



NATIONAL ASSEMBLY

SECOND SESSION

THIRTY-FIFTH LEGISLATURE

Bill 158
(1997, chapter 70)

**An Act to repeal certain Acts permitting
the constitution of legal persons in the
agricultural sector and to amend various
legislative provisions**

**Introduced 22 October 1997
Passage in principle 28 October 1997
Passage 3 December 1997
Assented to 9 December 1997**

**Québec Official Publisher
1997**

EXPLANATORY NOTES

This bill repeals the Agricultural Societies Act and provides that existing agricultural societies must obtain letters patent under Part III of the Companies Act before 1 April 1999. It provides that agricultural societies that have not complied with the requirement to obtain letters patent within the prescribed time will be dissolved, and establishes the liquidation procedure that will apply to the dissolved societies.

The bill also repeals a number of inoperative Acts which were enacted to allow the constitution of legal persons in the agricultural sector.

In addition, the bill contains technical and corrective amendments to the Act respecting the implementation of the Act respecting administrative justice, and amends the Act respecting the marketing of agricultural, food and fish products to allow the chairman of the Régie des marchés agricoles et alimentaires du Québec to designate a member of the Régie to replace the chairman in case of absence.

Lastly, the bill contains certain consequential amendments.

LEGISLATION REPEALED BY THIS BILL :

- Farmers' Clubs Act (R.S.Q., chapter C-9);
- Agricultural Societies Act (R.S.Q., chapter S-25);
- Butter and Cheese Societies Act (R.S.Q., chapter S-29);
- Stock-breeding Syndicates Act (R.S.Q., chapter S-39).

LEGISLATION AMENDED BY THIS BILL :

- Act respecting the Ministère de l'Agriculture, des Pêcheries et de l'Alimentation (R.S.Q., chapter M-14);
- Act respecting the marketing of agricultural, food and fish products (R.S.Q., chapter M-35.1);
- Animal Health Protection Act (R.S.Q., chapter P-42);

- Act respecting farmers’ and dairymen’s associations (R.S.Q., chapter S-23);
- Horticultural Societies Act (R.S.Q., chapter S-27);
- Act respecting the implementation of the Act respecting administrative justice (1997, chapter 43).

Bill 158

AN ACT TO REPEAL CERTAIN ACTS PERMITTING THE CONSTITUTION OF LEGAL PERSONS IN THE AGRICULTURAL SECTOR AND TO AMEND VARIOUS LEGISLATIVE PROVISIONS

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS :

1. The following Acts are repealed :

- (1) the Farmers' Clubs Act (R.S.Q., chapter C-9);
- (2) the Agricultural Societies Act (R.S.Q., chapter S-25);
- (3) the Butter and Cheese Societies Act (R.S.Q., chapter S-29);
- (4) the Stock-breeding Syndicates Act (R.S.Q., chapter S-39).

2. All agricultural societies existing on 9 December 1997 shall, before 1 April 1999, be continued under Part III of the Companies Act (R.S.Q., chapter C-38) by obtaining letters patent under section 221 of that Act; those societies shall be governed for the time being by the provisions of the Agricultural Societies Act as they read on 8 December 1997.

Upon the expiry of the time limit prescribed by the first paragraph, any society that has not complied with the requirement to obtain letters patent shall be dissolved by operation of law. The Minister of Agriculture, Fisheries and Food shall appoint a liquidator and shall deposit a notice of the dissolution of the society and a notice of the appointment of the liquidator with the Inspector General of Financial Institutions. The liquidation of the society shall be carried out in accordance with the provisions of the Civil Code relating to the dissolution and the liquidation of legal persons. The assets of the society, after repayment of the debts and reimbursement of the capital contributions, shall, however, devolve to legal persons whose objectives are similar to those of agricultural societies, according to a distribution plan requiring approval by the Minister.

If a society dissolved pursuant to the second paragraph has not been registered in the register of sole proprietorships, partnerships and legal persons, the Minister shall transmit to the Inspector General of Financial Institutions a

notice, in lieu of the registration declaration, that sets out the name and the location of the head office of the society and the date of its constitution as a legal person.

3. The rule governing the asset apportionment set out in the second paragraph of section 2 shall also apply

(1) to the voluntary dissolution of an agricultural society decided between 22 October 1997 and 1 April 1999;

(2) to the dissolution, within two years after letters patent are obtained, of a legal person that was continued in accordance with the first paragraph of section 2.

4. For the purposes of paragraph 11 of section 204 and of paragraph 10 of section 236 of the Act respecting municipal taxation (R.S.Q., chapter F-2.1), any legal person that obtained letters patent in accordance with the first paragraph of section 2 shall continue to be an agricultural society as long as it pursues principally the objects provided for in the Agricultural Societies Act as it read on 8 December 1997.

5. Section 2 of the Act respecting the Ministère de l'Agriculture, des Pêcheries et de l'Alimentation (R.S.Q., chapter M-14), amended by section 71 of chapter 26 of the statutes of 1996, is again amended

(1) by striking out the words "agricultural and" and "farmers' clubs" in the third line of subparagraph 4 of the first paragraph;

(2) by striking out the words "farmers' clubs," in the fourth line of subparagraph 5 of the first paragraph.

6. Section 16 of the said Act is amended

(1) by striking out the words "farmers' club," in the first line of the first paragraph;

(2) by striking out the words "stock-breeding syndicate," in the second line of the first paragraph;

(3) by striking out the words "butter or cheese manufacturing society," in the fourth line of the first paragraph.

7. Section 11 of the Act respecting the marketing of agricultural, food and fish products (R.S.Q., chapter M-35.1) is replaced by the following section:

"11. If a member of the Régie is unable to act, the Government may appoint another person to replace the member for as long as the member is unable to act.

If the chairman is to be absent at a sitting, the chairman shall designate a member of the Régie to replace the chairman.”

8. Section 12 of the said Act is replaced by the following section :

“12. The Régie may sit as a panel composed of not fewer than three members. However, a member of the Régie may hear and decide alone matters brought under the first paragraph of section 46 of the Farm Producers Act (chapter P-28).”

9. Section 30 of the Animal Health Protection Act (R.S.Q., chapter P-42) is amended

(1) by replacing paragraph *d* by the following paragraph :

“(d) “agricultural society”: an agricultural society governed by the Agricultural Societies Act (chapter S-25) or a legal person that, in accordance with section 2 of the Act to repeal certain Acts permitting the constitution of legal persons in the agricultural sector and to amend certain legislative provisions (1997, chapter 70), obtained letters patent provided for in that section and that pursues principally the objects of an agricultural society;” ;

(2) by striking out paragraph *f*.

10. Section 54 of the said Act is amended by striking out the words “or stock-breeding syndicate,” in the first and second lines of paragraph *c*.

11. Section 3.1 of the Act respecting farmers’ and dairymen’s associations (R.S.Q., chapter S-23) is replaced by the following section :

“3.1. The name of an association must be in conformity with the provisions of section 9.1 of the Companies Act (chapter C-38).”

12. Section 3.2 of the said Act is amended by replacing the words “any of paragraphs 1 to 6 of section 1.1 of the Agricultural Societies Act (chapter S-25)” in the third and fourth lines by the words “one of paragraphs 1 to 6 or paragraph 8 of section 9.1 of the Companies Act (chapter C-38)”.

13. Section 5.1 of the said Act is replaced by the following sections :

“5.1. An interested person may apply to the Minister for an order directing an association to change its name if the association’s name is not in conformity with section 3.1.

“5.2. The Minister shall, before rendering a decision, notify the interested persons in writing as prescribed by section 5 of the Act respecting administrative justice (1996, chapter 54) and allow them at least 10 days to present observations.

“5.3. The decision of the Minister must be in writing, contain reasons and be signed. It must be sent forthwith to the persons concerned and to the Inspector General, who shall deposit it in the register.

The decision becomes executory upon the expiry of the time for bringing a proceeding under section 5.7.

“5.4. Upon the expiry of the time for bringing a proceeding, the Minister may, upon application by an interested person, change the name of an association that is not in compliance with the order.

The Minister may also, on the Minister’s own initiative, change the name of an association that is not in compliance with the order issued by the Minister on the ground that the association’s name is not in conformity with one of paragraphs 1 to 6 or paragraph 8 of section 9.1 of the Companies Act (chapter C-38).

“5.5. Where the Minister assigns a name to the association, the Minister shall issue, in duplicate, a certificate setting out the change and send one duplicate to the Inspector General, who shall deposit it in the register.

The Minister shall send the other duplicate to the association or its representative.

“5.6. The Minister may delegate the powers conferred upon him by sections 5.2 to 5.5 to a member of the Minister’s personnel.

“5.7. Persons who believe themselves to have been wronged by a decision of the Minister referred to in section 5.3 may, within 30 days of notification of the decision, contest it before the Administrative Tribunal of Québec.

“5.8. The Minister shall transmit to the Inspector General notice of the contestation, and the Inspector General shall deposit the notice in the register.

“5.9. Notwithstanding the second paragraph of section 15 of the Act respecting administrative justice, the Tribunal may only confirm or quash the contested decision.

“5.10. A copy of the decision of the Tribunal shall be transmitted to each party and to the Inspector General. The Inspector General shall, where applicable, make the necessary changes to the register and shall indicate in the register that the decision of the Tribunal has been rendered.”

14. Section 2.1 of the Horticultural Societies Act (R.S.Q., chapter S-27) is amended by replacing the words “1.1 of the Agricultural Societies Act (chapter S-25)” in the first and second lines by the words “9.1 of the Companies Act (chapter C-38)”.

15. Section 3 of the said Act is amended by replacing the words “any of paragraphs 1 to 6 of section 1.1 of the Agricultural Societies Act (chapter S-25)” in the third and fourth lines of the second paragraph by the words “one of paragraphs 1 to 6 or paragraph 8 of section 9.1 of the Companies Act (chapter C-38)”.

16. Section 8 of the said Act is replaced by the following section :

“8. The directors shall present to the annual meeting a detailed report of the activities of the society for the previous year. A copy of the report shall be sent to the Minister of Agriculture, Fisheries and Food.”

17. Section 10 of the said Act is amended by replacing the words “any of paragraphs 1 to 6 of section 1.1 of the Agricultural Societies Act (chapter S-25)” in the third and fourth lines of the second paragraph by the words “one of paragraphs 1 to 6 or paragraph 8 of section 9.1 of the Companies Act (chapter C-38)”.

18. Section 18 of the said Act is replaced by the following section :

“18. Proceedings under sections 5.1 to 5.10 of the Act respecting farmers’ and dairymen’s associations (chapter S-23), adapted as required, may be brought in respect of the name of a society.”

19. Section 363 of the Act respecting the implementation of the Act respecting administrative justice (1997, chapter 43) is repealed.

20. Section 490 of the said Act is amended by replacing the figure “62.4” by the figure “62.5”.

21. Until the date of coming into force of section 205 of the Act respecting the implementation of the Act respecting administrative justice (1997, chapter 43), a proceeding under section 5.7 of the Act respecting farmers’ and dairymen’s associations, enacted by section 13 of this Act, that may be brought before the Administrative Tribunal of Québec is brought before the Court of Québec. Sections 123.147 to 123.157 of the Companies Act (R.S.Q., chapter C-38), adapted as required, apply.

22. This Act comes into force on 9 December 1997.