

REPRINTED BILL

BILL

No. 8 of 1937 (Third Session)

An Act to Amend and Consolidate The Credit of Alberta
Regulation Act.

(Assented to _____, 1937.)

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.

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 Regulation Act, 1937.*"

DEFINITIONS

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

- (a) "Credit Institution" means a person or corporation whose business or any part of whose business is the business of dealing in credit;
- (b) "Business of dealing in credit" means all business transactions in the Province of a credit institution or any other person except The Bank of Canada, whereby credit is created, issued, lent, provided or dealt in by means of bookkeeping entries, in any case and at any time when the aggregate amount of all credit so created, issued, lent, provided or dealt in is in excess of the total amount of legal tender in the possession of the credit institution so creating, issuing, lending, providing or dealing in such credit: and includes the following transactions relating to any credit so created, issued, lent, provided or dealt in, namely, the "payment of cheques or other negotiable instruments made, drawn or paid in by customers, the making of advances and the granting of overdrafts; but does not include transactions which are banking within the meaning of the word 'banking' as used in sub-head 15 of section 91 of The British North America Act, 1867."
- (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 credit institution which at the time of the coming into force of this Act is carrying on the business of dealing in credit within the Province shall, within twenty-one 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 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.

(3) Every application for a license by any credit institution carrying on the business of dealing in credit or any function or functions thereof within the Province, shall be accompanied by an 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.

(4) The Provincial Credit Commission may at any time or from time to time and without notice, suspend, revoke or cancel the license of any credit institution which commits a breach of the undertaking referred to in subsection (3) of this section.

(5) Any credit institution whose license has been suspended, revoked or cancelled by the Provincial Credit Commission, shall have a right to appeal to the Social Credit Board, but such right shall not extend to any credit institution against whom a judgment has been entered pursuant to section 5 of this Act 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.

(6) Every credit institution shall pay to the Provincial Credit Commission for the use of the Province annually a license fee in such amount as fixed by the Provincial Credit Commission not exceeding an amount equivalent to One Hundred Dollars in respect of every building within the Province in which the business of such bank is conducted.

(7) If the license of any credit institution has been suspended, revoked or cancelled under section 3, subsection (5) of this Act, the Provincial Credit Commission may fix a fee in excess of the fee provided in section 3, subsection (6) 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 credit institution 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 business of dealing in credit of such institution in respect of which such Local Directorate has been appointed for the purpose of preventing any act by such credit institution 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 credit institution 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 credit institution shall hold office during the pleasure of such credit institution.

(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 credit institution then by the credit institution 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 credit institution who carries on the business of dealing in credit 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 thereunder, shall incur a penalty of ten thousand dollars for each day during which the credit institution carries on business without a license, and every such penalty may be recovered by action brought on behalf of the Crown by the Provincial Treasurer in any court of competent jurisdiction as a debt due to the Crown.

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

7. No provisions 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 Legislature of the Province.

8. 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.

9. "*The Credit of Alberta Regulation Act*," being chapter 1 of the Statutes of Alberta, 1937 (Second Session), is hereby repealed.

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

FIFTH SESSION
EIGHTH LEGISLATURE

1 GEORGE VI

1937

(THIRD SESSION)

BILL

An Act to Amend and Consolidate
The Credit of Alberta Regulation
Act.

Received and read the

First time.....

Second time.....

Third time.....

HON. MR. LOW.

EDMONTON:
A. Shnitka, King's Printer
1937