

No. 57

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2nd Session, 15th Legislature, Alberta  
13 Elizabeth II

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## **BILL 57**

A Bill to amend The Rural Telephones Revolving Fund Act

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HON. MR. REIERSON

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Edmonton, Alberta, 1965

## Explanatory Note

**1.** The Rural Telephones Revolving Fund Act, Statutes of Alberta, 1957, chapter 84, amended.

**2.** Section 2, clause (e) defines the word "works" as follows:

- (e) "works" means the poles, lines, conduits, structures, and equipment for the distribution or measuring of a telephone service.

The expression "facilities" is being substituted for the expressions "works" and "capital works" throughout the Act.

**3.** Section 8, clauses (c) and (d) presently read:

8. Where a company is eligible for a loan under this Act, if moneys are required for any or all of the following purposes, namely:

- .....
- (c) to replace or repair existing works of a company;
- (d) to carry out any other project deemed by the Minister to be a replacement, renewal or extension of the capital works of the company;

the company may apply to the Minister for a loan under this Act.

See note to clause 2.

**4.** Section 9, subsection (1), clause (a) of subsection (1a) and subsection (3) presently read:

9. (1) Where the Minister is satisfied by such inquiries and investigations as he may desire to make that

- (a) the works of the company will comply with the transmission and construction standards recommended by the Alberta Government Telephone System for rural mutual telephone systems, and
- (b) that the telephone subscription rates and charges for telephone services are and will remain such as will permit the company to establish and maintain an adequate depreciation reserve for the replacement of obsolete works and continued maintenance of its service to Alberta Government Telephone standards,

the Minister may recommend to the Provincial Treasurer that a loan be made to the company.

(1a) The Minister shall not recommend that a loan be made to a company unless the company submits to the Minister

- (a) proof showing that each shareholder has paid the amount specified by section 7,

.....

(3) The Minister may in his discretion recommend any amount not exceeding seventy-five per centum of the subscribed share capital of the company as the amount approved for a loan.

# BILL

No. 57 of 1965

An Act to amend The Rural Telephones Revolving Fund Act

(Assented to \_\_\_\_\_, 1965)

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

**1.** *The Rural Telephones Revolving Fund Act* is hereby amended.

**2.** Section 2 is amended by striking out clause (e).

**3.** Section 8 is amended

- (a) as to clause (c) by striking out the word "works" and by substituting the word "facilities",
- (b) as to clause (d) by striking out the words "capital works" and by substituting the word "facilities".

**4.** Section 9 is amended

- (a) as to subsection (1)
  - (i) by striking out the word "works" where it occurs in clause (a) and by substituting the word "facilities",
  - (ii) by striking out clause (b) and by substituting the following:
    - (b) the subscription rates and charges for telephone services are and will remain such as to permit the company to establish and maintain an adequate depreciation reserve for the replacement of obsolete facilities and to continue maintenance of its service to Alberta Government Telephones' standards,
- (b) as to subsection (1a), clause (a), by striking out the word "showing",
- (c) by striking out subsection (3) and by substituting the following:
  - (3) The Minister may in his discretion recommend as the amount approved for a loan

**5.** Section 10 deals with the giving of guarantees by shareholders for a loan to the company. Clause (b) of subsection (2) is re-enacted by splitting the present subclause (i) into two subclauses and by renumbering the present subclause (ii) as subclause (iii) but changing "shares" to "share" as the Act permits only one share per shareholder.

**6.** (a) See note to clause 2.

(b) Section 14, subsection (3) presently reads:

(3) When an agent for a company is appointed under this section, the directors of the company shall cease to exercise any powers of performing any duties in respect of the company until the Minister revokes the appointment of the agent.

**7.** Section 16 presently reads:

16. The Lieutenant Governor in Council may make regulations prescribing forms for use under this Act and for such purposes as may be necessary or expedient to carry out the purposes of this Act.

The deleted words are a repetition, in effect, of the part retained.

**8.** Commencement of Act.

- (a) where the loan is for either or both of the purposes specified in clauses (a) and (b) of section 8, an amount equal to the balance of the actual cost of construction not contributed by the new shareholders if the new shareholders have contributed at least one-fifth of the actual cost, or
- (b) where the loan is for either or both of the purposes specified in clauses (c) and (d) of section 8, an amount not exceeding four times the share value of the company as determined pursuant to subsection (2) of section 7.

**5.** Section 10, subsection (2) is amended by striking out clause (a) and by substituting the following:

- (a) upon the guarantor
  - (i) cancelling his subscription, unless he does so with the approval of the company, or
  - (ii) refusing or neglecting to pay the rates properly charged to him, or
  - (iii) selling or otherwise disposing of his share in the company, unless the person acquiring the share gives security satisfactory to the Minister,

or

**6.** Section 14 is amended

- (a) as to subsection (1) by striking out the words "capital works" and by substituting the word "facilities",
- (b) as to subsection (3) by striking out the words "of performing any duties".

**7.** Section 16 is amended by striking out the words "and for such purposes as may be necessary or expedient to carry out the purposes of this Act".

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

No. 57

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SECOND SESSION

FIFTEENTH LEGISLATURE

13 ELIZABETH II

1965

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## **BILL**

An Act to amend The Rural  
Telephones Revolving Fund Act

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Received and read the

First time.....

Second time.....

Third time.....

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HON. MR. REIERSON

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