

1978 Bill 214

Fourth Session, 18th Legislature, 27 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 214

THE SMALL BUSINESS ACT

MR. NOTLEY

First Reading -----

Second Reading -----

Committee of the Whole -----

Third Reading -----

Royal Assent -----

Bill 214
Mr. Notley

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THE SMALL BUSINESS ACT

(Assented to _____, 1978)

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

1. (1) In this Act,

- (a) "Government" includes boards, commissions and agencies of the Government of Alberta and Crown corporations;
- (b) "Minister" means the Minister of Business Development Tourism;
- (c) "small business" means a business that is defined as a small business according to the regulations.

2. The Minister shall establish programs to

- (a) assist small businesses to participate in the supply of goods, services and real property to Government;
- (b) ensure that a fair proportion of the total sales and leases of Government property be transacted with small businesses.

3. (1) Where a tender is invited by the Government for the purchase of goods, services or real property and a valid tender is received from a small business that is no higher than any other valid tender, then the tender by the small business shall be accepted.

(2) The Minister shall publish prior notice of every tender to be issued for the procurement of goods, services or real property by Government where the anticipated value of the contract exceeds \$5000.

(3) Subsection (2) shall not apply to tenders

- (a) that involve the supply of perishable goods;
- (b) that are for utility services
- (c) that are such that the public interest would be seriously injured if an open tender were invited;

Explanatory Notes

1. Definition.

2. Programs to assist small businesses.

3. Tenders by Government.

- (d) that are made by an order placed under an existing contract;
- (e) that are made from another Government ministry or agency or a mandatory source of supply;
- (f) that are for personal service contracts;
- (g) that are for services from educational institutions;
- (h) in which the only sources are from outside the Province;
- (i) where a tender by invitation has been requested of every person qualified to bid in the Province.

4. (1) The Minister shall develop a small business subcontracting program

- (a) to enable small businesses to be considered fairly as subcontractors and suppliers to contractors performing work or rendering services as prime contractors or subcontractors under Government procurement contracts; and
- (b) to enable the Minister to obtain from any department or agency, such information concerning subcontracting by its prime contractors and their subcontractors as the Minister may deem necessary.

(2) Subsection (1) shall not be construed to authorize the Minister

- (a) to prescribe the extent to which any contractor or subcontractor shall subcontract;
- (b) to specify the businesses to which subcontracts shall be granted; or
- (c) to vest in the Minister authority to administer any individual prime contract or subcontract.

(3) The program shall provide that in evaluating bids or in selecting contractors for negotiated contracts an undertaking to use small business subcontractors shall be considered a favorable factor in the contractor's bid or offer.

(4) The program shall provide that any firm awarded a contract with the Government with a value over \$500 000 shall nominate a person to act as a small business liaison officer, to be responsible for subcontracting portions of the work to small businesses wherever possible.

(5) Every contract for goods, services or real property in excess of \$500 000 in value, including, without limiting the generality of the foregoing, contracts for research and development, maintenance, repair and construction, but not including contracts to be performed entirely outside the Province, made by a Government or Crown corporation that in the opinion of the department, agency or corporation offers substantial subcontracting possibilities, shall require the contractor

4. Small business subcontracting program.

- (a) to conform to the small business subcontracting program; and
- (b) to insert in all subcontracts and purchase orders in excess of \$250 000 in value that offer substantial possibilities for further subcontracting a provision requiring the subcontractor or supplier to conform to the small business subcontracting program.

5. The Minister shall:

- (a) assist by information and counselling small businesses to obtain Government contracts for research and development;
- (b) instruct Government to contract out as much research and development work as cost efficiency permits;
- (c) assist small businesses to benefit from research and development performed under Government contracts or at Government expense;
- (d) provide technical information to small businesses;
- (e) simplify and decentralize application procedures in order to accomplish the purposes of this section;
- (f) give preference to small businesses in allocating research grants and loans; and
- (g) publish information as to facilities available through small businesses for research and development.

6. The Minister may provide information and counselling to encourage and assist small businesses to engage in co-operatives, partnerships or joint ventures for the provision of central services, the obtaining of materials, equipment, inventories or supplies or showing the benefits of research and development, or for establishing joint facilities to undertake or utilize the results of research and development.

7. The Minister may

- (a) undertake the position of prime contractor for any work to be done for any department or agency of the Government by agreement with the department or agency, and subcontract all or part of the work to one or more small businesses;
- (b) provide technical and management aids to small businesses, by advising and counselling on matters in connection with Government procurement and property disposal policy and on policies, principles and practices of good management, including but not limited to cost accounting, methods of financing business insurance, accident control, wage incentives, and methods engineering, by
 - (i) co-operating and advising with voluntary business, professional, educational and other non-profit organizations, associations and institutions,

5. Assistance to small businesses.

6. Information and counselling with respect to cooperation between small businesses.

7. Minister may act as prime contractor.

- (ii) maintaining a system for the collection and dissemination of information concerning the managing, financing and operation of small business, and
- (iii) such other activities as are deemed appropriate by the Minister;
- (c) investigate the means by which the productive capacity of small businesses can be most effectively utilized by Government;
- (d) represent the views and interests of small businesses to other departments and agencies who may have dealings with small businesses; and
- (e) require reports from such Government departments and agencies as he sees fit concerning the progress in procurement from and contracting with small businesses.

8. There shall be a select standing committee of the Legislative Assembly to be known as the Small Business Committee that may consider, on its own motion, any aspect of small business protection and development and which shall report annually to the Legislative Assembly on such aspects including but not limited to:

- (a) proposed legislation and legislative reform;
- (b) the state of governmental and private assistance available to small businesses respecting training, manpower and management development, research, technical and scientific assistance;
- (c) the competitive strength of small business;
- (d) suggestions for changes in the policies or activities of the Government that will better fulfill the purposes of this Act; and
- (e) such other matters dealing with small businesses as the committee in its opinion considers appropriate.

9. The Lieutenant Governor in Council may make regulations

- (a) defining "small business";
- (b) providing for registration of small businesses; or
- (c) implementing such parts of the programs established by the Minister as he determines should be made mandatory.

10. Nothing in this Act shall be construed to authorize any department or agency of the Government to publish any information which is confidential to any person.

11. This Act comes into force on a date to be fixed by Proclamation.

8. Select Standing Committee on Small Business.

9. Regulations.

10. Confidential information.