

1978 BILL 10

Fourth Session, 18th Legislature, 27 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 10

THE AGRICULTURAL SOCIETIES AMENDMENT ACT, 1978

MR. HYLAND

First Reading

Second Reading

Committee of the Whole

Third Reading

Royal Assent

Bill 10
Mr. Hyland

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1978

THE AGRICULTURAL SOCIETIES AMENDMENT ACT, 1978

(Assented to _____, 1978)

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

1 *The Agricultural Societies Act is amended by this Act.*

2 *Section 2(a) is repealed and the following is substituted:*

(a) "Director" means the Director of Agricultural Societies;

3 *Section 3 is amended*

(a) *by striking out* " , manufactures and the useful arts" *and substituting* "and the quality of life in the agricultural community",

(b) *by repealing clause (d) and substituting the following:*

(d) *by holding auctions or other sales of farm products, home manufactures and products and works of art;*

(c) *by striking out "and" at the end of clause (e),*

(d) *by repealing clause (f) and substituting the following:*

(f) *by supporting and co-operating with other associations and organizations to improve farm production,*

(f.1) *by supporting or providing facilities to encourage activities intended to enrich rural life, and*

Explanatory Notes

1 This Bill will amend chapter 8 of the Revised Statutes of Alberta 1970.

2 Section 2(a) presently reads:

2 In this Act,

(a) "Department" means the Department of Agriculture;

3 Section 3(d), (e) and (f) presently read:

3 The objects of a society shall be to encourage improvement in agriculture, horticulture, homemaking, manufactures and the useful arts

(d) by holding auctions or other sales through which buyers and sellers of livestock, poultry and farm equipment may be brought together,

(e) by developing activities to encourage and interest boys and girls in the work of agricultural societies, and

(f) by supporting and co-operating with associations organized to improve farm production and to promote and encourage activities designed to enrich rural life,

4 Section 5 is amended

(a) by repealing subsection (2) and substituting the following:

(2) Fifty or more persons, not less than 25 of whom must be engaged in agricultural production, who

(a) are 18 years of age or older,

(b) are residents of Alberta,

(c) are not members of another society, and

(d) have signed an application in Form A in the Schedule,

may apply to the Minister to form a society.

(b) by repealing subsections (4), (5) and (6) and substituting the following:

(4) An application to form a society shall be

(a) supported by an affidavit taken by one of the subscribers who signed the application in Form A in the Schedule, and

(b) forwarded to the Minister together with the affidavit and a copy of the proposed by-laws of the proposed society.

(5) Where the Minister approves an application to form a society and the by-laws accompanying that application, he may issue a certificate of incorporation in Form B in the Schedule incorporating the subscribers to the application as a society under the name "TheAgricultural Society".

(6) Upon the issue of a certificate of incorporation under subsection (5), the initial by-laws of the society are those by-laws approved by the Minister under subsection (5).

5 Section 12 is repealed and the following is substituted:

12(1) In accordance with *The Public Service Act* there may be appointed a Director of Agricultural Societies, inspectors and such other employees as may be necessary for the administration of this Act.

(2) Where the Director is given any power or duty under this Act or the regulations, he may in writing authorize one or more persons who are employees of the Government of

4 Section 5(2), (4), (5) and (6) presently read:

(2) An application in Form A in the Schedule containing the information required thereby shall be signed by not less than fifty persons all being over eighteen years of age and residents of the Province and not being members of any other agricultural society.

(4) The application shall be verified by an affidavit of one of the subscribers in the form appended to Form A.

(5) The application so verified shall be transmitted to the Minister who, if he approves, shall declare the subscribers to be organized into a society under the name of "The Agricultural Society"; and shall issue a certificate of organization in Form B in the Schedule.

(6) Upon the issue of the certificate of organization, the society shall be deemed to be formed, and thereupon it becomes a corporation.

5 Section 12 presently reads:

12 Subject to The Public Service Act, the Minister

(a) may appoint a superintendent of agricultural societies and such other officers as may be required to carry out the provisions of this Act, and

(b) may appoint an inspector to examine the books and accounts of any society and may confer on the inspector any or all of the powers conferred on a commissioner appointed under The Public Inquiries Act.

Alberta under the administration of the Minister, to exercise that power or duty generally or with respect to any particular case upon such conditions or in such circumstances as the Director prescribes.

(3) A written authorization made under subsection (2)

(a) purporting to be signed by the Director, and

(b) stating that the person named therein is authorized under subsection (2) to perform the duties or exercise the powers set forth in the written authorization,

or a copy thereof, shall be admitted in evidence as prima facie proof of that person's authorization to perform those duties and exercise those powers without proof of the signature or official character of the person appearing to have signed the written authorization.

6 *Section 13 is amended*

(a) *by repealing subsection (1) and substituting the following:*

13(1) The board of directors of a society shall consist of

(a) the president who shall be the chief officer of the society,

(b) two vice presidents, and

(c) not less than 9 other directors.

(1.1) The president and vice presidents shall be elected or appointed in accordance with the by-laws of the society and the other directors of the society shall be elected in accordance with the by-laws of the society.

(b) *in subsection (2), by striking out “, or the vote at the elections for, officers of the society” and substituting “or to vote at an election for a director of the society”.*

7 *Sections 15 and 16 are repealed and the following is substituted:*

15 The election of the directors of a society shall be held at the annual meeting of the society or as provided for in the by-laws of the society.

6 Section 13 presently reads:

13(1) The officers of the society shall consist of a president and two vice-presidents who shall be ex officio directors, and nine or more additional elected directors as may be determined by the society, a secretary and a treasurer or a secretary-treasurer and one auditor, whose appointment shall be subject to the approval of the Department.

(2) Only those members of the society who have paid their membership fees for the ensuing year shall be qualified to be elected as, or to vote at elections for, officers of the society.

7 Sections 15 and 16 presently read:

15 At the first annual meeting all of the officers except the secretary and the treasurer or the secretary-treasurer shall be elected by ballot.

16 The directors of a society shall hold office

(a) for a term of office terminating at the conclusion of the annual meeting following the one at which they were elected or appointed, or

(b) for a term of office provided for in the by-laws of the society.

8 Section 17 is amended by repealing subsections (2), (3) and (4).

9 The following is added after section 17:

17.1(1) The Director may, by written notice to a society, require the society to appoint an auditor for the society.

(2) The appointment of an auditor pursuant to a notice given under subsection (1) must be approved by the Director.

10 Section 18 is repealed and the following is substituted:

18 Where the office of a director becomes vacant before his term of office expires, the remaining directors shall appoint a person who is eligible under section 13(2) to be elected as a director to fill the vacancy for the unexpired term.

11 Section 19 is repealed.

12 Section 28 is amended by repealing subsections (2), (3) and (4).

16 The president, vice-presidents, directors and auditor elected at the first or any subsequent annual meeting hold office until the next following annual meeting.

8 Section 17(2), (3) and (4) presently reads:

(2) Within one month after his appointment each secretary, treasurer or secretary-treasurer of a society shall furnish a bond of a company entitled to transact fidelity insurance in the Province for such an amount as the directors may deem sufficient, and the bond shall be renewed annually and sent to the Minister.

(3) No grant shall be paid to a society under this Act until the requirements of subsection (2) have been fulfilled.

(4) Notwithstanding subsections (2) and (3), the Minister may dispense with the giving of a bond when by reason of the smallness of the grant or for any other reason he deems it proper to do so.

9 Appointment of an auditor.

10 Section 18 presently reads:

18 If an officer of a society dies or resigns or in any other way vacates his office during the period for which he has been elected, the directors shall appoint an eligible person to fill the office for the unexpired term.

11 Section 19 presently reads:

19 If at any time there are no officers of a society or if there is an insufficient number of officers and they do not act the Minister may authorize any person

(a) to call a meeting of the society for any purpose, or

(b) to take such other action as the Minister may deem proper in the interests of the society.

12 Section 28(2), (3) and (4) presently read:

13 Section 29 is amended

(a) in subsections (1), (2) and (3), by striking out “and regulations”, wherever it occurs, and

(b) by adding after subsection (3) the following:

(4) Where a society

(a) does not have any by-laws, or

(b) has by-laws that, in the opinion of the Director, are insufficient for the management of the society,

the Director may, by written notice to the society, require the society to enact, within the time specified in the notice, by-laws that, in the opinion of the Director, are sufficient for the management of the society.

(5) Where a society does not comply with a notice given under subsection (4), the Director may, upon 60 days' written notice to the society, cancel that society's certificate of incorporation.

14 Section 30 is amended by adding the following after subsection (3):

(4) The Director may, by written notice to a society, prohibit the society from encumbering or disposing of real property without the permission of the Director.

15 Section 33 is amended

(a) in subsection (1), by adding “for the purpose of developing and operating a facility or” after “any portion thereof”,

(2) A society and any incorporated company or board of management desirous of obtaining a grant in respect of any activity referred to in section 35, subsection (2) shall transmit to the Department on or before the 15th day of January of each year a return furnishing the information set out in section 24, clause (f) in respect of the activities conducted during the immediately preceding calendar year.

(3) Where the returns required by subsections (1) and (2) are not transmitted before the date specified, the applicant for the grant shall attach to the returns when subsequently transmitted an amount by way of penalty equivalent to five dollars per week for each week or part thereof that has elapsed after the specified date during which the applicant has failed to transmit the returns.

(4) The Minister in his discretion may extend the time for filing any return.

13 Section 29 presently reads:

29(1) At an annual meeting or at a special meeting called for that purpose the members of a society may make, alter and repeal by-laws and regulations for the general management of the society.

(2) A copy of the by-laws and regulations shall forthwith after the enactment thereof be transmitted by the society to the Department.

(3) Subject to the by-laws and regulations of the society the directors may act for and on behalf of the society and all grants and other funds of the society shall be received and expended under their direction.

14 Disposition of real property by a society.

15 Section 33 presently reads:

33(1) Two or more societies may by agreement between their respective boards of directors amalgamate their funds or any portion thereof for the purpose of holding a joint agricultural or livestock exhibition or other activity or event with objects similar to those of an agricultural society as specified in section 3.

(b) in subsection (2), by adding “facility,” after “of the proposed”, and

(c) in subsection (4), by striking out “joint exhibition” and substituting “joint facility, joint exhibition or other activity,”.

16 Section 34 is amended by renumbering it as 34(1) and by adding the following:

(2) The Director may, by written notice to a society, prohibit the society from borrowing money without the permission of the Director.

17 Section 38 is amended

(a) in subsection (1), by striking out “holding an exhibition borrows money or issues notes, bonds, debentures or other securities for capital purposes” and substituting “developing or operating a facility or holding an exhibition or other activity borrows money or issues notes, bonds, debentures or other securities”,

(b) by repealing subsection (3), and

(c) in subsection (4), by striking out “\$15,000,000” and substituting “\$25 000 000”.

18 The following is added after section 38:

Meeting of a Society called by the Director

(2) *In the case of an amalgamation of funds under subsection (1),*

(a) the directors of the societies, or

(b) delegates appointed for the purpose by each board of directors,

shall meet and shall elect from among their number a president and first and second vice-presidents, a secretary-treasurer and at least eight persons who, with the officers so elected, shall be a board of management and shall have the charge and management of the proposed exhibition or other activity.

(3) The directors or delegates and members of the board of management may vote at all meetings in person or by proxy.

(4) One or more auditors shall be appointed at the meeting of the directors or delegates to examine and report on the accounts of the board of management and the report shall be presented by the directors of each society taking part in the joint exhibition at the next annual meeting of their society.

16 Borrowings by a society.

17 Section 38(1), (3) and (4) presently read:

38(1) Where a society or a company organized for the purpose of holding an exhibition borrows money or issues notes, bonds, debentures or other securities for capital purposes, the Lieutenant Governor in Council may, in his discretion but subject to the regulations, guarantee on behalf of the Province of Alberta the principal and interest of such borrowings and any notes, bonds, debentures and other securities so issued.

(3) The Lieutenant Governor in Council may make regulations

(a) prescribing terms and conditions under which the Province will guarantee loans or security issues under this section,

(b) defining the words "capital purposes", and

(c) prescribing maximum amounts which the Province will guarantee with respect to any particular society or company or any particular class of society or company.

(4) Notwithstanding anything in this section, at no time shall the principal amounts guaranteed under this section exceed in the aggregate the sum of \$15,000,000.

18 Actions that may be taken by the Director.

38.1 (1) Where the Director is of the opinion that a matter should be brought to the attention of the members of a society or to the board of directors of a society, he may for that purpose, upon 30 days' written notice to the society, order the society to hold a special meeting of the members of the society or of the board of directors, as the case may be, on the day prescribed in the notice.

(2) Where a meeting is held under subsection (1), the Director may attend and act as the chairman of that meeting.

Investigations by the Director

38.2(1) The Director

(a) may, where he considers it advisable to do so, make or cause to be made an investigation into the affairs of a society, and

(b) shall, upon a written request of 10 members of a society, make or cause to be made an investigation into the affairs of the society,

for the purpose of determining whether the affairs of the society are being conducted in a proper manner or that the activities being carried out by the society are those activities permitted under the objects of the society.

(2) Where the Director makes an investigation into the affairs of a society under subsection (1), he or an inspector may

(a) at any reasonable hour enter any facilities being operated by a society;

(b) require the production of any books, records or other documents of a society and may examine them, make copies of them or remove them temporarily for the purpose of making copies of them;

(c) attend any meeting of the board of directors or of the members of a society.

(3) Where an inspector removes any books, records or other documents under subsection (2)(b), he shall

(a) give to the person from whom those items were taken a receipt for those items, and

(b) forthwith make copies of, take photographs of or otherwise record those items and forthwith return those items to the person to whom the receipt was given.

38.3(1) Where the Director is of the opinion that the affairs of a society are not being conducted in a proper manner or the society is carrying on activities that are outside of its objects, the Director may, by written notice to the society,

(a) order the society to

(i) take those measures that are prescribed in the notice, and

(ii) cease carrying on those activities specified in the notice,

or either of them, or

(b) appoint himself as the manager of the society for the purpose of

(i) bringing the affairs of the society into order, or

(ii) dissolving the society.

(2) Where a society does not, in the opinion of the Director, comply with a notice given under subsection (1)(a), he may upon 60 days' written notice to the society cancel the society's certificate of incorporation.

38.4 Where the Director becomes the manager of a society under section 38.3(1)(b),

(a) he assumes all the powers of the board of directors and of the members of the society, and

(b) the board of directors shall not carry out any function in respect of the society unless directed or permitted to do so by the Director.

38.5(1) Where the Director is the manager of a society pursuant to a notice given under section 38.3(1)(b) and is of the opinion that the affairs of the society have been brought into order and are once again in a position to be managed by a board of directors, he may

(a) direct the board of directors to resume the management of the society, or

(b) if

(i) the terms of office of the directors have expired, or

(ii) the number of directors remaining in office is insufficient to constitute a quorum at a meeting of the board of directors,

convene a meeting of the members of the society for the purpose of conducting an election to fill the vacancies on the board of directors so that there is a board of directors to resume the management of the society.

(2) The board of directors shall resume the management of the society on a day prescribed by the Director and upon the board of directors resuming the management of the society the Director ceases to be the manager of the society and his appointment as manager terminates.

19 Section 39 is repealed and the following is substituted:

39 Where the Director is satisfied that a society is no longer in operation he may upon 60 days' written notice to the society cancel that society's certificate of incorporation.

39.1 Where a society's certificate of incorporation is cancelled, the society is dissolved and its directors and officers cease to hold office.

20 Section 40 is amended

(a) by adding the following after subsection (2):

(2.1) A member of a society is not, in his individual capacity, liable for any debt or liability of the society unless he has agreed to be so liable.

(b) by repealing subsection (3), and substituting the following:

(3) Where the amount realized on the sale and disposal of the assets of the society are not sufficient to pay the costs of liquidation incurred by the liquidator in liquidating the affairs of the society, the Government shall pay to the liquidator those costs of liquidation that were not met by the amount realized on the sale and disposal of those assets.

19 Section 39 presently reads:

39 If it appears advisable that a society be dissolved, the Minister may order and declare that on and after a day to be named by him the society be dissolved and thereupon it ceases to exist and the officers thereof cease to hold office.

20 The new subsection (2.1) limits the liability of a member of a society. Section 40(3) presently reads:

40(3) Where the amount realized on the sale and disposal of the assets of the society are not sufficient to pay the expenses incurred in liquidating the affairs of the society, any deficit shall be charged to and made good by the Department.

21 *Section 41(1) is repealed and the following is substituted:*

41(1) The Lieutenant Governor in Council may make regulations

- (a) respecting the maintenance of books and records of societies;
- (b) governing the management of activities carried out by societies;
- (c) governing the borrowings of societies;
- (d) governing the giving of guarantees under this Act by the Government for the repayment of loans made to societies.

22 *The Schedule is amended in Form B by striking out “organized under the name of” and substituting “incorporated under the name of”.*

23(1) *The following provisions are amended by striking out “Minister” wherever it occurs and substituting “Director”:*

*section 7;
section 8(1);
section 17(1);
section 22;
section 31(2);
section 32;
section 40(1), (2)(a), (4) and (5).*

(2) *The following provisions are amended by striking out “Department” wherever it occurs and by substituting “Director”:*

*section 9;
section 28(1);
section 29(2).*

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

21 Section 41(1) presently reads:

41(1) The Lieutenant Governor in Council may make regulations, not inconsistent with this Act,

(a) for the guidance of societies respecting the manner in which their official books and records are to be kept, and

(b) governing the conduct and management of agricultural institute meetings, exhibitions and any other undertakings in which the societies are authorized to engage.

22 Amends Form B in the Schedule.

23 Replaces references to “Minister” or “Department” with “Director”.