

1989 BILL Pr5

First Session, 22nd Legislature, 38 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL Pr5

**MISERICORDIA HOSPITAL
AMENDMENT ACT, 1989**

MR. ZARUSKY

First Reading

Second Reading

Committee of the Whole

Third Reading

Royal Assent

Bill Pr5
Mr. Zarusky

BILL Pr5

1989

MISERICORDIA HOSPITAL AMENDMENT ACT, 1989

(Assented to , 1989)

WHEREAS the Misericordia Hospital was incorporated by *The Misericordia Hospital Act*, being chapter 97 of the Statutes of Alberta, 1967; and

WHEREAS a petition has been presented praying that the Act be amended as herein set forth and it is expedient to grant the prayer of the petition;

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

1 The Misericordia Hospital Act is amended by this Act.

2 Section 1 is renumbered as section 1.1 and the following is added before it:

1 In this Act,

- (a) "corporation" means the entity formed by the merger of the original corporation and the company;
- (b) "Court" means the Court of Queen's Bench of Alberta;
- (c) "directors" means the directors of the corporation;

Explanatory Notes

- 1** This Bill will amend chapter 95 of the Statutes of Alberta, 1967.
- 2** Adds definitions.

(d) "Equity Trust Fund" means any assets owned or controlled by the corporation that are designated by the members as being the Equity Trust Fund;

(e) "members" means members of the corporation;

(f) "original corporation" means the entity created by *The Misericordia Hospital Act*;

(g) "Special Resolution" means a resolution passed by a majority of not less than 75% of the votes cast by the members who voted in respect of that resolution or signed by all the members entitled to vote on that resolution.

3 *The following is added after section 1.1:*

1.2 The company known as the "Misericordia Hospital" and incorporated on May 18, 1966 pursuant to Part 9 of the *Companies Act*, is amalgamated with the original corporation and

(a) the company and the original corporation shall continue as one body corporate as though the company had originally been incorporated under *The Misericordia Hospital Act*;

(b) all rights, property, contracts and liabilities of every nature and kind of the company shall be deemed to be and to have always been the rights, property, contracts and liabilities of the corporation;

(c) all members and directors of the company shall be deemed to be members and directors of the corporation.

1.3 The corporation shall comply with sections 86, 87 and 93 of the *Companies Act*.

4 *Section 2 is repealed and the following is substituted:*

2(1) The objects of the corporation are:

(a) to undertake and carry on charitable institutions, works and activities consisting of the operations of hospitals, homes for unwed mothers, schools of nursing, and

3 Amalgamates the corporation incorporated under part 9 of the *Companies Act* with the corporation formed by Private Act.

4 Section 2 presently reads:

2 The objects of the corporation are to undertake and carry on charitable institutions, works and activities consisting of the operations of homes for unwed mothers, hospitals, missions, convents, schools of nursing, novitiates and the like, to impart education and religious and other training, to care for the aged, sick and unfortunate, and generally to engage in charitable and benevolent activities.

the like; to impart education and medical and other training; and to generally care for the aged, sick and unfortunate;

(b) to provide and operate health care activities, facilities and programs of all kinds, including without limitation, general acute care hospitals, auxiliary hospitals, nursing homes, geriatric rehabilitation facilities, hostels, family care programs, educational programs and schools of nursing;

(c) to carry on any other business, development or activity for the purpose of generating revenue for the corporation or which, in the opinion of the directors, is otherwise incidental, beneficial or conducive to the corporation's objects;

(d) to incorporate, support and monitor other entities engaged in activities incidental or conducive to the objects;

(e) to incorporate and support other entities for the purpose of generating revenue for the corporation or for any other purpose beneficial to the corporation;

(f) to generally engage in charitable and benevolent activities.

(2) The corporation shall not engage in any business or activity that is contrary to its objects.

(3) Notwithstanding subsection (2), no act of the corporation is invalid by reason only that it is contrary to its objects.

(4) Any member may apply to the Court for an order restraining the corporation from engaging in, or continuing, any act which is contrary to its objects or this Act and the Court may, where it would not prejudice the rights of any person who was actually unaware of the contravention, make such order as it thinks fit.

5 The following is added after section 2:

2.1 The corporation shall at all times conduct its activities in a manner which is in keeping with the principles outlined in a medical moral code approved from time to time by the Canadian Conference of Catholic Bishops or any successor

5 Medical moral code of Canadian Conference of Catholic Bishops applies.

organization.

2.2 The corporation has the capacity, rights, powers and privileges of a natural person.

6 *Sections 4, 5, 6, 7 and 8 are repealed.*

6 Sections 4, 5, 6, 7, and 8 presently read:

4 The corporation shall have power from time to time and at all times hereafter to acquire by gift, devise, bequest, transfer, purchase or otherwise, for the benefit of the corporation any land or real or personal estate and the same or any part thereof, may from time to time mortgage, lease, charge, encumber or dispose of by sale, transfer, agreement for sale, exchange or otherwise.

5 The corporation shall have power to erect, construct, equip and maintain buildings, and other improvements for the proper carrying on of its hospital, educational and other charitable works and to do all other matters and things necessary or convenient for the carrying out of the objects in which the corporation may become engaged or occupied.

6 The corporation shall have power from time to time and at all times hereafter to acquire by gift, devise, bequest, transfer, purchase or otherwise for the benefit of the corporation any land or real or personal estate and the corporation may from time to time dispose of the same or any part thereof by sale, transfer or mortgage, lease, exchange, or otherwise, and with the proceeds therefrom may acquire other lands, tenements, hereditaments and other property, real or personal, or invest the same in any security whatsoever for the use of the corporation.

7 The corporation may, in addition to all other powers:

(a) borrow or obtain credit with or without security;

(b) obtain credit or borrow or raise or secure the payment of money by negotiable or other instruments including but not restricted to debentures, debenture stock, bonds, mortgages, or obligations charged upon all or any assets or revenue of the corporation, and may vary or extend all or any of such instruments and may purchase, redeem, pay or repay all such credits, instruments or securities in whole or in part;

(c) invest its funds, or any portion thereof, either directly in the name of the corporation, or indirectly in trust as it may deem advisable, and also may lend its funds or any portion thereof with or without security;

7 *Section 11 is amended by striking out "of the members".*

8 *The following is added after section 11:*

11.1(1) The members shall from time to time appoint a board of directors in accordance with the by-laws of the corporation.

(2) The powers of the directors shall be defined in the by-laws of the corporation and, subject to subsection (3), the by-laws shall grant the directors full control of any hospital managed by the corporation with absolute and final authority in respect of all matters pertaining to the operation of the hospital including, without limitation, the ability to enact by-laws concerning the hospital.

(3) The directors shall in no event be empowered to expend, and shall not expend, any portion of the Equity Trust Fund except in accordance with policies and directives enacted by the members from time to time.

(4) Subject to the provisions of any other legislation that may be applicable, the directors may delegate their powers to employees and officers of the corporation except that the directors may not delegate their power to enact by-laws concerning the operation of a hospital.

9 *Section 12 is repealed and the following is substituted:*

12(1) The corporation may by special resolution by its members make by-laws

(a) for the governance and proper administration of the property, affairs and interests of the corporation;

(b) for the appointment of any persons as members, directors or officers of the corporation;

(c) for the establishment of classes of membership;

(d) respecting the calling and holding of meetings of members or directors;

(e) for the limitation or delegation of powers of the directors and officers of the corporation;

(d) *ensure or guarantee payment of any debt, loan, mortgage, bond or debenture issue, obligations or securities.*

8 *The corporation may exercise any activities that may help it to maintain its operations.*

7 Section 11 presently reads:

11 The rents, revenues and profits of all property, real or personal, held by the corporation, and the assets and property of the corporation shall be appropriated and applied to the maintenance of the members of the corporation and the construction and maintenance of the institutions carried on by the corporation, and the construction and maintenance of buildings and the acquisition of property, real or personal, requisite for the advancement of charity and benevolence and for the furtherance of any or all the objects and works in which the corporation may engage.

8 Provides for directors and their powers.

9 Section 12 presently reads:

12 It shall be lawful for the corporation from time to time to make by-laws, rules, orders and regulations for the government and proper administration of the property, affairs and interests of the said corporation, and to repeal and amend the same and for the enforcement of discipline and the admission and retirement of members, the appointment, expulsion or removal of any persons as members of the corporation, or bearing office therein and also generally for the internal government of the affairs of the said corporation.

(f) for the determination of policy regarding the utilization and expenditure of the Equity Trust Fund; and

(g) generally for the internal government of the affairs of the corporation.

(2) The Alberta Catholic Hospitals Foundation shall be deemed to be a voting member of the corporation and the Alberta Catholic Hospitals Foundation may appoint an individual to attend meetings on its behalf and to otherwise exercise its right of membership.

10 Section 15 is amended by striking out "from The Sisters of the Misericorde of Alberta being a corporation incorporated by C 30 of the Ordinances of the Northwest Territories 1904, or Misericordia Hospital, a company limited by Guarantee, to the corporation hereby created, the Registrar may" and substituting "to or from the corporation, the Registrar shall".

11 The following is added after section 17:

17.1 The members, directors or officers of the corporation are not, as members, directors, or officers liable for any liability, act or default of the corporation.

17.2(1) No income or property of the corporation shall be distributed to a member or director during the existence of the corporation or on or after its liquidation.

(2) Notwithstanding subsection (1) any member or director may be paid a reasonable price or remuneration for goods, services or other valuable benefits provided to the corporation.

17.3(1) The corporation shall be deemed dissolved one year from a special resolution of the members to do so.

(2) The Alberta Catholic Hospitals Foundation shall be immediately notified of such resolution.

(3) A special resolution to dissolve the corporation may be revoked by special resolution any time within one year from the date of the special resolution to dissolve.

10 Section 15 presently reads:

15 Upon presentation to the Registrar of the proper land titles office of any transfer or other instrument whereby any land or interest in land situate in Alberta is being transferred from The Sisters of the Misericorde of Alberta being a corporation incorporated by C 30 of the Ordinances of the North West Territories 1904, or Misericordia Hospital, a company limited by Guarantee, to the corporation hereby created, the Registrar may without fee, charge or tax therefor do all things necessary to vest such land or interest therein in the name of the corporation, subject to all such limitations, encumbrances or charges as may be registered against the title thereof.

11 New sections added that deal with directors' liability, dissolution; distribution of assets; successor organizations.

17.4 Upon liquidation the property, assets and profits of the corporation shall, subject to the terms of any contracts to which the corporation may be a party and after payment of all liabilities, be paid and transferred to the Alberta Catholic Hospitals Foundation or, if it has been dissolved, to the Catholic Archdiocese of Edmonton for utilization in the health care field in the Province of Alberta.

17.5(1) If the Alberta Catholic Hospitals Foundation should cease to exist then reference in this Act to such Foundation shall thereafter be deemed to be a reference to the Catholic Archdiocese of Edmonton.

(2) If the Canadian Conference of Catholic Bishops should cease to exist, then reference in this Act to such Conference shall thereafter be deemed to be a reference to the Catholic Archbishop of Edmonton.

12 An Ordinance to Incorporate the Sisters of Mercy of the North West Territories, 1904 is repealed.

12 Chapter 30 of the Ordinances of the North West Territories, 1904.