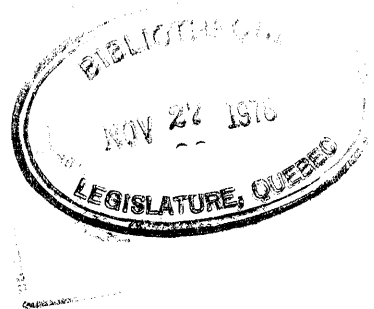


# ASSEMBLÉE NATIONALE DU QUÉBEC

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## Bill 105

An Act to incorporate the Société québécoise de  
développement des industries culturelles

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First reading .....  
Second reading .....  
Third reading .....

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M. DENIS VAUGEOIS  
Ministre des affaires culturelles

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L'ÉDITEUR OFFICIEL DU QUÉBEC

## EXPLANATORY NOTES

*This bill provides for the establishment and organization of the Société québécoise de développement des industries culturelles.*

*The objects of the company will be to promote the creation and development of cultural undertakings, to contribute to the increase of the quality, distinctiveness and competitiveness of their productions, and to ensure their distribution.*

*The bill provides that the affairs of the company are to be administered by a board of directors of nine members, all appointed by the Government for not more than six years.*

*The authorized capital stock of the company will be \$10 000 000, to be paid by the Ministre des finances in one or several instalments.*

*The Ministre des affaires culturelles will be empowered, with the approval of the Government, to issue directives dealing with the goals and orientation of the company in the execution of the functions entrusted to it by the act.*

## Bill 105

An Act to incorporate the Société québécoise de  
développement des industries culturelles

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

### DIVISION I

#### ESTABLISHMENT OF THE COMPANY

estab-  
lish-  
ent.

**1.** A joint stock company, hereinafter called “the company”  
is incorporated under the name of “Société québécoise de dévelop-  
pement des industries culturelles”.

head  
office.

**2.** The company has its head office at the place determined  
by the Government; notice of the location or of any change of  
the head office is published in the *Gazette officielle du Québec*.

sittings.

The company may hold its sittings anywhere in Québec.

manda-  
tory.

**3.** The company has the rights and privileges of a manda-  
tary of the Government.

public  
domain.

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

ability.

The company binds none but itself when it acts in its own  
name.

objects.

**4.** The objects of the company are:

(a) to promote the creation and development of cultural  
undertakings in Québec in the fields of book publishing, periodical  
publishing, recording, entertainment, videotape recording, audio-  
visual production, graphic arts, design, arts and crafts, and any  
other field designated by regulation of the Government;

(b) to contribute to the increase of the quality, distinctiveness and competitiveness of the productions of those undertakings, and to ensure their distribution.

Coming  
into force.

A regulation contemplated in subparagraph *a* of the first paragraph comes into force on the date of its publication in the *Gazette officielle du Québec*.

## DIVISION II

### BOARD OF DIRECTORS

Board of  
directors.

**5.** The affairs of the company shall be administered by a board of directors composed of nine members including a chairman and a vice-chairman. At least two of such directors must be officers of the Government or of a government agency.

Directors.

The members of the board of directors are the directors of the company within the meaning of the Companies Act (Revised Statutes, 1964, chapter 271).

Domicile.

The members of the board of directors must be domiciled in Québec but need not be shareholders.

Term of  
office.

**6.** The members of the board of directors are appointed by the Government for a term of not more than six years.

Term of  
office.

However, excepting the chairman, four of the first members are appointed for three years.

Office  
continued.

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

President  
and  
managing  
director.  
Duties.

**8.** The chairman of the board of directors is also the president and managing director of the company.

He must see that the decisions of the board of directors are carried out and he is responsible for the direction of the company within the scope of its internal management by-laws.

Replace-  
ment.

**9.** If the president and managing director is unable to act, he shall be replaced by the vice-chairman while his incapacity lasts.

Exclusive  
service.

**10.** The president and managing director and the vice-chairman shall exercise their functions on a full-time basis.

Salary,  
etc.

**11.** The Government shall fix the salary and, as the case may be, the fees, allowances or additional salary of the president and managing director, the vice-chairman and the other

members of the board of directors, and the indemnities to which they are entitled. The salary, once determined, shall not be reduced.

**Quorum.** **12.** Five directors of the company, including the chairman or the vice-chairman, are a quorum.

**Minutes.** **13.** The minutes of the sittings of the board of directors, approved by it and certified true by the chairman or any other person authorized to do so under the internal management by-laws of the company, are authentic. The same rule applies to documents and copies emanating from the company or forming part of its records when they are so certified.

**Conflict of interest.** **14.** No member of the board of directors exercising his functions on a full-time basis may, under pain of forfeiture of his office, have any direct or indirect interest in an undertaking placing his personal interest in conflict with that of the company. However, that forfeiture is not incurred if such an interest devolves to him by succession or gift provided that he renounces or disposes of it with all possible dispatch.

**Disclosure.** Every other member of the board of directors having an interest in any undertaking must, under pain of forfeiture of his office, disclose it in writing to the chairman and abstain from participating in any decision dealing with the undertaking in which he has an interest.

**Disclosure of interests.** **15.** Every member of the board of directors must, upon entering into office and every year thereafter, forward, to the Ministre des affaires culturelles and to the board of directors, a list of the interests held by him or by his spouse in any cultural undertaking, together with a statement of the transactions having altered that list in the course of the year.

**Applicability.** Every employee of the company is subject to this section in the cases provided for in the by-laws of the company.

**Confidentiality.** The information furnished under this section is confidential, and communicating it or allowing it to be communicated to any person not legally entitled to it is prohibited.

**Remuneration, etc.** **16.** The secretary and the other employees of the company are appointed and remunerated in accordance with the standards and scales established by by-laws of the company.

## DIVISION III

## FINANCING

- Capital.       [[**17.** The authorized capital of the company is \$10 000 000.  
 Shares.       It is divided into 100 000 shares of a par value of \$100 each.]]
- Public domain.       **18.** The shares of the company form part of the public domain and are allotted to the Ministre des finances.
- Shares.       [[**19.** The Ministre des finances is authorized to pay to the company, out of the consolidated revenue fund, a sum of \$10 000 000 for 100 000 fully paid-up shares of its capital stock for which share certificates are to be issued to the Minister by the company.  
 Payment.       That payment may be made in one or several instalments.]]

## DIVISION IV

## SPECIAL POWERS AND CONDITIONS OF EXERCISE

- Authoriza-  
tion.       **20.** The company shall not, unless authorized by the Government,  
               (a) acquire any share or property in an undertaking pursuing the same or similar purposes;  
               (b) contract any loan that would increase to more than \$500 000 the total amount of the sums borrowed by it and outstanding;  
               (c) acquire or dispose of immoveables;  
               (d) make a financial engagement for an amount in excess of \$150 000;  
               (e) pass by-laws concerning the exercise of its powers and its internal management.
- Grants prohibited.       **21.** The company is not empowered to grant subsidies.
- Dividends.       **22.** The dividends paid by the company shall be fixed by the Government, not by the directors.
- Agree-  
ments.       **23.** The Government may, according to law, authorize the company to enter into agreements with any government, department or agency and with any person, association or partnership with a view to promoting the objectives of this act.

**Directives.** **24.** The Ministre des affaires culturelles may, within the scope of the responsibilities and powers entrusted to him and of the agreements to which he is a party, issue directives bearing on the goals and orientation of the company in the performance of the functions entrusted to it by law.

**Approval.** Such directives must be submitted to the Government for approval. If they are so approved, they are binding on the company, which must comply with them.

**Tabling.** Every directive issued under this section must be tabled before the Assemblée nationale within fifteen days of its approval by the Government. If the directive is issued while the Assemblée nationale is not sitting, the directive must be tabled before it within fifteen days after the opening of the next session, or as the case may be, after resumption.

## DIVISION V

### ACCOUNTS AND REPORTS

**Fiscal year.** **25.** The fiscal year of the company ends on 31 March each year.

**Report.** **26.** Not later than 30 June each year, the company shall submit a report of its activities for the preceding fiscal year to the Ministre des affaires culturelles.

**Information.** That report must also contain all the information that the Ministre des affaires culturelles may prescribe.

**Tabling.** The Minister shall table that report before the Assemblée nationale within thirty days of its receipt. If he receives it while the Assemblée nationale is not sitting, he shall table it within thirty days after the opening of the next session or, as the case may be, after resumption.

**Information.** **27.** The company must furnish the Ministre des affaires culturelles with any information he may require on its activities and send him the notices of convocation and the minutes of the sittings of the board of directors.

**Audit.** **28.** The books and accounts of the company shall be audited each year by the Vérificateur général and whenever ordered by the Government.

**Development programme.** **29.** The company must cause its development programme and that of its subsidiaries to be approved each year by the Government.

Content. The Government shall determine the form and tenor of the development programme as well as the time when it must be submitted.

## DIVISION VI

### MISCELLANEOUS PROVISIONS

Provisions not applicable. **30.** Sections 155 to 158 of the Companies Act (Revised Statutes, 1964, chapter 271) do not apply to the company.

1973, c. 12, s. 2, am. **31.** Section 2 of the Government and Public Employees Retirement Plan (1973, chapter 12), amended by section 1 of chapter 9 of the statutes of 1974, section 47 of chapter 41 of the statutes of 1975, section 9 of chapter 51 of the statutes of 1976, section 1 of chapter 21 and section 232 of chapter 68 of the statutes of 1977 and by section 105 of chapter (*insert here the chapter number of Bill 9*) of the statutes of 1978, is again amended by adding after paragraph 11 of the first paragraph, the following paragraph:

“(12) the president and managing director, the vice-chairman and the employees of the Société québécoise de développement des industries culturelles.”

1975, c. 15, replaced. **32.** This act replaces the Act respecting the guarantee of certain loans to publishers and booksellers and to amend the Québec Industrial Development Assistance Act (1975, chapter 15).

Continued application. However, the said act continues to apply, as if it had not been replaced, in respect of guarantees granted under its authority before (*insert here the date of the coming into force of this bill*).

Minister responsible. **33.** The Ministre des affaires culturelles is responsible for the application of this act.

Coming into force. **34.** This act comes into force on the day of its sanction.