
NATIONAL ASSEMBLY

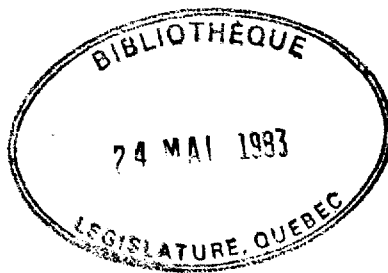
THIRTY-SECOND LEGISLATURE

FOURTH SESSION

Bill 23

An Act to ensure the resumption of activities at Madelipêche Inc.

First reading



Introduced by
Mr Jean Garon
Minister of Agriculture, Fisheries and Food

EXPLANATORY NOTES

This bill is intended to ensure the resumption of activities at the company called Madelipêche Inc., in the Îles-de-la-Madeleine.

It provides for the provisional administration of the company and authorizes the Minister of Finance and the Government to make advances and give guarantees, where needed, to allow the company to attain its objects.

Bill 23

An Act to ensure the resumption of
activities at Madelipêche Inc.

WHEREAS Madelipêche Inc., incorporated 22 March 1978 under the Companies Act (R.S.Q., chapter C-38), is a mixed economy company formed by the Pêcheurs Unis du Québec and the Société de développement industriel du Québec to ensure the long-term operation of the assets acquired by the Government from General Mills (Canada) Ltd. in 1977;

Whereas the operation of that business is one of the main sources of employment in the Îles-de-la-Madeleine and the continuance of its activities has acquired very great significance in the economic and social life of the islands;

Whereas the Government has, at the end of each of the first four years of operations, made up the net operating deficit by grants and advances to the company amounting to over \$2 000 000;

Whereas the company's activities are now at a standstill and it is imperative that they be resumed without further delay;

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

1. The powers of the board of directors of "Madelipêche Inc." are suspended from 19 May 1983.

2. The powers of the board of directors are exercised by a provisional board until the suspension ends.

3. The provisional board is composed of not over three members, including a chairman, appointed by the Minister of Agriculture, Fisheries and Food, who shall determine their conditions of employment.

Only the Minister may dismiss the members of the provisional board.

4. The provisional board may take any measures it considers appropriate to ensure the resumption and development of the activities of the company and the recovery of its financial situation.

It shall in particular devise and implement a plant modernization plan so as to enable the company to meet the prescribed requirements for obtaining the permits required under the Agricultural Products, Marine Products and Food Act (R.S.Q., chapter P-29).

5. By-laws made by the provisional board do not require confirmation or approval by the shareholders. However, no by-law made as provided in section 55, 57 or 58 of the Companies Act may come into force without the approval of the Government.

6. The suspension of the powers of the board of directors ends on the date fixed by order of the government. This order shall be published in the *Gazette Officielle du Québec*.

7. The Minister of Finance is authorized to advance to the company, up to an aggregate amount of \$2 000 000, at the rate of interest, for the term, and on the other conditions it determines, any amount deemed necessary for the attainment of its objects, and to guarantee, on the conditions it determines, payment in principal and interest of any loan made to the company or the execution of any obligation of the company.

8. The Government may, in addition, on the conditions it determines,

(1) guarantee payment in principal and interest of any loan made to the company, as well as the execution of any obligation of the company;

(2) authorize the Minister of Finance to advance to the company any amount deemed necessary for the attainment of its objects, at the rate of interest, for the term and on the other conditions determined by the Government.

[[**9.** Sums which the Minister of Finance or the Government may be called to pay under section 7 or 8 are taken out of the consolidated revenue fund.]]

10. All the provisions of the draft agreement reached on 30 November 1978 between Pêcheurs Unis du Québec and the Société de développement industriel du Québec, in which the parties undertake to take whatever measures are necessary to have Pêcheurs Unis du Québec assume the marketing of the products of Madelipêche Inc., as well as the management services and other related services, are null and void from and after 19 May 1983.

The same rule applies to the agreements reached the same day between Madelipêche Inc. and Pêcheurs Unis du Québec, relating to the marketing of the products of Madelipêche Inc. and the furnishing of management services.

11. The Minister of Agriculture, Fisheries and Food is responsible for the administration of this Act.

12. This Act shall operate notwithstanding the provisions of sections 2 and 7 to 15 of the Constitution Act, 1982 (Schedule B of the Canada Act, chapter 11 in the 1982 volume of the Acts of the Parliament of the United Kingdom).

13. This Act comes into force on the day of its sanction.