

1986, chapter 110

AN ACT TO AMEND THE ACT RESPECTING THE SOCIÉTÉ DE DÉVELOPPEMENT INDUSTRIEL DU QUÉBEC

Bill 154

Introduced by Mr Daniel Johnson, Minister of Industry and Commerce

Introduced 13 November 1986

Passage in principle 12 December 1986

Passage 19 December 1986

Assented to 19 December 1986

Coming into force: 19 December 1986, except sections 2, 13 and 14, which will come into force on any later dates fixed by the Government

— 1 March 1987: ss. 2, 13 and 14
G.O., 1987, Part 2, p. 829

Act amended:

Act respecting the Société de développement industriel du Québec (R.S.Q., chapter S-11.01)



CHAPTER 110

An Act to amend the Act respecting the Société de développement industriel du Québec

[Assented to 19 December 1986]

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

c. S-11.01,
s. 1, am.

1. Section 1 of the Act respecting the Société de développement industriel du Québec (R.S.Q., chapter S-11.01) is amended by striking out paragraph *e*.

c. S-11.01,
Div. II,
replaced

2. Division II of the said Act is replaced by the following division:

“DIVISION II

“OBJECT AND POWERS

Economic
development

“2. The object of the Corporation is to promote, in accordance with this Act, economic development in Québec, particularly by encouraging the development of businesses, the growth of exports, research and the development of new techniques.

Financial
assistance

“3. To attain its object, the Corporation shall

(1) grant financial assistance to any business under a financial assistance program contemplated in section 5;

(2) give advice on capital structure to businesses who submit an application for financial assistance.

- Job creation **"4.** The Corporation shall ensure that the assistance granted helps to develop profitable economic activities which generate significant economic benefits in Québec, particularly as regards job creation.
- Financial assistance programs **"5.** The Government may establish, by regulation, financial assistance programs designed to promote economic development in Québec in the manufacturing, tourist and service industry sectors or any other sector and determine the conditions, criteria and limits of application thereof.
- Cooperation A regulation under the first paragraph pertaining to a matter under the jurisdiction of a minister other than the Minister of Industry and Commerce may be made only on the recommendation of that other minister prepared in cooperation with the Minister of Industry and Commerce.
- Forms of assistance **"6.** Financial assistance may be in the form of
- (1) a loan;
 - (2) a guarantee of payment or repayment of the whole or a part of a financial commitment;
 - (3) a partial exemption from repayment of a loan obtained from the Corporation;
 - (4) assistance determined by regulation.
- Mandate **"7.** The Corporation shall carry out any mandate entrusted to it by the Government to promote the carrying out of a project of major economic importance for Québec by granting the assistance defined by the Government.
- Cooperation An order entrusting a mandate pertaining to a matter under the jurisdiction of a minister other than the Minister of Industry and Commerce shall be made on the recommendation of that other minister in cooperation with the Minister of Industry and Commerce.
- Repayment **"8.** The Corporation must demand repayment from a business of financial assistance contemplated in paragraph 3 or 4 of section 6 that it has received and the business is bound to repay it, if the controlling shares or more than one-half of the assets of the business are transferred, within five years from the granting of the financial assistance, to a business not having its head office in Québec, as defined by regulation, or a person not resident in Québec.

Exemption
from
repayment

Before acting in compliance with the first paragraph, the Corporation must notify the Minister of its intention to do so, and the Minister may then exempt the Corporation from the repayment if he considers that the transfer is in the economic interest of Québec."

c. S-11.01,
s. 11,
replaced

3. Section 11 of the said Act is replaced by the following section:

Form of
application

"11. Applications for financial assistance must be submitted to the Corporation in the form it determines. Such applications must also be accompanied with the documents and the information required by the Corporation.

Fulfillment
of criteria

The business applying is required to demonstrate to the Corporation that its financial perspectives are adequate for the fulfillment of its commitments and that its management has the competence required for the achievement of its objects."

c. S-11.01,
s. 12, am.

4. Section 12 of the said Act is amended by inserting, after the word "sections" in the first line, the figure "12.1,".

c. S-11.01,
s. 12.1,
added

5. The said Act is amended by inserting, after section 12, the following section:

Transmis-
sion of
application
to minister

"12.1 The Corporation shall transmit the application and the accompanying information and documents to the minister concerned where the application is for a project relating to a matter under that minister's jurisdiction, as determined by the Government.

Eligibility of
project

The minister concerned shall determine whether the project is eligible, evaluate its worth and give his opinion to the Corporation."

c. S-11.01,
s. 14.2, am.

6. Section 14.2 of the said Act is amended by replacing the words "advise the applicant immediately that his" in the first and second lines by the words "immediately advise the business applying that its".

c. S-11.01,
s. 16, am.

7. Section 16 of the said Act is amended by replacing the second paragraph by the following paragraph:

Other pro-
grams of
financial
assistance

"In addition to exercising the functions devolved on it by this Act, the Corporation shall administer the other programs of financial assistance referred to it by another Act or by order of the Government. In the latter case, the Corporation shall have, in addition to the powers and duties conferred on it by such other Act or order, the powers and duties not inconsistent therewith conferred on it by this Act."

c. S-11.01,
s. 22,
replaced

8. Section 22 of the said Act is replaced by the following section:

Reimburse-
ment of
expenses

“22. The members of the board of directors, other than the general manager, are not remunerated, except in the cases, on the conditions and to the extent determined by the Government. They are, nevertheless, entitled to be reimbursed for any expenses incurred in the performance of their duties, on the conditions and to the extent determined by the Government.”

c. S-11.01,
s. 32.1, am.

9. Section 32.1 of the said Act is amended by inserting, after the first paragraph, the following paragraph:

Cooperation

“Where the objectives and orientation of the Corporation relate to a matter under the jurisdiction of a minister other than the Minister of Industry and Commerce, the directives shall be issued by the Minister of Industry and Commerce, who shall prepare them in cooperation with the minister concerned.”

c. S-11.01,
s. 33,
repealed

10. Section 33 of the said Act is repealed.

c. S-11.01,
s. 42, am.

11. Section 42 of the said Act is amended by striking out the second paragraph.

c. S-11.01,
ss. 43 and
44, repealed

12. Sections 43 and 44 of the said Act are repealed.

c. S-11.01,
s. 46,
replaced

13. Section 46 of the said Act is replaced by the following section:

Sums
required

“46. The Minister of Finance shall pay to the Corporation the sums required for the carrying out of paragraphs 3 and 4 of section 6, section 7 or the second paragraph of section 16, up to the amounts previously specifically authorized by the Government.”

c. S-11.01,
s. 47, am.

14. Section 47 of the said Act is amended

(1) by replacing subparagraph *c* by the following subparagraph:

“(c) determine the form of financial assistance contemplated in paragraph 4 of section 6;”;

(2) by striking out subparagraphs *e, f, g, i, j, k, l* and *m*;

(3) by adding, after subparagraph *o*, the following subparagraph:

“(p) determine the cases in which duties or charges are exigible from a business that applies for financial assistance and establish the mode of computing them.”;

(4) by adding, at the end, the following paragraph:

Cooperation

“A regulation under this section pertaining to a matter under the jurisdiction of a minister other than the Minister of Industry and Commerce may be made only on the recommendation of the Minister of Industry and Commerce prepared in cooperation with the minister concerned.”

c. S-11.01,
s. 49,
replaced

Penalty for
fraud

15. Section 49 of the said Act is replaced by the following section:

“**49.** The Corporation may declare that a business has forfeited the benefit of the term granted and claim repayment of the loan made to it or rescind any guarantee given to it, without prejudice to any other civil recourses where

(1) the business obtains the financial assistance provided for by this Act by false declarations or fraud on the part of the person who acted for it;

(2) the business uses any part of such financial assistance for purposes other than those for which it was granted to it.

Notice

Such penalties cannot however be imposed unless notice is given to the business, by registered or certified mail sent to its last address known to the Corporation, of the default with which it is charged and unless such business remedies every default other than false declarations or fraud within sixty days from the date on which it receives such notice.”

Coming into
force

16. This Act comes into force on 19 December 1986, except sections 2, 13 and 14, which will come into force on any later dates fixed by the Government.