

THIRD SESSION
THIRTY-FIRST LEGISLATURE

ASSEMBLÉE NATIONALE DU QUÉBEC

Bill 13

An Act to amend the Farm Improvement Act

First reading

Second reading

Third reading

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Ministre de l'agriculture

L'ÉDITEUR OFFICIEL DU QUÉBEC

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EXPLANATORY NOTE

The main intent of this bill is to increase the maximum amount of a loan that may be granted under the act. It provides, in addition, that the authorization of the Office du crédit agricole du Québec is required for the granting of loans in the cases and within the limits fixed by regulation. The bill would make it unnecessary to apply the criteria of need established by regulation except in the case of a borrower wishing to benefit by the repayment of the interest as provided under the act. Finally, the bill provides that a borrower may be granted a loan to reimburse the balance on an existing loan if he resettles on another farm.

Sec. 1. *Section 1 of this bill increases from \$50,000 to \$100,000 the total maximum amount of a loan which may be granted to a borrower under the act by a bank or by a savings and credit union and suppresses the provision of the act requiring the borrower to meet the criteria of need established by regulation.*

Sec. 2. *Section 2 stipulates that in certain cases established by regulation, the authorization of the Office du crédit agricole du Québec, instead of its mere advice, must be obtained prior to the granting of a loan.*

Sec. 3. *Section 3 establishes, for the purposes of section 1 of the bill, the mode of computing the total amount owing from a borrower, according as the case is that of a farmer or an aspiring farmer, of joint borrowers or of undivided owners considered as one farmer.*

Bill 13

An Act to amend the Farm Improvement Act

HER MAJESTY, with the advice and consent of the Assemblée nationale du Québec, enacts as follows:

1. Section 3 of the Farm Improvement Act (Revised Statutes, 1964, chapter 109), amended by section 3 of chapter 40 of the statutes of 1965 (1st session), replaced by section 2 of chapter 43 of the statutes of 1969, amended by section 2 of chapter 33 of the statutes of 1972 and replaced by section 2 of chapter 35 of the statutes of 1975, is amended by replacing the first paragraph by the following paragraphs: R.S.,
c. 109, s. 3,
am.

“3. A bank or a credit union may grant to any borrower, for one or more of the purposes mentioned in section 4, a loan which must in no case exceed \$100,000. Maximum
amount of
a loan.

The same borrower may obtain more than one loan provided that the amount of the last loan he obtains added to the balance owing in principal, by succession or otherwise, on any loan previously obtained and determined in the manner provided in section 3b, never exceeds the maximum of \$100,000.” More than
one loan.

2. Section 3a of the said act, enacted by section 2 of chapter 35 of the statutes of 1975, is amended: R.S.,
c. 109,
s. 3a, am.

(a) by replacing the words “the advice of the Québec Farm Credit Bureau” in the second and third lines by the words “the authorization of the Office du crédit agricole du Québec”;

(b) by adding the following paragraph:

“The authorization required under the first paragraph is granted by any person designated for that purpose by the Office.” Person
designated.

3. Section 3b of the said act, enacted by section 2 of chapter 35 of the statutes of 1975, is replaced by the following: R.S.,
c. 109,
s. 3b,
replaced.

Sec. 4. Section 4 stipulates that a borrower must meet the criteria of need established by regulation to benefit by the reimbursement of interest provided for in the act.

Sec. 5, 6. Sections 5 and 6 extend the purposes of loans so as to include the repayment of the balance on an existing loan by a new loan in the case of a borrower who, pursuant to the disposition or expropriation of his farm, resettles on another farm.

“3b. The total amount owing by a borrower under this act must at no time exceed \$100,000, except in respect of debts devolved to him by succession subsequently to the last loan contracted by him that he has not repaid in full. Total amount owing.

To establish such amount of \$100,000 in the case of a borrower who is a farmer or an aspiring farmer, account shall be taken of: Farmer or aspiring farmer.

(a) the balance owing by him personally on any loan he has obtained or of which he has assumed payment; and

(b) his relative share in the balance of any loan previously obtained jointly with any other person or of which he has assumed payment jointly with any other person.

To establish the amount of \$100,000 mentioned in the first paragraph, in the case of joint borrowers or undivided owners considered as one farmer, account shall be taken of Joint borrowers or undivided owners.

(a) the balance owing by them on any loan already obtained in that capacity or of which they have assumed payment;

(b) the balance owing by each of them on every loan he has previously obtained personally or of which he has personally assumed payment; and

(c) the relative share in any loan obtained by each of them jointly with any other person or of which he has assumed payment jointly with any other person.”

4. Section 3c of the said act, enacted by section 2 of chapter 35 of the statutes of 1975, is amended by inserting the words “who meets the criteria of need established by regulation” after the word “borrower” in the second line. R.S., c. 109, s. 3c, am.

5. Section 4 of the said act, replaced by section 4 of chapter 40 of the statutes of 1965 (1st session), amended by section 3 of chapter 43 of the statutes of 1969 and by section 3 of chapter 33 of the statutes of 1972, and replaced by section 3 of chapter 35 of the statutes of 1975, is amended by adding, after subparagraph 9 of the first paragraph, the following subparagraph: Id., s. 4, am.

“(10) repayment of the balance on an existing loan in the case provided for in section 9.”

6. Section 9 of the said act, amended by section 9 of chapter 40 of the statutes of 1965 (1st session), replaced by section 6 of chapter 43 of the statutes of 1969, amended by section 5 of chapter 33 of the statutes of 1972 and by section 6 of chapter 35 of the statutes of 1975, is replaced by the following: Id., s. 9, replaced.

Sec. 7. *Section 7 provides for the payment of expenditures incurred for the application of the act.*

“9. Any borrower who, on or pursuant to the disposition or expropriation of his farm, resettles on another farm, may obtain a loan for the purpose provided for in subparagraph 10 of the first paragraph of section 4.” Loan pursuant to disposition, etc., of farm.

[[7. The expenditures incurred for the application of this act during the fiscal year 1978/1979 shall be paid out of the consolidated revenue fund.]] Expenditures incurred.

8. This act will come into force on the date to be fixed by proclamation of the Government, except the provisions excluded by such proclamation, which will come into force on any later date to be fixed by proclamation of the Government. Coming into force.