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# NATIONAL ASSEMBLY

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FIRST SESSION

THIRTY-FOURTH LEGISLATURE

Bill 60

## **An Act respecting the Société québécoise de récupération et de recyclage**

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### **Introduction**

**Introduced by  
Mr Pierre Paradis  
Minister of the Environment**

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**Québec Official Publisher  
1990**

## EXPLANATORY NOTES

*The purpose of this bill is to create the Société québécoise de récupération et de recyclage. The object of this corporation will be to promote, develop and foster the reduction, re-use, recovery and recycling of containers, packaging, materials and products and their valorization with a view to conserving resources.*

*The bill provides that the corporation succeeds to the Fonds québécois de récupération, which is dissolved from the date of coming into force of the Act.*

*It grants the corporation the power to collect deposits, either under an agreement or under a regulation adopted in accordance with the Environment Quality Act.*

*It establishes the rules governing the operation of the corporation, the establishment of its head office, the composition of its board of directors and the remuneration and other conditions attached to the office of its president.*

*The bill amends the Environment Quality Act with respect to the regulatory powers of the Government and more particularly with respect to deposits and consignment.*

*Finally, it includes some concordance amendments and some transitional provisions with respect to the administration of the Fonds québécois de récupération and the new corporation.*

## ACTS AMENDED BY THIS BILL:

- Act respecting beer and soft drink distributors' permits (R.S.Q., chapter P-9.2);
- Environment Quality Act (R.S.Q., chapter Q-2).

# Bill 60

## An Act respecting the Société québécoise de récupération et de recyclage

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

### CHAPTER I

#### ESTABLISHMENT AND ORGANIZATION

**1.** A corporation is hereby established under the name of “Société québécoise de récupération et de recyclage”.

The corporation may be designated by the name “RECYC”.

**2.** The corporation is a corporation within the meaning of the Civil Code, and has all the powers of such a corporation in addition to those conferred on it by this Act.

**3.** The corporation is a mandatary of the Government.

The property of the corporation forms part of the public domain, but the performance of its obligations may be levied against its property.

The corporation binds only itself when it acts in its own name.

**4.** The head office of the corporation is in the territory of the Communauté urbaine de Québec; however, it may be moved to any other place with the approval of the Government. A notice of the location or any change of location of the head office is published in the *Gazette officielle du Québec*.

The corporation may hold its sittings at any place in Québec.

**5.** The affairs of the corporation are administered by a board of directors composed of nine members, as follows:

(1) the president of the corporation appointed by the Government for a period of not more than five years;

(2) eight members appointed by the Government for a period of not more than three years.

**6.** The Government shall appoint a chairman and a vice-chairman of the board from among the members of the board of directors.

The chairman of the board of directors shall preside over the meetings of the board of directors, oversee its operation and assume any other duties assigned to him by a by-law of the corporation.

In the absence of the chairman, the vice-chairman shall act in his place.

**7.** The members of the board of directors shall remain in office at the end of their terms until they are reappointed or replaced.

**8.** A majority of the members of the board of directors constitutes a quorum.

If votes are equally divided, the person presiding over the board of directors has a casting vote.

**9.** The president of the corporation is responsible for the administration and management of the corporation within the scope of its by-laws and policies.

The Government shall fix the remuneration, social benefits and other conditions of employment of the president of the corporation.

**10.** The members of the board of directors are not remunerated, except in the cases, on the conditions and to the extent which may be determined by the Government. However, they are entitled to reimbursement of expenses incurred in performing their duties, on the conditions and to the extent determined by the Government.

**11.** Any member of the board of directors, other than the president of the corporation, having a direct or indirect interest in an

enterprise which places his personal interest in conflict with that of the corporation shall, on pain of forfeiture of his office, disclose it in writing to the president of the corporation and abstain from taking part in any debate or voting on any decision bearing upon the enterprise in which he has an interest.

The president and the employees of the corporation may not, on pain of forfeiture of office, have any direct or indirect interest in an enterprise placing their personal interest in conflict with that of the corporation. However, forfeiture is not incurred if that interest devolves to them by succession or gift, provided they renounce or dispose of it with diligence.

**12.** The secretary and the other employees of the corporation are appointed and remunerated in accordance with the scales and standards and the staffing plan established by by-law of the corporation.

**13.** The corporation may, by by-law, form an executive committee and determine its duties and powers.

**14.** The corporation may adopt any by-law in respect of its powers and internal management.

**15.** The minutes of the sittings of the board of directors, approved by it and certified by the chairman of the board or by any other person authorized to do so by the by-laws governing internal management of the corporation, are authentic. The documents or copies emanating from the corporation or forming part of its records are authentic if they are certified in the same way.

**16.** The by-laws of the corporation shall be submitted for approval by the Government and come into force on the date of such approval or on any later date determined by the Government.

## CHAPTER II

### OBJECTS AND POWERS

**17.** The objects of the corporation are to promote, develop and foster the reduction, re-use, recovery and recycling of containers, packaging, materials or products and their valorization with a view to conserving resources.

For these purposes, it may, in particular, alone or with partners,

(1) administer any project of consignment;

(2) carry out any research or development work and perfect or implement technologies;

(3) using any appropriate technical or financial measure, foster the creation and development of enterprises engaging in reduction, re-use, recovery, recycling or valorization;

(4) promote, develop and maintain markets for the containers, packaging, materials or products which are recovered and for the products resulting from recycling or valorization;

(5) through appropriate educational projects, promote measures of conservation of resources, reduction, re-use, recovery, recycling or valorization;

(6) administer financial aid programs established by the Government.

**18.** The corporation may make an agreement with any person, municipality, corporation or body within the scope of its objects.

It may, with the authorization of and on the conditions determined by the Government, make an agreement with a foreign government or one of its departments or with an international organization, or with any agency of that government or organization.

It may also, with the authorization of and on the conditions determined by the Government, make an agreement with a department or agency of the Gouvernement du Québec, or with any other government in Canada or a department or agency of such government.

**19.** The corporation shall receive and administer the deposits collected, either under an agreement made between the Minister, the corporation and any person, corporation or body, or under a regulation adopted pursuant to subparagraph *i, j, j.0.1, j.1* or *j.2* of the first paragraph of section 70 of the Environment Quality Act (R.S.Q., chapter Q-2).

It shall use the non-refundable part of the deposits and any unclaimed deposits for the achievement of its objects.

**20.** The corporation must also carry out any other mandate related to its objects entrusted to it by the Government and financed in whole or in part by the Government.

## CHAPTER III

## FINANCING AND ADMINISTRATION

**21.** The corporation and any subsidiary of which it holds more than fifty per cent of the shares or stocks shall not, without the authorization of the Government,

(1) enter into contracts for a duration or an amount exceeding those determined by the Government;

(2) accept any gift or legacy to which a condition or charge is attached;

(3) contract any loan which takes the aggregate of its current unpaid loans above the amount determined by the Government;

(4) grant loans or make any other financial commitment beyond the limits or contrary to the modalities determined by the Government;

(5) acquire or dispose of property, shares or stocks beyond the limits or contrary to the modalities determined by the Government.

The amounts, limits and modalities fixed under this section may apply to the group formed by the corporation and its subsidiaries or to one or more of them.

This section does not apply to transactions between the corporation and its subsidiaries or between the subsidiaries.

[[**22.** The Government may, on the conditions it determines,

(1) guarantee the payment in capital and interest of any loan of the corporation or of a subsidiary in which the corporation holds more than fifty per cent of the shares or stocks, and the performance of any obligation of the corporation or any such subsidiary;

(2) authorize the Minister of Finance to advance to the corporation or to a subsidiary referred to in subparagraph 1 any amount deemed necessary to permit the corporation or subsidiary to exercise its powers, at such rate of interest, for such period of time and on such other conditions as the Government shall determine.

The sums required for the carrying out of this section are taken out of the consolidated revenue fund.]]

**23.** The Minister may, within the scope of the responsibilities and powers conferred on him, issue directives on the objects and orientation of the corporation in the discharge of its duties under the Act.

These directives must be submitted to the Government for approval. If they are so approved, they are binding on the corporation, which must comply with them.

Every directive must be tabled in the National Assembly within fifteen days of its approval by the Government. If the Assembly is not sitting, the directive must be tabled in the Assembly within fifteen days of resumption.

**24.** The corporation shall, not less than 60 days before the beginning of each fiscal year, prepare an investment budget and an operating budget and submit them to the Minister for approval.

**25.** The corporation shall establish a development plan, including the activities of its subsidiaries, in the form, with the content and at intervals fixed by the Government.

The plan must be submitted to the Government for approval.

## CHAPTER IV

### ACCOUNTS AND REPORTS

**26.** The fiscal year of the corporation ends on 31 March each year.

**27.** The corporation must, not later than 30 September each year, file its financial statements with the Minister together with a report of its activities for the preceding fiscal year.

The financial statements and report of activities shall contain all the information required by the Minister.

**28.** The Minister shall table the report of activities and the financial statements before the National Assembly within 15 days of his receiving them or, if the Assembly is not sitting, within 15 days of resumption.

**29.** The books and accounts of the corporation shall be audited each year and also whenever so ordered by the Government, by the Auditor General or, with the approval of the Government, by an auditor designated by the corporation. The report of the auditor must



accompany the report of activities and the financial statements of the corporation.

**30.** The corporation must provide the Minister with any information he requires on its activities.

## CHAPTER V

### MISCELLANEOUS PROVISIONS

**31.** The corporation succeeds to the Fonds québécois de récupération, a non-profit corporation incorporated under Part III of the Companies Act (R.S.Q., chapter C-38) by letters patent issued by the Inspector General of Financial Institutions on 4 July 1984 and registered on 6 July 1984, in libro C-1166, folio 33; it acquires the assets and rights and assumes the obligations of that corporation, which is dissolved.

**32.** To the extent that they are consistent with this Act, the decisions, by-laws or resolutions adopted or passed by the Fonds québécois de récupération remain in force until they are amended, repealed or replaced by the decisions, by-laws or resolutions adopted or passed under this Act.

**33.** In any agreement, contract or document, the name "Fonds québécois de récupération" and the word "Fonds", where it is used to designate that corporation, are replaced by "Société québécoise de récupération et de recyclage" or "corporation", unless the context indicates otherwise.

**34.** The corporation assumes the rights and obligations of the Fonds québécois de récupération arising from the Agreement on the consignment, recovery and recycling of non-returnable containers for beer or soft drinks made on 15 July 1987 between the Minister and the signatories of the agreement, in accordance with the Act respecting beer and soft drink distributors' permits (R.S.Q., chapter P-9.2). Notwithstanding the provisions of this agreement and any notice of cancellation which may have ended it, it shall remain in force and shall bind the parties until 31 December 1990.

**35.** The Government may appoint temporary directors, one of whom shall act as chairman of the board, to administer the affairs of the corporation from (*insert here the date of assent to this Act*) until 31 December 1990 or any other date it determines. The president of the corporation, upon appointment, shall be a member of the board.

**36.** Any acquisition, transfer or alienation of property, rights or assets by the Fonds québécois de récupération shall be null and absolutely null, as shall any gift, loan or aid made or granted by it from *(insert here the date of introduction of this bill)* until *(insert here the date of assent to this Act)*, except where they have been unanimously authorized by the members of the board of directors of the Fonds québécois de récupération.

The first paragraph does not apply with respect to any system of aid in the recovery of non-returnable containers for beer and soft drinks established for retailers before *(insert here the date of introduction of this bill)*.

**37.** Section 3 of the Act respecting beer and soft drink distributors' permits (R.S.Q., chapter P-9.2) is amended by adding the words "and the Société québécoise de récupération et de recyclage incorporated under the Act respecting the Société québécoise de récupération et de recyclage, or unless he complies with the regulations respecting non-returnable containers for beer or soft drinks adopted pursuant to subparagraph *i*, *j*, *j.0.1*, *j.1* or *j.2* of the first paragraph of section 70 of the Environment Quality Act" after the word "Environment" in the fourth line.

**38.** Section 4 of the said Act is amended by replacing the words "or if he ceases to be a party to the agreement" in the fourth and fifth lines by the words "ceases to be a party to the agreement or does not comply with the regulations respecting non-returnable containers for beer or soft drinks adopted pursuant to subparagraph *i*, *j*, *j.0.1*, *j.1* or *j.2* of the first paragraph of section 70 of the Environment Quality Act".

**39.** Sections 69.1, 69.2 and 69.3 of the Environment Quality Act (R.S.Q., chapter Q-2) are repealed.

**40.** Section 70 of the said Act is amended

(1) by replacing subparagraph *i* of the first paragraph by the following subparagraph:

"(*i*) regulate, limit or prohibit the use of any container, wrapper, material or product it determines according to its nature or the kind of goods for which it is intended;"

(2) by replacing subparagraph *j* of the first paragraph by the following subparagraphs:

“(j) prescribe any deposit or consignment system for containers, wrappers, products or materials, in the cases, on the conditions and according to the modalities it determines;

“(j.0.1) fix a deposit payable upon purchase of a product or material where that product or material or its container or wrapper can be re-used, recovered, recycled or valorized, and determine the non-refundable part of the deposit;”;

(3) by replacing subparagraph j.2 of the first paragraph by the following subparagraph:

“(j.2) prescribe the reduction, re-use, recovery, recycling, processing or valorization of any container, wrapper, material or product by the categories of persons, in the cases, on the conditions and according to the modalities it determines;”;

(4) by inserting, after subparagraph q of the first paragraph, the following paragraph:

“For the purposes of subparagraph j.0.1 of the first paragraph, “deposit” means an amount payable upon purchase of a product or material where that product or material or its container or wrapper can be re-used, recovered, recycled or valorized, part of such an amount being refundable upon its return and the other part being the sums required to manage, promote, foster or develop the re-use, recovery, recycling and revalorization.”

## CHAPTER VI

### FINAL PROVISIONS

**41.** The Minister of the Environment is responsible for the carrying out of this Act.

**42.** This Act comes into force on *(insert here the date of assent to this Act)*.