

1987 BILL 41

Second Session, 21st Legislature, 36 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 41

SMALL PRODUCERS ASSISTANCE COMMISSION ACT

THE MINISTER OF ENERGY

First Reading

Second Reading

Committee of the Whole

Third Reading

Royal Assent

Bill 41

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1987

SMALL PRODUCERS ASSISTANCE COMMISSION ACT

(Assented to _____, 1987)

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

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1 In this Act,

- (a) “benefit” means financial assistance that may be provided by a public body;
- (b) “Commission” means the Small Producers Assistance Commission;
- (c) “economic plan” means a scheme approved by the Commission under section 4;
- (d) “impost” means a rate, charge, fee, tariff, rent, royalty, levy, tax or any other payment payable, regulated or subject to control or approval by or under an Act listed in the Schedule or payable at a rate or in an amount that is determined or calculated by or under an Act listed in the Schedule;

- (e) “interested party” means
 - (i) a financial institution,
 - (ii) a trade union,
 - (iii) an employee association,
 - (iv) if it has agreed to participate, the Government of Canada and any of its agencies, and
 - (v) any other person, whether or not similar to the foregoing, whose co-operation may be conducive to the effective operation of a producer;
- (f) “Minister” means the Minister of Energy;
- (g) “participant” means a producer, interested party or public body that has agreed to establish an economic plan;
- (h) “producer” means a person whose principal business is the production of oil or gas;
- (i) “public body” means
 - (i) the Crown in right of Alberta,
 - (ii) a Provincial agency as defined in the *Financial Administration Act*,
 - (iii) a municipality, and
 - (iv) any public authority or body designated by the Lieutenant Governor in Council.

Purpose of assistance

2 Applications may be made by producers to the Commission for assistance as authorized by this Act

- (a) to restore and enhance the competitiveness of producers,
- (b) to help producers, interested parties and public bodies cooperate in a manner conducive to the effective operation of producers, and
- (c) to enable producers, interested parties and public bodies to establish economic plans.

Agreements

3(1) If, on the application of a producer, the Commission considers that

- (a) the operations of the producer are, having regard to any Ministerial guidelines, small in relation to other persons producing oil or gas in Alberta,
- (b) the producer has made a reasonable attempt to arrive at equitable arrangements with its creditors, and
- (c) it is likely that the producer, interested parties and public bodies will be able to make arrangements or reach agreements conducive to the effective operation of the producer,

the Commission may invite any interested parties and public bodies whose co-operation it considers desirable to confer with it on the

means by which the competitiveness of the producer may be restored or enhanced.

(2) The Commission may, in carrying out its functions under subsection (1), provide any mediation and consultation services that it considers necessary to enable the producer, interested parties and public bodies to make arrangements or reach agreements that will assist the effective operations of the producer.

omic plans

4(1) If the Commission considers that agreements and arrangements referred to in section 3 should include special measures with respect to an impost payable by the producer or a benefit provided to the producer, it may confer with the producer, interested parties and public bodies and provide mediation and consultation services with a view to the formulation of an economic plan.

(2) An economic plan shall

(a) be in writing and name every participant, and

(b) include an authorization for the producer and a public body to enter into an agreement that an impost payable by the producer to the public body or a benefit provided by the public body to the producer shall be paid at a rate or in an amount, or be determined, calculated or paid or provided in a manner, different from that required or authorized by or under an Act listed in the Schedule.

(3) The Commission may approve an economic plan subject to any terms and conditions it specifies.

(4) No economic plan and no agreement entered into pursuant to an economic plan has any effect until

(a) the plan has been approved in writing by the Commission, and

(b) every agreement required by the plan to be entered into by the participants is in writing and executed by the necessary parties to it, and complies with and contains all relevant terms and conditions specified by the Commission under subsection (3).

(5) When an agreement is in effect and contains a provision that affects an impost or benefit in a manner referred to in subsection (2)(b), that provision is effective according to its tenor notwithstanding anything in any Act listed in the Schedule or any order or regulation under that Act and the Act, order or regulation is deemed to be amended to the extent necessary to give effect to the agreement.

(6) An agreement pursuant to an economic plan may be made effective on and after January 1, 1987, and subsection (5) is retroactive to that date to the extent necessary to give effect to a provision in the agreement that affects an impost or benefit in a manner referred to in subsection (2)(b).

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icipation

5 The Commission may invite the Government of Canada and any of its agencies to join in consultations under this Act or to be a participant in an economic plan.

Constitution of
Commission

6(1) The Small Producers Assistance Commission established by Ministerial Order E11/86 is continued under this Act and created a corporation with the same name and with the powers and duties contained in this Act.

(2) The Commission shall consist of not fewer than 2 and not more than 10 members appointed by the Minister.

(3) The Minister may

(a) designate one of the members of the Commission as chairman and another as vice-chairman;

(b) prescribe the term of office of any member and the term of office of the chairman or vice-chairman.

(4) The vice-chairman shall exercise and perform the powers and duties of the chairman in the event of the absence or inability to act of the chairman or a vacancy in the office of the chairman.

(5) The members of the Commission shall be paid by the Commission

(a) remuneration for their services as determined by the Minister, and

(b) reasonable travelling and living expenses while absent from their ordinary place of residence in the course of their duties as members of the Commission.

General powers
of Commission

7(1) The Commission is, in the exercise and performance of its powers and duties, subject to the general supervision and direction of the Minister.

(2) Subject to subsection (1) and the regulations, the Commission, in providing assistance under this Act, may

(a) require producers to give security and realize on the security;

(b) become a party to an agreement and a participant in an economic plan;

(c) if authorized by the regulations,

(i) give loans to producers being assisted under this Act, if there is authority available in a supply vote for the purpose for which the loans are to be given, and

(ii) authorize the Provincial Treasurer to give guarantees and indemnities on behalf of the Government in respect of the repayment of loans or the performance of other obligations made or incurred, or that will be made or incurred,

for the purpose of restoring or enhancing the competitiveness of a producer being assisted under this Act;

(d) do any other act or thing incidental to or required in connection with the exercise and performance of its powers and duties.

(3) Where the Commission provides assistance under this Act, it may at any time

(a) make recommendations to a producer or interested party or to a public body, including ones relating to the exercise of powers and functions by that body, or

(b) subject to any agreement to which it is a party, withdraw from the provision of assistance.

istration **8(1)** The Commission may make by-laws respecting the calling of meetings of the Commission and the conduct of business at them, the duties and conduct of members and generally as to the conduct of the business and affairs of the Commission.

(2) The Commission may

(a) appoint any employees it considers necessary and prescribe their duties and their salaries or remuneration, and any benefits to be received by them;

(b) obtain the services of any agents or advisors or persons providing technical or professional services of a kind required by the Commission in connection with its business and affairs.

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n **9(1)** The chairman

(a) is the chief executive officer of the Commission, and

(b) subject to directions or decisions of the Commission, has the power to act on behalf of the Commission in respect of anything relating to the administrative affairs of the Commission.

(2) The chairman may delegate any power, duty or function conferred or imposed on him by this Act or the regulations to any member of the Commission.

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sion **10(1)** The chairman may designate 2 or more members of the Commission to sit as a division of the Commission and may direct the division to conduct any proceeding that the Commission itself could conduct.

(2) A majority of the members of a division constitutes a quorum at a sitting of a division and a majority decision made at a sitting of a division at which a quorum is present is the decision of the Commission and binds all members of the Commission.

airs **11(1)** The Provincial Treasurer shall pay to the Commission the money voted by the Legislature for the purposes of the Commission in equal monthly instalments unless otherwise agreed between the Commission and the Provincial Treasurer.

(2) The fiscal year of the Commission is the period commencing on April 1 in one year and ending on March 31 in the following year.

port **12(1)** The Commission shall annually, after the end of its fiscal year, prepare a general report consisting of a summary of its affairs during that year and an audited financial statement.

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

- Confidentiality **13**(1) Every member of the Commission and every person employed or retained by the Commission shall keep secret all records, returns and other information coming to his knowledge during the course of administration of this Act, except insofar as disclosure is necessary for the administration of this Act or insofar as the release of the information is authorized under the regulations.
- (2) A member of the Commission or a person employed or retained by the Commission shall not, in a civil action in which the Commission is not a party, be required to testify about information obtained by the Commission or to produce any document in its possession.
- (3) Any person who contravenes subsection (1) is guilty of an offence and liable to a fine of not more than \$1000.
- Immunity from action **14** No action or proceeding may be brought against the Commission or any member, employee or agent of the Commission in respect of any act or thing done purportedly in pursuance of this Act or the regulations or in pursuance of a decision of the Commission under this Act and the regulations.
- Regulations **15** The Lieutenant Governor in Council may make regulations
- (a) respecting the assistance that may be provided under this Act to producers eligible for assistance and the circumstances and conditions under which assistance may be provided;
 - (b) respecting the taking of security from producers and the realizing on security by the Commission;
 - (c) authorizing the giving of loans, guarantees and indemnities, or any of them, and
 - (i) prescribing the terms and conditions on which loans, guarantees and indemnities are to be given,
 - (ii) limiting the amount of any loan, guarantee and indemnity, or class thereof, that may be given, and
 - (iii) respecting the forgiving of loans;
 - (d) respecting the form and content of applications to the Commission, economic plans, agreements, guarantees and indemnities;
 - (e) respecting the communication of and access to records, returns and other information obtained by the Commission under this Act;
 - (f) respecting the keeping of records, the furnishing of information and the filing of returns by producers being assisted under this Act;
 - (g) amending the Schedule by adding or deleting any Act.
- Transition **16**(1) An economic plan approved by the Commission and any agreement entered into before the coming into force of this Act has the same effect as if approved or entered into under this Act.
- (2) The persons who immediately before the coming into force of this Act were the chairman, vice-chairman and other members of

the Commission are continued in their appointments subject to this Act.

(3) A contract of employment entered into before the coming into force of this Act between the Government and a person employed on behalf of the Commission shall be deemed to be a contract between the Commission and that person.

17(1) This Act expires on December 31, 1989 or on an earlier day prescribed by the Lieutenant Governor in Council.

(2) The expiry of this Act does not affect an economic plan or agreement that has effect under this Act and this Act shall be deemed to remain in force to the extent necessary to give the economic plan and the agreement effect according to their tenor.

(3) On the expiry of this Act, all assets, liabilities, rights and obligations of the Commission vest in the Crown in right of Alberta and are under the administration of the Minister.

SCHEDULE

Alberta Corporate Income Tax Act
Alberta Income Tax Act
Freehold Mineral Rights Tax Act
Mines and Minerals Act
Natural Gas Pricing Agreement Act
Oil and Gas Conservation Act
Petroleum Marketing Act