

BILL

No. 6 of 1937 (Second Session)

An Act to Provide for the Regulation of the Monetization
of the Credit of the Province of Alberta.

(Assented to _____, 1937.)

WHEREAS Bank Deposits and Bank Loans in Alberta are made possible mainly or wholly as a result of the monetization of the credit of the People of Alberta, which credit is the basis of the credit of the Province of Alberta; and

Whereas the extent to which property and civil rights in the Province may be enjoyed depends upon the principles governing the monetization of credit and the means whereby such credit is made available to the Province and to the people collectively and individually of the Province; and

Whereas it is expedient that the business of banking in Alberta shall be controlled with the object of attaining for the people of Alberta the full enjoyment of property and civil rights in the Province.

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 Credit of Alberta Monetization Act.*"

DEFINITIONS

2. Under this Act unless the context otherwise requires:—

- (a) "Banker" means a person or corporation whose business or any part of whose business is the business of banking;
- (b) "Business of Banking" means the receipt of money on current or deposit account, the payment and collection of cheques drawn by, or paid in by, customers, the making of advances or the granting of overdrafts to customers;
- (c) "Local Directorate" means a Local Directorate constituted pursuant to section 4 of this Act;
- (d) "Provincial Credit Commission" means the Commission constituted pursuant to section 4 of *The Alberta Social Credit Act*;

(e) "Social Credit Board" means the Board constituted pursuant to section 3 of *The Alberta Social Credit Act*.

3.—(1) Every Banker who at the time of the coming into force of this Act is carrying on the business of banking within the Province shall, within fourteen days thereafter, apply for and obtain a license from the Provincial Credit Commission in respect of such business, and every such application shall be accompanied with the fee provided for the license so applied for.

(2) Every person employed by a Banker carrying on the business of banking within the Province, shall within twenty-one days of the coming into force of this Act, apply individually for and obtain from the Provincial Credit Commission a license to carry on the business of Banking, or any function or functions thereof, and any such application shall be supported by a recommendation of the Local Directorate or the most senior officer of the banker by whom the applicant is employed in the locality where the applicant is employed; and every such application shall be accompanied with the fee prescribed for the license applied for.

(3) Every license issued under this Act shall expire at midnight on the thirty-first day of March of the calendar year following the year in which it is issued or at such other time as the Provincial Credit Commission may by regulation determine.

(4) Every application for a license by any banker carrying on the business of banking or any function or functions thereof within the Province, and every application for a license by any employee of a banker shall be accompanied by a signed undertaking signed by the applicant whereby the applicant undertakes to refrain from acting or assisting or encouraging any person or persons to act in a manner which restricts or interferes with the property and civil rights of any person or persons within the Province, and in the case of a Banker, the application for a license shall be accompanied with the name of the two representatives of such Banker as members of the local directorate.

(5) The Provincial Credit Commission may at any time or from time to time and without notice, suspend, revoke or cancel the license of any Banker or any employee of a Banker who commits a breach of the undertaking referred to in subsection (4) of this section.

(6) Any Banker and any employee of a Banker whose license has been suspended, revoked or cancelled by the Provincial Credit Commission, shall have a right of appeal to the Social Credit Board, but such right shall not extend to any person or corporation convicted in the civil courts of the Province for acting or assisting or encouraging any person or persons to act in a manner which restricts or interferes with the property or civil rights of any person within the Province.

(7) There shall be paid to the Provincial Credit Commission for the use of the Province annually a license fee in such amount as may be fixed by the Provincial Credit Commission not exceeding:

- (i) in the case of a Banker an amount equivalent to \$100.00 in respect of every building within the Province in which the business of such bank is conducted;
- (ii) in the case of an employee of a Bank \$5.00.

(8) If the license of any banker or person employed by a banker has been suspended, revoked or cancelled under section 3, subsection (6) of this Act, the Provincial Credit Commission may fix a fee in excess of the fee provided in subsection (7) of this Act, for renewing the license or issuing a new license; always provided that such increased fee shall not exceed one thousand times the fee paid or required to be paid in respect of the license last issued to such person.

4.—(1) Immediately after application has been made for a license by any Banker, and before the issue of the license, one or more local directorates (the number of which shall be in the absolute discretion of the Social Credit Board) shall be appointed to supervise, direct and control the policy of the Banker in respect of which such Local Directorate has been appointed for the purpose of preventing any act by such Banker or any employee or employees thereof constituting a restriction or interference, either direct or indirect, with the full enjoyment of property and civil rights by any person within the Province.

(2) Each Local Directorate shall consist of five persons, three of whom shall be appointed by the Social Credit Board, and two of whom shall be appointed by the Banker in respect of which the Local Directorate has been appointed.

(3) The Social Credit Board may at any time for any cause which it deems sufficient, dismiss any member of the Local Directorate appointed by such Board and appoint another person to fill the vacancy.

(4) Members of a Local Directorate appointed by the Social Credit Board shall hold office during the pleasure of the Board; and members of such directorate appointed by a Banker shall hold office during the pleasure of such Banker.

(5) Where a vacancy occurs in a Local Directorate the vacancy may be filled by the Social Credit Board if the member in respect of whom the vacancy occurs was appointed by that Board, and if the member in respect of whom the vacancy occurs was appointed by a Banker, then by the Banker who appointed such member.

(6) Members of Local Directorates appointed by the Social Credit Board shall receive such remuneration as may be from time to time fixed by the Board with the approval

of the Lieutenant Governor in Council, and such remuneration shall be paid out of such moneys as are appropriated by the Legislative Assembly for the purpose.

5. Any Banker who carries on the business of banking in the Province of Alberta without having first obtained a license under the provisions of this Act or who violates any other provisions of this Act or the regulations made hereunder, shall be guilty of an offence and shall be liable on summary conviction to a fine of not less than five thousand dollars and not more than ten thousand dollars and costs.

6. Any employee of a Banker who carries on the business of banking in the Province of Alberta or any function or functions thereof without having first obtained a license under the provisions of this Act or who violates any other provision of this Act or the regulations made hereunder, shall be guilty of an offence and shall be liable on summary conviction to a fine of not less than one hundred dollars and not more than one thousand dollars, and in default of payment to imprisonment for a term of not more than one year.

7.—(1) Any Banker required to be licensed by this Act shall not, while unlicensed, be capable of commencing or maintaining any action or other proceeding in any court in the Province in respect of any claim, in law or in equity.

(2) The Lieutenant Governor in Council may by proclamation, declare that as and from a date named therein, this section shall cease to have any force and effect and shall stand repealed.

8. Should any conflict arise between this Act and any provisions of any other Provincial Act, the provisions of this Act shall prevail.

9. No provision of this Act shall be so construed as to authorize the doing of any act or thing which is not within the legislative competence of the Legislative Assembly.

10. With the approval of the Lieutenant Governor in Council, the Provincial Credit Commission may make regulations not inconsistent with this Act,—

- (a)* prescribing the rules of procedure in respect of applications for licenses and other proceedings under this Act;
- (b)* prescribing the forms for licenses and application for licenses and the manner governing such applications;
- (c)* prescribing the forms and procedure for taking an appeal from the Provincial Credit Commission to the Social Credit Board under this Act;

- (d) classifying licenses and licensees and prescribing and regulating the fees including methods of ascertaining or calculating or determining the fees to be paid for licenses;
- (e) prescribing the privileges, terms, conditions, limitations and restrictions to be granted to or observed by any licensee;
- (f) prescribing the conditions upon which licenses may be issued and providing for the revocation, suspension or withholding of licenses;
- (g) for the collection of the license fees, designating the persons by whom the same shall be collected;
- (h) generally for the better carrying out of the purposes of this Act.

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

FOURTH SESSION
EIGHTH LEGISLATURE
1 GEORGE VI
1937
(SECOND SESSION)

BILL

An Act to Provide for the Regulation
of the Monetization of the Credit
of the Province of Alberta.

Received and read the

First time.....

Second time.....

Third time.....

HON. MR. LOW.

EDMONTON:
A. Shnitka, King's Printer
1937