

1971 Bill 46

Fourth Session, 16th Legislature of Alberta

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 46

The Industrial Development Incentives Act

THE MINISTER OF INDUSTRY AND TOURISM

First Reading

Second Reading

Third Reading

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1971

THE INDUSTRIAL DEVELOPMENT INCENTIVES ACT

(Assented to _____, 1971)

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

1. In this Act,

- (a) "applicant" means an applicant for a loan under this Act;
- (b) "Board" means the Alberta Industrial Incentives Board;
- (c) "facility" means the buildings, structures, machinery and equipment that constitute the necessary components of a manufacturing or processing operation;
- (d) "fund" means the Industrial Development Incentives Fund;
- (e) "industry" means a secondary manufacturing industry engaged in manufacturing a product or converting a material to a form different than its natural state but does not include resource-based industries and without limiting the generality of the foregoing does not include
 - (i) oil and gas production or refining,
 - (ii) mining,
 - (iii) logging,
 - (iv) fishing,
 - (v) agriculture,
 - (vi) utility generation or distribution, and
 - (vii) service industries.

2. (1) There is hereby created a corporation with the name "Alberta Industrial Incentives Board" which shall consist of

- (a) the Director of the Industrial Development Branch of the Department of Industry and Tourism,
- (b) the Director of the Alberta Commercial Corporation, and

Explanatory Notes

1. Definitions.

2. Alberta Industrial Incentives Board established.

(c) not more than three other persons who shall be appointed by the Lieutenant Governor in Council.

(2) The Lieutenant Governor in Council shall designate one member of the Board as chairman and another as vice-chairman.

(3) The members of the Board who are not officers or employees of the Crown nor officers or employees of any agency of the Crown shall be paid by the Board such remuneration for their services as is prescribed by the Lieutenant Governor in Council.

(4) The members of the Board shall be paid by the Board their reasonable travelling and living expenses while absent from their ordinary place of residence and in the course of their duties as members of the Board.

3. (1) The Board is for the purposes of this Act an agent of the Crown in right of Alberta and its powers under this Act may be exercised only as an agent of the Crown.

(2) An action or other legal proceeding in respect of any right or obligation acquired or incurred by the Board on behalf of the Crown in right of Alberta, whether in its name or in the name of the Crown in right of Alberta, may be brought or taken by or against the Board, in the name of the Board, in any court that would have jurisdiction if the Board were not an agent of the Crown.

4. (1) The Board may make by-laws respecting the calling of meetings of the Board and the conduct of business thereat, the duties and conduct of members and generally as to the conduct of the business and affairs of the Board.

(2) At a meeting of the Board the vice-chairman shall preside at the meeting in the absence of the chairman and where the chairman and vice-chairman are both absent, the members present may elect one of their number to preside at the meeting.

(3) Three members of the Board constitute a quorum at a meeting of the Board.

(4) The affirmative votes of a majority of the members present at any meeting of the Board at which a quorum is present are sufficient to pass any resolution or by-law to bind all the members.

(5) At its meetings, the Board may exercise any of its powers by resolution except where some other mode of exercising any power is prescribed in this Act.

3. Board is an agent of the Crown.

4. Meeting of the Board.

5. (1) There may be appointed in accordance with The Public Service Act such employees as are required for the purposes of carrying out the business and affairs of the Board.

(2) The Board may obtain the services of any agents or persons having technical or professional knowledge of a kind required by the Board in connection with its business and affairs and may prescribe the duties, conditions of employment and their remuneration which shall be paid by the Board from its own funds.

6. The members and employees of the Board and persons acting under the instructions of any of them or under the authority of this Act or the regulations are not personally liable for any loss or damage suffered by any person by reason of anything in good faith done or omitted to be done in the exercise or purported exercise of any powers conferred by this Act or the regulations.

7. The Board is subject in respect of its accounts and financial transactions to audit by the Provincial Auditor from time to time and at least once every year.

8. (1) The Board shall annually, after the end of its fiscal year, prepare a general report summarizing its transactions and affairs during its last fiscal year and showing its revenues and the application of its expenditures during that period, together with an audited balance sheet of its accounts and financial transactions during that period and such other information as the Lieutenant Governor in Council may require.

(2) When the report is prepared, the Minister of Industry and Tourism shall lay a copy of it before the Legislative Assembly if it is in session and if it is not, within 15 days after the commencement of the next ensuing session.

9. The fiscal year of the Board is the period from April 1 to the next succeeding March 31.

10. (1) The Provincial Treasurer shall establish a fund to be known as the Industrial Development Incentives Fund.

(2) From time to time there shall be advanced from the General Revenue Fund to the fund, upon the requisition of the Board, such sums as may be required for the purposes of this Act, but the amount of advances outstanding at any time shall not exceed \$10,000,000.

5. Personnel.

6. Protection from liability.

7. Audit.

8. Annual report.

9. Fiscal year.

10. Establishment of fund.

11. Subject to the provisions of this Act payments may be made out of the fund by way of incentive loans to industries.

12. (1) Any moneys received as repayment of loans made under this Act shall be credited to the fund.

(2) If it considers it advisable, the Board may transfer from the fund to the General Revenue Fund any sum lying unused in the fund, and any sum so transferred shall be a reduction of the advances outstanding to the fund.

13. (1) Subject to this Act and the regulations the Board, upon application therefor, may make a loan to

(a) an industry proposing to substantially expand, diversify or modernize a facility, or

(b) a new industry proposing to establish facilities, in Alberta.

(2) The amount of any loan shall be based on the capital cost as determined by the Board of establishing, expanding or modernizing the facility in respect of which the loan is made and shall not exceed

(a) one-third of such capital cost, or

(b) \$500,000,

whichever is the lesser amount.

(3) The Board may, with the approval of the Lieutenant Governor in Council, forgive repayment of any loan in whole or in part.

14. No loan may be made if,

(a) in the opinion of the Board, the facility would be established, expanded, diversified or modernized without the provision of the loan, or

(b) the facility is situated or is proposed to be situated (i) in a city with a population in excess of 40,000 persons, or

(ii) in any other area immediately adjoining a city with a population in excess of 40,000 persons, or

(c) the establishment, expansion or modernization would qualify for financial assistance under the Regional Development Incentives Act (Canada) or Part IV of the Government Organization Act, 1969 (Canada).

15. The Board may make regulations

(a) providing that the Board may take security for loans or certain classes of loans made under this Act and prescribing the extent and form of the security which may be taken;

11. Payment out of the fund.

12. Disposition of money repaid.

13. Nature and extent of loans.

14. Ineligible proposals.

15. Regulations.

- (b) prescribing the form of any document required for the purposes of this Act;
- (c) prescribing the times and methods of advancing money on loans;
- (d) respecting interest on loans;
- (e) respecting the determination of any matter that under this Act is to be determined by the Board;
- (f) generally for carrying into effect the purposes and provisions of this Act.

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

