenant Governor in Council, who may take into consideration the amounts received by the Province from oil and gas royalties in the previous fiscal year, the estimated number of eligible citizens, the cost of administering this Act, and such other factors as the Lieutenant Governor in Council deems relevant.

(3) The amounts required for the citizens dividend, as determined under this section in any year when the fund is insufficient therefor may be paid out of the General Revenue Fund upon special warrant, and shall be repaid to the General Revenue Fund as the revenue authorized by this Act to be set aside is received for the fund.

#### Paying Agency Provisions

**6.** (1) The Minister may by order appoint any branch or employee of the Public Service as a paying agency under and for the purposes of this Act.

(2) The Minister may also enter into agreements with any responsible corporations for the purpose of having the corporation appointed as a paying agency under this Act upon such terms and conditions as may be agreed upon.

(3) Where a corporation enters into an agreement under subsection (2), the Minister may appoint the corporation a paying agency under this Act, but any such appointment may be revoked at any time in the Minister's discretion.

7. The Provincial Treasurer shall deliver to each paying agency citizens dividend certificates, which may be in such form as may be prescribed by regulations, and such other forms as may be required by this Act and the regulations made hereunder.

**8.** A person is eligible to receive a citizens dividend who

- (a) is a Canadian citizen of the full age of twenty-one years,
- (b) is residing in Alberta,
- (c) has resided in Alberta for not less than five consecutive years immediately prior to application, and
- (d) has not been disqualified under the provisions of section 12.

9. (1) Upon a person presenting to a paying agency

- (a) a citizens dividend certificate as prescribed by the regulations,
- (b) a statutory declaration that he is eligible to receive a citizens dividend, and
- (c) such identification or proof of identity and status as may be required by the regulations,

10. Makes provision for the eligible citizen who is unable to go to a paying agency himself because of illness or other reason.

11. Officials may be empowered by regulations to administer oaths for the purposes of this Act.

**12.** Offences under this Act set out and penalties prescribed including disqualification from receiving further dividends.

the paying agency shall pay the claimant the amount of the citizens dividend shown on the face of the certificate.

(2) The statutory declaration required under subsection (1) may be in Form A in the Schedule and may be printed on the reverse side of the citizens dividend certificate.

10. (1) Where, because of illness, physical incapacity or such other reasons as may be allowed by the regulations, an eligible citizen is unable personally to claim his citizens dividend he may complete a declaration, which may be in Form B in the Schedule,

- (a) stating the reason he is personally unable to claim his citizens dividend,
- (b) stating he is eligible to receive a citizens dividend, and
- (c) nominating an agent to receive the citizens dividend on his behalf.

(2) The agent so nominated shall make a statutory declaration, which may be in Form C in the Schedule, stating

- (a) that he is the agent nominated, and
- (b) that to the best of his knowledge and belief the claimant is entitled to receive the citizens dividend and is unable to appear in person because of the reasons given.
- (3) Upon an agent presenting to a paying agency
- (a) a citizens dividend certificate as prescribed by regulations,
- (b) the declaration required by subsection (1),
- (c) the statutory declaration required by subsection (2), and
- (d) such further proof as may be required by the regulations,

the paying agency shall pay the agent the amount of the citizens dividend shown on the face of the certificate.

**11.** The Lieutenant Governor in Council may by order empower any class or classes of officials and employees of a paying agency to administer any oath or take any statutory declaration required to be administered to or taken by any person for the purposes of this Act and the regulations, and any persons or class of persons so empowered are *ex officio* commissioners for taking affidavits or statutory declarations under this Act or the regulations.

12. (1) No person knowingly shall receive a citizens dividend that he is not entitled to receive under this Act.

(2) No person knowingly shall aid or abet another person to claim or receive a citizens dividend that such person is not entitled to receive under this Act. 13. Makes provision for repayment to paying agencies and authorizes a service fee to be paid from fund.

14. Makes provision for any deficits occurring in any year, which shall be a first claim on fund of following year.

**15.** Empowers the making of forms, defining of "residence", and making of regulations.

16. Authorizes the employment of personnel.

17. Administration to be charged to fund.

(3) A person who contravenes subsection (1) or (2) is guilty of an offence and liable on summary conviction to a fine not exceeding one hundred dollars.

(4) A prosecution under subsection (3) may be commenced within three years of the commission of the alleged offence.

(5) Where a person has received a citizens dividend that he is not entitled to receive the amount of the citizens dividend shall be deemed a debt due to the Crown and is recoverable from the person or his estate.

(6) A person who is convicted of an offence under this section is disqualified from receiving any further dividends that may be declared under this Act.

13. (1) Upon receipt of a statement of the amount paid out by a paying agency as citizens dividends together with all certificates and forms received by it in connection therewith, the Provincial Treasurer shall pay out of the Citizens Dividend Fund to the paying agency the amount paid out by it as citizens dividends and the amount of service fees that it is entitled to.

(2) Each paying agency is entitled to receive for each dividend paid by it a service fee in such amount as may be fixed from time to time by the regulations.

14. (1) Where after the payment of all claims and expenses the Citizens Dividend Fund shows a deficit for any year, the deficit shall be a first charge on any moneys placed in the fund in the following fiscal year.

(2) Where any moneys remain in the fund after payment of all claims and expenses for the year, the surplus moneys may be applied on the payment of a dividend in any subsequent year.

**15.** The Lieutenant Governor in Council may

- (a) from time to time prescribe forms for use under this Act and add to or otherwise vary any of the forms in the Schedule as may be advisable,
- (b) from time to time fix fees for services required to be rendered under this Act,
- (c) by order define "residence" for the purpose of establishing whether a person is an eligible citizen under this Act, and
- (d) make regulations governing, regulating and controlling such other matters or things as may be necessary to carry out the intent and purposes of this Act.

16. Subject to *The Public Service Act*, the Lieutenant Governor in Council may employ such officers and clerks as may be necessary to administer this Act.

**17.** The expenses of administering this Act shall be paid out of the fund.

**19.** This section will permit members to receive dividends without endangering status as a member.

20. Coming into force provision.

18. Where there is any conflict between the provisions of this Act and any other Act of the Province, the provisions of this Act prevail.

19. Notwithstanding anything in *The Legislative Assembly Act, 1955,* a member of the Legislative Assembly is not disqualified to hold a seat or vote in the Legislative Assembly by reason of applying for and receiving a citizens dividend under this Act.

**20.** This Act comes into force on the day upon which it is assented to.

## SCHEDULE

### FORM A

### (Section 9)

## THE OIL AND GAS ROYALTIES DIVIDEND ACT

#### Statutory Declaration

in the Province of Alberta, do solemnly declare that:

1. I am of the full age of twenty-one years.

- 2. I am a Canadian citizen resident in the Province of Alberta.
- 3. I have continuously resided in the Province for the last five years.

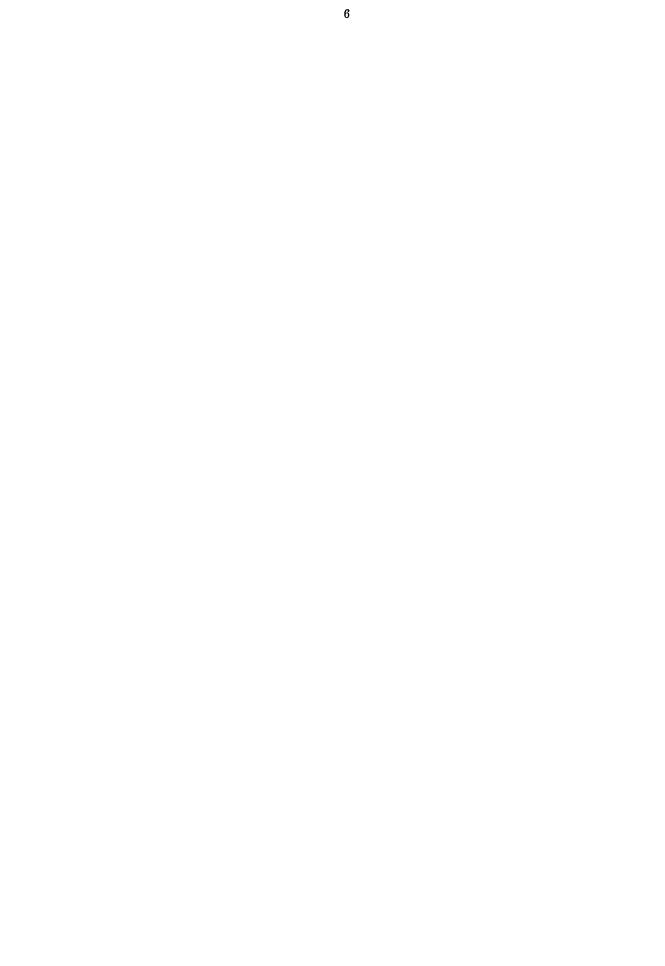
4. I have not received a citizens dividend for this year.

5. I am not disqualified from receiving a citizens dividend.

And I make this solemn declaration conscientiously believing it to be true and knowing it is of the same force and effect as if made under oath and by virtue of the *Canada Evidence Act*.

A Commissioner for Oaths

(It is a criminal offence to make a false declaration.)



## FORM B

## (Section 10)

## THE OIL AND GAS ROYALTIES DIVIDEND ACT

- A. that I am unable personally to claim my citizens dividend because (state reason)
- B. that:
  - 1. I am of the full age of twenty-one years.
  - 2. I am a Canadian citizen resident in the Province of Alberta.
  - 3. I have continuously resided in the Province for the last five years.
  - 4. I have not received a citizens dividend for this year.
  - 5. I am not disqualified from receiving a citizens dividend.

And I nominate as my agent to receive my citizens dividend on my behalf.

I am aware that if I obtain a citizens dividend that I am not entitled to I am liable to pay a fine and may be disqualified from receiving any future citizens dividend that I might be entitled to.

(Witness) (Signature)

### FORM C

## (Section 10)

THE OIL AND GAS ROYALTIES DIVIDEND ACT

Statutory Declaration of Agent

in the Province of Alberta, do solemnly declare that

1. I am the agent nominated by (name of claimant)

to receive a citizens dividend on his behalf.

- 2. To the best of my knowledge and belief the claimant is unable to claim the citizens dividend for the reasons given by him.
- 3. To the best of my knowledge and belief the claimant is entitled to receive a citizens dividend.



And I make this solemn declaration conscientiously believing it to be true and knowing it is of the same force and effect as if made under oath and by virtue of the *Canada Evidence Act.* 

Declared before me at	
this day of	(Signature)

A Commissioner for Oaths

(It is a criminal offence to make a false declaration.)

No. 95

THIRD SESSION

## THIRTEENTH LEGISLATURE

5 ELIZABETH II

1957

# BILL

An Act to Enable Citizens of Alberta to Participate Directly in the Benefits Accruing from the Development of the Oil and Gas Resources of the Province

Received and read the

First time

Second time

Third time

Hon. Mr. Hinman