

Bill No. 73 of 1929.

A BILL TO AUTHORIZE PROVINCIAL GUARANTEES
TO CO-OPERATIVE MARKETING ASSOCIATIONS
FOR CAPITAL EXPENDITURES.

NOTE.

This Bill enables the guarantee by the Provincial Treasurer, with the consent of the Lieutenant Governor in Council, of loans to Associations incorporated under *The Co-operative Marketing Associations Act*, and contains provisions as to the terms and conditions incidental to any such guarantee. The guarantees under this Bill may not exceed one million dollars in any fiscal year.

All guarantees are to be reported annually to the Legislature, as well as all payments made under any guarantee.

WALTER S. SCOTT,

Legislative Counsel.

(This note does not form any part of the Bill and is offered merely as a partial explanation of some of its provisions.)

BILL

No. 73 of 1929.

An Act Authorizing Provincial Guarantees to Co-operative Marketing Associations for Capital Expenditures.

(Assented to , 1929.)

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

1. This Act may be cited as "*The Co-operative Marketing Associations Guarantee Act*."

2. The Lieutenant Governor in Council may from time to time authorize the Provincial Treasurer to guarantee on behalf of the Province the due payment of any sum borrowed by any Association incorporated under The Co-operative Marketing Associations Act, for the purpose of acquiring land and factories or warehouses and equipping the same with machinery, together with interest thereon, and may authorize the Provincial Treasurer on behalf of the Province to execute any instrument for that purpose:

Provided always that—

- (a) the Association shall have first paid at least fifteen per cent of the cost of acquiring such land, factories or warehouses and machinery;
- (b) the period for the repayment of the borrowing shall not exceed twenty years;
- (c) the Association shall make provision satisfactory to the Provincial Treasurer for a sinking fund adequate for the purpose of paying off the guaranteed loan and interest as and when the same becomes due;
- (d) the total amount of the liability of the Province as a guarantor under this Act shall not exceed in any fiscal year the sum of one million dollars.

3. No Association whose borrowing has been guaranteed under this Act shall make any distribution of earnings or profits amongst its members without the consent of the Provincial Treasurer at any time when the guaranteed borrowing or any part thereof is unpaid.

4. Every Association whose borrowings are guaranteed pursuant to this Act shall so long as the guaranteed borrowing remains unpaid, if and when required so to do by

the Minister, cause its books to be investigated and audited at the expense of the Association, by such auditors and in such manner as may be from time to time prescribed by the Minister; and it shall be the duty of the auditors to report fully as to any such investigation and audit to the Minister.

5. In the event of the Provincial Treasurer being called upon to make any payment in respect of any guarantee by this Act provided for, the Provincial Treasurer shall be subrogated as against the borrowing Association to all rights, powers, remedies and securities of the person entitled to the benefit of such guarantee, and no payment by the Provincial Treasurer shall affect any liability of the Association or release any security given by the Association in respect of the borrowing, but such liability and security shall, notwithstanding any such payment, remain and continue in full force and effect, and enforceable by the Provincial Treasurer against the Association.

6. In the event of it becoming necessary to pay any sum or sums of money under any guarantee by this Act provided for, the Lieutenant Governor in Council may raise by way of loan such sum or sums of money by such means as may seem proper and convenient, and may apply the same in fulfilment of any such guarantee according to the terms thereof without any further or other appropriation than is hereby provided.

7. The Provincial Treasurer shall make an annual report to the Legislature of all guarantees entered into by him on behalf of the Province, pursuant to this Act, during the fiscal year immediately preceding the session of the Legislature at which the report is made; and of all sums of money paid during the fiscal year aforesaid under any such guarantee.

8. This Act shall come into force on the day upon which it is assented to.

THIRD SESSION
SIXTH LEGISLATURE
19 GEORGE V

1929

BILL

An Act Authorizing Provincial Guarantees to Co-operative Marketing Associations for Capital Expenditures.

Received and read the

First time.....

Second time.....

Third time.....

HON. MR. REID

REPORTS:

● H. MASON, BOOK PUBLISHER
APR. 1929