

# BILL

No. 90 of 1937.

An Act respecting the Issuance and Use of Alberta  
Social Credit.

(Assented to \_\_\_\_\_, 1937.)

**W**HEREAS the Province of Alberta being endowed with great natural wealth and being inhabited by a virile, intelligent and industrious people, is capable of producing in abundance, wealth both capital and consumptive, in ample quantities for the needs and advancement of its people; and

Whereas the people of Alberta, rich in natural wealth and resources both actual and potential, are yet heavily in debt and have been unable to acquire and maintain a standard of living such as is considered by them to be both desirable and possible; and

Whereas the existing means or system of distribution and exchange of wealth is considered to be inadequate, unjust and not suited to the welfare, prosperity and happiness of the people of Alberta;

Now therefore, 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 Alberta Social Credit Act.*"

## DEFINITIONS.

**2.** In this Act, unless the context otherwise requires,—

- (a) "Alberta Credit" means the unused capacity of the industries and people of the Province of Alberta to produce wanted goods and services;
- (b) "Board" means the Board constituted pursuant to section 3 of this Act;
- (c) "Commission" means the Provincial Credit Commission constituted pursuant to section 4 of this Act;
- (d) "Compensated Price" means the retail price of goods and services after the application of the retail discount, the amount of which discount is reimbursed to the retailer as hereinafter provided;
- (e) "Credit House" means the Alberta Credit House constituted pursuant to section 19 of this Act;

- (f) "Credit Voucher" means any instrument used as evidence of disbursement of Alberta Credit in accordance with section 23 of this Act;
- (g) "Currency" means the current money of Canada;
- (h) "Discount Voucher" means any instrument used as evidence of the disbursement of the retail discount pursuant to section 15 of this Act;
- (i) "Minister" means the Provincial Treasurer;
- (j) "Person entitled to Alberta Credit" means every person of the full age of twenty-one years who is for the time being resident and domiciled in the Province, who is either,—
  - (i) a British subject who has been continuously resident and domiciled in the Province since the first day of January, 1935, and continues to be resident and domiciled;
  - (ii) a British subject who becomes resident and domiciled in the Province at any time after the first day of January, 1935, and continues to be so resident for at least three successive years thereafter, and supports himself for at least three successive years whilst so resident and domiciled;
  - (iii) a person not being a British subject who is a resident and domiciled in the Province and who has been so resident and domiciled for five years and who has applied for naturalization as a British subject, and has supported himself for at least three successive years whilst so domiciled and resident;
- (k) "Provincial Credit Account" means the money valuation of the annual unused capacity of the industries and people of the Province to produce wanted goods and services;
- (l) "Retailer" means,—
  - (i) any person who, being a party to a subsisting contract with the Commission made pursuant to this Act,—
    - (a) sells by retail any goods, wares or merchandise, to persons who are the ultimate consumers thereof, for consumption or use by the purchaser and member of his family or his household;
    - (b) provides any service to persons for the benefit or enjoyment of the person who is provided therewith and the members of his family or household; and
  - (ii) any person who sells any dwelling house, whether with or without the land forming the site thereof to any person other than a person who purchases the same for resale;

- (m) "Retail Discount Rate" means a fractional figure to be published by the Commission, as determined by it, as hereinafter provided, to be applied as a discount on the price of goods and services offered by retailers;
- (n) "Services" means passenger transportation, distribution to homes of gas and electricity for light, heat, power and telephone transmission, rentals of homes, services of amusement and other such services to ultimate consumers, as are rendered under the regulations of their respective trade and professional associations;
- (o) "Superintendent" means the Superintendent of the Credit House appointed pursuant to this Act.
- (p) "Treasury Credit Certificates" mean non-interest bearing Provincial Treasury Credit Certificates issued against the Provincial Credit account, which are to circulate throughout the branches only in settlement of inter-branch balances through clearing house associations;
- (q) "Treasury Credit Certificate Account" means the system of accounting prescribed by the Commission for the purpose of enabling the Minister and the Credit House to keep proper records of the transfer of Treasury Credit Certificates used pursuant to this Act.

---

#### PART I.

3.—(1) For the purpose of this Act a Board is hereby created which shall consist of the following five persons: G. L. MacLachlan, F. M. Baker, Dr. J. L. McPherson, W. E. Hayes and S. A. Berg, of whom Mr. G. L. MacLachlan shall be Chairman and Mr. F. M. Baker shall be Secretary.

"(2) The successors of the said members of the Board shall be appointed from time to time by the Legislative Assembly.

"(3) The duties and powers of the Board shall be as follows:

- "(a) to appoint suitable persons as members of the Commission;
- "(b) to appoint suitable persons as Social Credit technical experts;
- "(c) to examine Social Credit legislation and make recommendations for legislative action in respect thereof;
- "(d) to co-operate with the Commission in the performance of any of its duties and in the rendering of such assistance as may be requested by the Commission;

- “(e) to report their findings and negotiations and activities to the legislature of each Session thereof;
- “(f) to keep a record of all negotiations and transactions;
- “(g) to study the economic conditions of the Province of Alberta with a view to assisting the Commission in every way possible;
- “(h) to request the Executive Council for the advice and co-operation of any Department of the Government.

“(4) With the approval of the Lieutenant Governor in Council, the Board, or any member or members thereof selected by the Board, may visit any part of the world for the purpose of procuring prospective Commissioners or technical experts; or for the purpose of studying administration methods which might be of value to Alberta.

“(5) For the purposes of section 14 of The Legislative Assembly Act, the Board shall be deemed to be a committee appointed by the Legislative Assembly, and every member of the Board shall be entitled to receive such sums for travelling expenses outside the Province and subsistence while performing their duties, as may pursuant to the said section be paid to members of a committee so appointed.”

“(6) The Board is hereby authorized and empowered to supervise and assist in the administration of this Act and any other Acts of the Province designed to facilitate the exchange of goods and services or any proposal which is calculated to bring about the equation of consumption to production and thus ensure to the people of the Province the full benefit of the increment arising from their association.”

4.—(1) To effectuate the purpose of this Act there is hereby constituted a commission which shall be a body corporate under the name “The Provincial Credit Commission”, and shall be composed of not less than three nor more than five members who shall be appointed by the Board.

(2) Each Commissioner shall hold office during good behavior for a period of ten years from the date of his appointment unless removed at any time by the Board upon address of the Legislative Assembly of Alberta.

(3) The salaries of the Commissioners and all expenses of the Commission shall be fixed by the Board with the approval of the Lieutenant Governor in Council.

(4) The presence of a majority of the Commission shall be necessary to constitute a quorum of the Commission.

(5) In the case of death, illness or absence from Alberta of a Commissioner, or his inability to act from any cause; the Board may appoint some person to act *pro tempore* in his stead, and the person so appointed shall have all the powers and perform all the duties of a Commissioner.

(6) No vacancy on the Commission shall impair the right of the remaining Commissioners to act.

## DUTIES OF THE COMMISSION.

5.—(1) There is hereby created an account in the Treasury of the Province of Alberta to be known as the Provincial Credit Account. In the year in which this Act comes into force and every subsequent year, the Commission shall determine for each such year the value of the unused capacity of industries and people of Alberta for the production of wanted goods and services; which amount shall be credited to the Provincial Credit Account. At the end of each year the amount in the Provincial Credit Account, which shall not have been drawn upon in that year shall be written off. The level of values used in determining the amount of the Provincial Credit Account shall be the same as in the determination of the retail discount rates. The decisions of the Commission and the Board as to the Provincial Credit Account shall be final. Said decisions shall be reported by the Board to the Minister, and said reports shall be used by him as the basis for the establishment and maintenance of the Provincial Credit Account.

(2) The Commission shall use all reasonable ways and means to determine the retail discount rate as accurately as possible, strictly in accordance with the methods prescribed in this Act and without any extraneous influence and advice. At the discretion of the Commission the disbursement of the discounts may be limited to the amount of Discount Vouchers tendered for payment. The decisions of the Commission and the Board as to the rate of the retail discount shall be final.

(3) The Commission shall have authority to provide an advance of Alberta Credit to any person or persons engaged in agriculture or manufacturing or industry in the Province and to any person, persons or corporate body entitled to Alberta Credit, to defray the costs of the building of a home or for establishing or maintaining any business, vocation, calling or for public service; but no interest shall be payable in respect to any credit so provided.

(4) The Commission is hereby authorized through the Credit House and its Branches, or other agencies, to collect tax levies; to receive and administer any securities which may be assigned to them, transfers or adjustments on account of unpaid taxes or for any purpose affecting the Provincial credit; to adjust claims, handle settlements and liquidate or adjust debts as between individuals or corporations where application for such adjustment is made to the Commission; to negotiate any transfer of Alberta Credit with any firm, person or corporate body who may be entitled to Alberta Credit and whose interests may be affected by the application of this Act.

(5) The Commission shall have authority, with the approval of the Board, to employ and fix the compensation of such special examiners, statisticians, clerks and other employees as it may from time to time find necessary for the proper administration of its duties.

(6) The Commission shall establish and maintain a statistical bureau to collect and co-ordinate the data necessary for carrying out the provisions of this Act and shall be guided in its decisions by the facts disclosed. All statistical Departments of the Provincial Government shall furnish such aid and information as may be required by the Commission.

(7) The Commission or the Board is hereby empowered and shall have authority to require any persons to furnish such data and statistics as may be requisite in the judgment of the Commission for the carrying out of the purposes of this Act; any person who makes default in furnishing any such data or statistics shall be guilty of an offence and liable upon summary conviction therefor to a fine of not more than one thousand dollars or to imprisonment for a term of not more than six months, or to both fine and imprisonment.

(8) The Commission shall have authority, with the approval of the Board, to take any necessary steps which may be required to establish and maintain a reserve of financial credit sufficient to assure that Treasury Credit Certificates shall always be honored in terms of currency in the extra-Provincial market.

(9) The Commission shall prescribe the amount of the charges to be made by the Credit House for services in connection with the handling of the discount vouchers and credit vouchers by the Branches as prescribed in this Act.

#### INTERFERENCE WITH THE FUNCTION OF THE COMMISSION.

**6.** It shall be unlawful for any person or persons,—

- (a) by force, intimidation, threat, promise or in any other manner, to prevent or attempt to prevent any member or any employee of the Commission from doing any act or thing which he is empowered or authorized to do by this Act;
- (b) to induce, or attempt to induce, any such member or employee to make any decision or order, or to take any action with respect to any matter within the authority of the Commission;
- (c) to induce or attempt to induce any such member or employee to disclose any information whatever in any manner which is not expressly authorized by this Act.

---

#### PART II.

**7.** It is the intent and purpose of this Act to provide for the issue of Treasury Credit Certificates to such extent as may be requisite for the purpose of increasing the purchas-

ing power of the consumers of Alberta as to make such purchasing power conform to the productive capacity of the people of the Province for the production and delivery of wanted goods and services, which capacity is declared to be the measure of Alberta Credit.

8. It is the intent and purpose of this Act to provide that all extra provincial trade debits be paid in Canadian currency where it is desired by the other parties.

9. All persons in the Province are hereby authorized to accept Alberta Credit in payment for any goods or services, or both, within the Province of Alberta, to the amount of disbursements evidenced thereby.

10. The Lieutenant Governor in Council may, on the advice of the Board, by order, declare that all claims against the Province for the payment of any money out of any appropriation of public money made by the Legislative Assembly for the purpose of providing for the payment of any grants or allowance, or any claim or any class or description of claim payable within the Province specified by the order, shall be satisfied by the transfer to such person of an amount of Alberta Credit of the same amount as the amount of such grant, allowance or claim, and upon any such transfer being made, notwithstanding the provisions of any other Act or any rule of law or equity to the contrary, all the rights of such person in respect of such claim shall cease and determine, and no action or proceeding either at law or equity in respect thereof or in relation thereto shall be commenced, maintained or continued in any court of civil jurisdiction in the Province; provided that in the case of contractual obligations all parties agree to the above terms.

11. Notwithstanding the provisions of any Act, the Minister, with the approval of the Lieutenant Governor in Council, and on the advice of the Board, is hereby empowered to accept transfers of Alberta credit in satisfaction or partial satisfaction of any claim which the Province has against any person for taxes or on any other account.

12. Notwithstanding the provisions of any Act, every corporate body which is a city, town, village, municipal district or school district is hereby empowered,—

- (a) to accept transfers of Alberta Credit in satisfaction or partial satisfaction of any claim which the corporate body has against any person for rates, taxes, services or otherwise;
- (b) to deposit any Alberta credit or currency in the Credit House; and
- (c) to use any Alberta Credit so accepted by making transfers thereof to persons who are willing to

accept Alberta Credit in satisfaction or partial satisfaction of claims against the corporate body in respect of its ordinary services or in payment of grants or the carrying out of any public work.

**13.** Treasury Credit Certificates shall be available for providing,—

- (a) a discount on prices to consumers at retail;
- (b) Government services;
- (c) Interest free loans;
- (d) debt payments;
- (e) export subsidies;
- (f) Provincial consumers' dividend;
- (g) such other purposes as the Lieutenant Governor in Council at the request of the Board may by order so declare.

**14.**—(1) Upon a date to be fixed by the Board, the Commission shall establish and publish a retail discount rate which shall be in force until such time as the Board shall designate.

(2) Thereafter the retail discount rate shall be that percentage which unused productive capacity bears to total productive capacity. In determining such percentage productive capacity shall be ascertained by estimating the total capacity of the industries and people of the Province of Alberta for the production of wanted goods and services for the immediate preceding three months' period for which figures shall be available; to this shall be added an estimate of imports for the immediate preceding three months' period for which figures shall be available.

(3) Unused productive capacity shall be reckoned as the difference between total consumption and productive capacity. Consumption shall be ascertained by estimating actual domestic consumption of goods and services for the immediate preceding three months' period for which figures shall be available, plus the estimate of exports for the immediate preceding three months' period for which figures shall be available, plus a fixed percentage for capital depreciation, to be determined according to the estimates of the Commission. The level of values used in ascertaining consumption and productive capacity shall be the same, and as far as possible shall conform to the average of prices recorded by the Provincial Department of Trade and Industry or other official source in constructing its indices of wholesale prices.

(4) No retail discount rate shall be determined and published unless productive capacity, ascertained as above prescribed, shall exceed consumption ascertained as above prescribed, by at least ten per centum.



(5) The retail discount rate published by the Commission, shall be the rate determined by the Commission; provided, that the rate proclaimed shall not exceed the immediate preceding rate by a figure of more than five per centum.

(6) It shall be unlawful for any person or persons to disclose the retail discount rate, or any information received or employed in connection with the determination of the retail discount rate before said rate shall have been published by the Commission. After such publication, the data used in determination of the retail discount rate shall be made a matter of public record.

#### APPLICATION OF RETAIL DISCOUNT RATE.

**15.—**(1) On, from and after a date fixed for that purpose, by the Board, the retail discount rate shall be applicable to purchases of goods and services from retailers as defined in this Act, made by consumers who are natural persons:

Provided that such purchases are made for the personal use of the consumers or their respective families, and are not made for resale, trade or manufacture.

(2) The retail discount rate shall be paid in such manner as may be prescribed by the Commission, and the disbursements of the retail discount in trade shall be evidenced by suitable discount vouchers in such form as may be prescribed by the Commission.

(3) Subject to the provisions of section 17, discount vouchers shall be used in reimbursing the retailer for his disbursement of the retail discount by selling goods or services at the compensated price, and by that means provide a continuous settlement through the branches to the retailers for the disbursements of the retail discount as provided in this Act.

**16.—**(1) Retailers, wholesalers, and primary producers are hereby authorized to make voluntary contracts with the commission under the regulations of their respective trade and professional associations,—

- (a) in the case of retailers, in order to qualify them to dispense the retail discount and reap the benefits thereof; and
- (b) in the case of the wholesalers, manufacturers and primary producers, in order to qualify them to dispense their goods and services to the retailers, and to share with them the benefits of increased trade under said regulations.

Every such contract shall bind the contractor to comply with such regulations as to cost accounting, fair trade practices and professional ethics as may be prescribed by said trade and professional associations or other agency or agencies authorized by law. In the case of contracts with retailers

the same shall provide in each instance that the retailer, if required by the Commission, shall deal only with persons who are wholesalers, manufacturers, primary producers, and purveyors of services, who have entered into contract as aforesaid with the Commission.

(2) The Commission may suspend or annul any such contract made as above prescribed after due notice, and opportunity for a hearing for violation of the terms or conditions thereof.

(3) Any person who knowingly falsifies or causes to be falsified any account relating to a contract with the Commission made pursuant to this section, shall be guilty of an offence and liable upon summary conviction thereof to a fine of not more than one thousand dollars, or to imprisonment for a term of not more than six months.

#### SETTLEMENT FOR DISCOUNT ALLOWANCES.

**17.—**(1) In order to compensate retailers for their disbursements of the retail discount, the Credit House and all branches in the Province shall accept all discount vouchers evidencing the disbursement of any retail discount from the retailer making the same, and to credit the account of the retailer with the amount of such vouchers deposited by him. The amount of all vouchers so credited shall be charged to the Treasury Credit Certificate Account, and the Branches, upon application to the Credit House, shall be reimbursed for the demand of deposits allowed by them under this Act by the issuance to them of a like amount of Treasury Credit Certificates as hereinafter provided.

(2) Any Branch receiving retail discount vouchers as above prescribed shall be entitled to make a service charge to the depositor for handling said vouchers, at a rate to be fixed by the Commission.

(3) Any person who knowingly makes a false entry on a discount voucher or who presents a false discount voucher to a branch for deposit, or any retailer who knowingly manipulates falsely his sales totals in claiming settlement of compensated price, shall be guilty of an offence and liable on summary conviction therefor to a fine of not more than one thousand dollars or to imprisonment for a term of not more than six months, or to both fine and imprisonment, and in addition, if he be a retailer the Commission may annul his contract with the Commission and may prohibit him for a period of two years from the date of his conviction from engaging in business with any retailer, wholesaler, manufacturer, or primary producer who is a party to a subsisting contract with the Commission.

#### PROVINCIAL CONSUMERS' DIVIDEND.

**18.—**(1) From and after a date fixed by the Board a Provincial per capita consumers' dividend shall be paid on the first day of every month during each accountancy

period, to every person entitled to Alberta Credit under the provisions of this Act. The payment of the said dividend shall be administered under the direction of the Commission, and shall be made pursuant to regulations made by it. All payments of the Provincial consumers' dividend, and all expenditures in connection therewith shall be met by the issuance of Treasury Credit Certificates, as hereinafter provided. Such certificates shall be issued to Branches or other agencies designated by the Commission, and shall be accepted and dealt with by them as a treasury deposit against which credit vouchers in payment of the Provincial Consumers' dividend and all expenditures in connection therewith may be drawn.

(2) The amount of the Provincial Consumers' dividend in any accountancy period shall be determined by making it approximate such percentage of the Provincial Credit Account as may be available and not otherwise appropriated, as deemed advisable by the Commission, and said dividends shall in no case amount to less than five per centum of said account.

(3) No Provincial Consumers' dividend shall be deemed to form part of the income of the persons for whom the same is provided as income subject to taxation, nor shall it be regarded or taken into account in making any computation of the amount payable on account of remuneration payable to any person by the Province, or the amount payable in pursuance of any Act of the Province in the nature of pensions, allowances or grants.

(4) The Board may establish classifications of persons entitled to Provincial Consumers' dividend, having regard to any circumstances relating to purchasing power and production or economic conditions.

(5) In the case of minors, special Provincial Dividend Vouchers may be issued and upon satisfactory evidence being adduced that the child's present and future interest in each case will be safeguarded, the parents jointly, or either separately, may be appointed trustees until the child reaches the age of eighteen years, whereupon he may, at will, receive his own Provincial dividends, or, in the alternative, the Commission may appoint a trustee or trustees for such minor.

---

### PART III.

#### CREDIT HOUSE AND CREDIT HOUSE BRANCHES.

##### THE DISTRIBUTION SYSTEM.

**19.** To effectuate the purpose of this Act the Commission is hereby empowered to constitute a Department of Provincial Administration which shall be known as the Alberta Credit House, and the same is hereby declared to be a body corporate.

**20.** With the approval of the Board, the Commission shall appoint a Superintendent of the Credit House who shall be the chief executive officer of the Credit House and shall, on behalf of the Commission, have the direction and control of the business of the Credit House with authority to act in connection with the conduct of the business of the Credit House in all matters which are not by this Act or by any regulations made pursuant hereto specifically reserved to be done by the Commission.

**21.** The Credit House shall,—

- (a) be situated in the city of Edmonton;
- (b) be the Head Office of the Commission prescribed by this Act; and
- (c) shall be the agency of the Provincial Treasurer in circulating credits to effectuate the purpose of this Act.

**22.** The Credit House shall establish Branch Credit Houses (referred to in this Act as Branches) at such places within the Province of Alberta as may be required in the judgment of the Commission for carrying out the purpose of this Act.

**23.** Every person to whom Alberta Credit is made available shall be entitled to transfer same by means of instruments of such nature and description as shall be prescribed by the Commission.

**24.** Every transfer of Alberta Credit made in conformity with the purposes of this Act shall become effective upon the presentation for delivery thereof, to the Credit House or any Branch thereof.

**25.** The Credit House, or any Branch thereof is empowered to accept deposits of currency and securities from any person and to deal with same in such manner as may be agreed upon between the Credit House and the depositor.

**26.**—(1) The principal function of the Credit House shall be to act in conjunction with the Provincial Treasurer and the Branches in transferring credit in the manner prescribed in this Act, and the Credit House is hereby empowered to perform that function.

(2) The principal function of the Branches shall be to act in conjunction with the credit House and the Public in making effective any transfer authorized by the issuance of Treasury Credit Certificates or credit vouchers; to render any service, do any act or thing consistent with carrying out the provisions of this Act; and without limiting the generality of the foregoing,—

- (a) to establish credits to the account of customers, pursuant to the requirements of this Act; and
- (b) to establish Provincial Treasury credits to the account of customers against which credit instruments in payment of the Provincial Consumers' dividend may be drawn; and
- (c) to receive deposits of Credit Vouchers and of transfers of Alberta Credit made in conformity with this Act, and keep an account of all such Alberta Credit used in conformity with this Act, and keep an account of all such Alberta Credit so received, and keep an account of every transfer of Alberta Credit made by the depositors; and
- (d) to receive currency and all kinds of negotiable instruments from any persons and to convert same into Alberta Credit for an amount expressed in terms of currency, equal to the currency and negotiable instruments so received, and to make available to such persons Alberta Credit for the amount thereof.

---

#### PART IV.

##### TREASURY CREDIT CERTIFICATES.

**27.**—(1) Subject to the provisions of section 22, the Minister shall from time to time issue through the Credit House system Treasury Credit Certificates in such denominations as may be deemed advisable by him, and in such amounts and at such times as may be required to effectuate the purpose of this Act.

(2) Notwithstanding the provisions of any Act of this Province, such Treasury Credit Certificates shall be issued to the Branches or other agencies herein provided, as authorization for the credits established pursuant to the requirements of section 13 of this Act.

**28.** All Treasury Credit Certificates issued by the Minister shall be disbursed by the Credit House in such amounts as shall be called for by the Branches pursuant to the provisions of this Act.

**29.**—(1) The Branches shall furnish to the Credit House under Oath, at the time of applying for said certificates, a statement of the amounts credited under this Act.

(2) Every Branch is hereby directed to open a Treasury Credit Certificate Account and to charge this account with the face value of all certificates furnished by the Minister through the Credit House, and to credit same to its customers.

(3) The total amount of the new deposits shall be charged daily to the Treasury Credit Certificate Account. In turn, this amount shall be credited and the general ledger deposits account shall at all times be in balance.

(4) Settlements may be made regularly with the Minister, through the Credit House, at any convenient period, or as may be designated by the Commission. The Commission may authorize district Branches to make settlements as its representatives.

#### CLEARING HOUSE OPERATIONS.

**30.**—(1) All Clearing House associations and all correspondents authorized to make inter-branch clearances are hereby authorized and instructed to accept Treasury Credit Certificates from any Branch in settlement of inter-branch balances, in the ratio that the amount of deposits they give rise to bears to the total deposits of the Branch tendering the Treasury Credit Certificates.

(2) Any Branch receiving said Treasury Credit Certificates in settlement of a favourable balance from its Clearing House is hereby authorized and instructed to credit its Treasury Credit Certificate Account with the amount so received and to charge its general ledger deposit account for same. In like manner, the Branch so disposing of said Treasury Credit Certificates shall credit its general ledger account and charge its Treasury Credit Certificate Account with the face value of the Treasury Credit Certificates so disposed of. Both the paying and receiving Branches shall then distribute the credits or debits to the customers entitled to them in the usual manner and shall charge or credit the Treasury Credit Certificate Account with the corresponding total.

**31.** The Commission shall so function and administer this Act for the purpose and to the intent that the Treasury Credit Certificate Account in all Branches shall be maintained in balance at all times. It is the intent of this Act to control the volume of the means of payment for goods and services in harmony with the ability of the whole Province to produce and consume them on a rising standard of living, so that excess expansion of credit and a consequent undue advance in the price level shall not occur, and that the present system of issuing credit through private initiative for profit, resulting in recurrent deflations and inflations shall cease.

#### CURRENCY.

**32.**—(1) It is hereby enacted that the Credit House shall at all times be prepared to meet the requirements of the Branches for such currency, legal tender for all debts, public and private, as may be called for withdrawal from them by their customers.

(2) It shall be the responsibility of the Provincial Government to see that the deposits brought into existence pursuant to this Act can be validated. The Branches shall return all currency that has been withdrawn for validation of deposits to the Credit House when redeposited excepting only such working reserves of normally circulating currency as may be required.

(3) The Branches shall furnish a strict accounting of the currency called for by their customers in excess of normal requirements for business, such as might occur in times of financial stress.

(4) The Branches shall act simply as agents of the Credit House in the process of validating Alberta Credit with legal tender currency and no charge shall therefore be made upon either side for such service.

---

## PART V.

### TREASURY CREDIT CERTIFICATE FUND.

**33.** In order to establish a system of circulating credit which shall at all times conform to the capacity of the industries and people of Alberta for the production of wanted goods and services; it is hereby declared to be the policy of the Legislative Assembly of Alberta to prevent the undue expansion of credit as well as to eliminate the contraction of credit in time of slackening trade. It is the true meaning and intent of this Act, whenever deemed necessary by the Commission, that the controls over supply of credit through open market operations and the discount rate shall be employed as heretofore to maintain a balanced credit structure.

### ESTABLISHMENT OF A TREASURY CREDIT CERTIFICATE RETIREMENT FUND.

**34.** A Treasury Credit Certificate retirement fund shall be established for the purpose of retiring from time to time as hereinafter provided, the Treasury Credit Certificates herein authorized. For the purpose of the said fund, there shall be set aside not more than one-fourth of the Provincial revenues in each fiscal year over and above the amount required to balance the normal budget estimates for that year.

### RETIREMENT OF TREASURY CREDIT CERTIFICATES.

**35.—**(1) The Provincial Treasury Board shall use the Treasury Credit Certificate retirement fund or such portion thereof as shall seem to them advisable for the retirement of the said Treasury Credit Certificates, whenever in its judgment, acting upon the records of the Commission, an unduly expanded credit condition exists or is impending.

(2) If, in the opinion of the Commission, the operation of the retirement fund as above provided is insufficient in any

instance to check an unduly expanded credit condition or an inflationary rise of the general price level, the Commission is authorized to establish a negative retail discount rate not to exceed ten per centum upon all goods and services. Said negative retail discount rate, whenever imposed, shall be added by the retailer to the retail price of the goods and services to consumers, and shall be reported by the retailer to his Branch, upon forms to be prescribed by the Commission, and paid to the Branch. Payments of said negative retail discount shall be credited by the Branches, as received by them to the Treasury Credit Certificate Account, and the proceeds thereof shall be applied to the cancellation or withdrawal of Treasury Credit Certificates in like amount.

(3) It shall be the duty of the Commission to collect and maintain all statistics and information which shall be required by the Board for the purposes of this Part.

---

## PART VI.

### GENERAL PROVISIONS.

**36.** In addition to the specific powers conferred by this Act, the Commission shall be empowered,—

- (a) to transfer Treasury Credit Certificates in any manner consistent with the purpose of this Act;
- (b) to examine into, consider, investigate and formulate proposals having for their object the increase of the purchasing power of the consumer by means of social dividends, compensating discounts or by any other means and the payment to the producer of any commodity of a just price and the allowance to any dealer in a commodity of a fair commission on turnover, and for such purposes to ascertain all necessary facts relating thereto, and to report to the Board as to the feasibility of applying any such proposal or any modification thereof having regard to the economic circumstances of the Province and of the various businesses, industries, trades and vocations of the people of the Province;
- (c) to inquire into and to investigate the prevailing circumstances and conditions of all or any specified businesses, industries, trades and vocations and to ascertain whether, and if so to what extent any of such circumstances and conditions, or either of them, operate to the disadvantage or detriment of the Province as a whole or to any class or category of persons in the Province, and to report thereon to the Board.



**37.** The Commission and/or every member thereof, for the purpose of making any such inquiry, shall have the same power to compel the attendance of witnesses and the production of documents as may be conferred upon a commissioner appointed pursuant to *The Public Inquiries Act*, and shall be entitled to examine upon oath such persons as they may in their discretion think proper.

**38.** Any persons appointed pursuant to this Act shall be appointed upon such terms and conditions, at such remuneration and subject to such regulations as may be prescribed by the Board.

**39.** The Commissioners and employees of the Credit House or any Branch thereof, other than temporary employees shall be deemed to be employees within the meaning of *The Superannuation Act*, and shall be subject and entitled to the benefits of all the provisions of that Act.

**40.** The Credit House is empowered to make such charges in respect of any service for which no charge is expressly provided by this Act in relation to any deposit of any kind made with the Credit House or any other service or facility provided by the Credit House pursuant to this Act as may from time to time be prescribed by the Commission and approved by the Board.

**41.** Notwithstanding any provision of any Act to the contrary, no person shall be subject to any disqualification as a candidate for election as a Member of the Legislative Assembly or as any Member of the Legislative Assembly by reason of his receipt for acceptance of any Alberta Credit provided for him under provision of this Act by way of any dividend or by reason of his right to receive or accept any such Alberta Credit or otherwise.

**42.—(1)** For the purpose of giving effect to the intent and purpose of this Act, upon the request of the Board the Lieutenant Governor in Council may by order in council, alter and/or supplement with new provisions any of the provisions of this Act, for the purpose of providing for matters arising out of the operation of this Act for which no expressed provision is made: Provided such change is not contrary to the policy of this Act.

**(2)** Every order in council made pursuant to this and the last preceding subsection shall be published in *The Alberta Gazette* as if it had been enacted as a part of this Act and shall take effect upon publication or upon such later dates as may be specified for that purpose.

**43.** The Commission shall cause a true and correct record to be kept of all its business affairs and transactions and such records shall be kept in such form and manner as may from time to time be approved by the Provincial Auditor.

**44.** The Provincial Auditor shall at least once during each fiscal year, and whenever required to do so by the Lieutenant Governor in Council, upon the request of the Board, make an audit of the business affairs of the Credit House and shall make a report thereon to the Board and the Lieutenant Governor in Council, and a copy of every such report shall be submitted to the Legislative Assembly at the Session commencing next after the making of any such report along with and as an appendix to the statement of the Public Accounts made pursuant to *The Treasury Department Act*.

**45.** Any person or corporation who violates any provision of this Act shall be liable to a fine of not more than one thousand dollars or in default of payment to imprisonment for a term of not more than six months or both, in cases where no other punishment is provided in this Act.

**46.** In addition to the specific powers conferred by this Act, the Commission is authorized to make such rules and regulations upon approval of the Board, as it may be necessary to carry out the provisions of this Act.

**47.** The necessary moneys and/or credits for carrying out the provisions of this Act are hereby appropriated.

**48.** Should any conflict arise between this Act and any provision of any other Provincial Act the provisions of this Act shall prevail.

**49.** The following statutes are hereby repealed, namely: *The Social Credit Measures Act*, being chapter 5 of the Statutes of Alberta, 1936, and *The Alberta Credit House Act*, being chapter 1 of the Statutes of Alberta, 1936 (Second Session).

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

No. 90.

---

THIRD SESSION  
**EIGHTH LEGISLATURE**  
1 GEORGE VI  
1937

---

**BILL**

An Act respecting the Issuance and  
Use of Alberta Social Credit.

---

Received and read the

First time.....

Second time.....

Third time.....

---

HON. MR. LOW.

---

EDMONTON:  
A. Shnitka, King's Printer  
1937