

No. 102

3rd Session, 15th Legislature, Alberta
14 Elizabeth II

BILL 102

A Bill to amend The Alberta Livestock and Livestock
Products Act

HON. MR. STROM

Explanatory Note

1. This Bill amends chapter 181 of the Revised Statutes.

2. Section 5, subsection (1), clause (a), and subsections (6) and (6a) presently read:

5. (1) The Lieutenant Governor in Council may by regulation

(a) require all persons engaged in the business of dealing in live-stock or livestock products or both, or in a specified kind or kinds thereof, whether as a principal or an agent, including the operator of any stock yard, to be licensed,

.....

and every such regulation shall be published in The Alberta Gazette and shall take effect upon publication or upon such subsequent day as may be fixed in the regulation for that purpose.

(6) A person who, at a time when he is not the holder of a valid and subsisting licence authorizing him to do so, deals in any livestock or livestock products for the dealing in which he is required to be licensed pursuant to this Act, is guilty of an offence and liable on summary conviction,

(a) when the offender is a body corporate, to a fine of not more than two hundred dollars for a first offence and not less than two hundred dollars or more than five hundred dollars for a second or subsequent offence, and

(b) when the offender is not a body corporate, to a fine of not more than fifty dollars for a first offence and not less than fifty dollars or more than two hundred dollars for a second or subsequent offence, and in default of payment to imprisonment for a term not exceeding three months.

(6a) A person who, at a time when his licence to do so is under suspension or has been cancelled, deals in any livestock or livestock products for the dealing in which he is required to be licensed pursuant to this Act, is guilty of an offence and liable on summary conviction

(a) when the offender is a body corporate, to a fine of not more than four hundred dollars for a first offence, and not less than four hundred dollars or more than one thousand dollars for a second or subsequent offence, and

(b) when the offender is not a body corporate, to a fine of not more than one hundred dollars for a first offence and not less than one hundred dollars or more than four hundred dollars for a second or subsequent offence, and in default of payment to imprisonment for a term not exceeding three months.

3. Licensed livestock dealers required to maintain trust accounts.

BILL

No. 102 of 1966

An Act to amend The Alberta Livestock and Livestock
Products Act

(Assented to _____, 1966)

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

1. *The Alberta Livestock and Livestock Products Act* is
hereby amended.

2. Section 5 is amended

- (a) as to subsection (1), clause (a) by adding at the
end thereof the words "and for that purpose, pre-
scribe different classes of licences for different
classes of persons",
- (b) as to subsection (6) by striking out clauses (a) and
(b) and by substituting the following:
 - (a) when the offender is a body corporate, to a fine
of not more than one thousand dollars, and
 - (b) when the offender is not a body corporate, to
a fine of not more than five hundred dollars
and in default of payment to imprisonment for
a term not exceeding three months.
- (c) by striking out subsection (6a).

3. The following section is added after section 5:

5a. (1) All moneys received by a licensed livestock
dealer on account of the sale of livestock or livestock pro-

4. The sections to be enacted by this clause provide for the establishment of a Livestock Producers Assurance Fund to be maintained out of the licence fees for livestock dealers' licences. The Fund will be available to provide 80 per cent compensation for producers who suffer a loss as a result of a default by a licensed livestock dealer. In addition the proposed section 7f provides for up to 80 per cent compensation of producers who suffered a loss in consequence of the bankruptcy of a licensed livestock dealer occurring since January 1, 1963. One-half of this compensation will be recoverable from the Fund.

ducts is and constitutes a trust fund in the hands of the livestock dealer for the benefit of the patron who supplied the livestock or livestock products to him and he shall not appropriate or convert any part thereof to his own use or to any use not authorized by the patron until the patron who supplied the livestock or livestock products has been paid therefor.

(2) The Lieutenant Governor in Council may make regulations

- (a) respecting the opening and keeping of trust accounts under this section in chartered banks or treasury branches by licensed livestock dealers,
- (b) requiring licensed livestock dealers to keep books of account and records containing particulars and information as to money received, held or paid for or on account of patrons, and
- (c) respecting any other matter necessary to give effect to the intent of this section.

(3) Every licensed livestock dealer shall permit a person authorized by the Minister for the purpose to enter his premises at any reasonable times to examine and audit his books and accounts and every chartered bank and treasury branch shall permit a person so authorized to examine its records pertaining to trust accounts referred to in clause (a) of subsection (1).

4. The following sections are added after section 7:

7a. In sections 7b to 7f "patron" does not include a licensed livestock dealer.

7b. (1) There shall be established a special account to be called the Livestock Producers Assurance Fund into which shall be deposited such portion of the fees paid for licences issued under section 5 as may be prescribed by the regulations.

(2) For the purposes of the Fund, the Lieutenant Governor in Council may alter the annual fee for a licence to any amount, not exceeding two hundred and fifty dollars, as he considers necessary.

(3) The Fund shall be held and administered by the Provincial Treasurer and the moneys deposited in the Fund shall be paid over to the Provincial Treasurer at such times and in such manner as he may direct.

(4) Any amount in the Fund in excess of twenty-five thousand dollars may, at the direction of the Provincial Treasurer be invested in

- (a) bonds or debentures issued by the Government of Canada, or
- (b) bonds or debentures guaranteed as to the payment of principal and interest by the Government of Canada or the Government of Alberta.

(5) When the Fund exceeds fifty thousand dollars, any amount in the Fund in excess of that figure may, at the direction of the Provincial Treasurer, be transferred to the General Revenue Fund until an amount equal to one-half of the amount paid out by the Minister pursuant to section 7f has been so transferred.

(6) When subsection (5) has been complied with and when the amount of the Fund exceeds two hundred and fifty thousand dollars, no further money shall be deposited in the Fund under subsection (1).

7c. (1) Where a licensed livestock dealer has failed to account or make settlement faithfully to or with a patron according to the true value of the livestock or livestock products supplied and after section 7 has been complied with the claim of the patron against the livestock dealer is still not fully satisfied, the Minister,

(a) out of the Livestock Producers Assurance Fund, and

(b) upon such conditions as may be prescribed by the regulations,

may pay to the patron such amount as, together with any amounts already paid by the dealer and recovered on the bond or otherwise, will provide to the patron an eighty per cent recovery on the amount originally due to the patron from the dealer.

(2) Notwithstanding subsection (1), where

(a) a licensed livestock dealer has given a patron a cheque in payment of all or part of the moneys due from the livestock dealer to the patron, and

(b) upon presentation for payment the cheque is dishonoured,

then, unless the patron presented the cheque for payment within sixty days of the date of the cheque, he is not entitled to payment from the Fund in respect thereof and an amount equal to the amount of the cheque shall be deducted from the amount otherwise payable to the patron under subsection (1).

7d. (1) Where an amount is paid out of the Livestock Producers Assurance Fund pursuant to section 7c, the Crown in right of Alberta is subrogated to the rights of the patron against the livestock dealer in respect of the amount so paid and the Minister may maintain an action, in the name of the patron or in the name of the Crown, against the livestock dealer for the recovery of the amount so paid.

(2) Any moneys recovered from a livestock dealer pursuant to subsection (1) form part of and shall be paid into the Fund.

7e. The Lieutenant Governor in Council may make regulations

5. Commencement of Act.

- (a) respecting the management of the Livestock Producers Assurance Fund,
- (b) prescribing the proof that a patron must provide to establish his claim for payment out of the Fund and the amount of that payment,
- (c) prescribing what efforts a patron may be required to take to recover the amount of his claim from the livestock dealer before he is entitled to payment out of the Fund, and
- (d) respecting any other matter necessary to give effect to sections 7a to 7f in accordance with their intent or to supply any deficiency therein.

7f. (1) To each person who as a patron of a licensed livestock dealer suffered a loss in consequence of the bankruptcy of that dealer occurring after the first day of January, 1963 and before the commencement of this section, the Minister may pay such amount as, together with any amounts already paid by the dealer and recovered on the bond, the bankruptcy or otherwise, will provide to the person an eighty per cent recovery on the amount originally due to the patron from the dealer.

- (2) A payment under subsection (1) shall be made
 - (a) out of the moneys appropriated by the Legislature for the purpose, and
 - (b) upon such conditions as to proof of loss and otherwise as the Minister considers necessary.

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

No. 102

THIRD SESSION
FIFTEENTH LEGISLATURE
14 ELIZABETH II
1966

BILL

An Act to amend The Alberta
Livestock and Livestock
Products Act

Received and read the

First time

Second time

Third time

HON. MR. STROM
