

R.S.Q., chapter S-10.002

AN ACT RESPECTING THE SOCIÉTÉ DE DÉVELOPPEMENT DES ENTREPRISES CULTURELLES

CHAPTER I ESTABLISHMENT AND ORGANIZATION

1. The “Société de développement des entreprises culturelles” is hereby established.

1994, c. 21, s. 1.

2. The Société is a legal person.

1994, c. 21, s. 2.

3. The Société is a mandatary of the State.

The property of the Société forms part of the domain of the State, but the performance of the obligations of the Société may be levied against the property of the latter.

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

1994, c. 21, s. 3; 1999, c. 40, s. 276.

4. The head office of the Société shall be in the territory of Ville de Montréal, at the place determined by the Government. A notice of the location or any change of location of the head office shall be published in the *Gazette officielle du Québec*.

The Société may hold its meetings at any place in Québec.

1994, c. 21, s. 4; 2000, c. 56, s. 219.

5. The Société is administered by a board of directors consisting of 15 members, including the chair and the president and chief executive officer. At least eight of the members, including the chair, must qualify as independent directors in the opinion of the Government.

The Government shall appoint the members of the board other than the chair and the president and chief executive officer, based on the expertise and experience profiles approved by the board, after consultation with bodies considered by the Minister to be representative of the sectors concerned by the activities of the Société. The members are appointed for a term of up to four years and are chosen as follows:

- (1) two persons active in the field of cinema or television production;
- (2) two persons active in the field of sound recording or variety shows;
- (3) two persons active in the book industry or in the field of specialized publishing;
- (4) two persons active in the field of fine crafts;
- (5) two persons active in a cultural field other than those referred to in subparagraphs 1 to 4; and
- (6) three persons active in a field other than a cultural field.

1994, c. 21, s. 5; 2007, c. 13, s. 1.

5.1. The Government shall appoint the chair of the board of directors for a term not exceeding five years.

2007, c. 13, s. 1.

5.2. On the recommendation of the board of directors, the Government shall appoint the president and chief executive officer based on the expertise and experience profile approved by the board.

The president and chief executive officer is appointed for a term of up to five years. The office of president and chief executive officer is a full-time position.

2007, c. 13, s. 1.

5.3. If the board of directors does not recommend someone for the position of president and chief executive officer in accordance with section 5.2 within a reasonable time, the Government may appoint the president and chief executive officer after notifying the board members.

2007, c. 13, s. 1.

5.4. If the president and chief executive officer is absent or unable to act, the board of directors may designate a member of the Société's personnel to exercise the functions of that position.

2007, c. 13, s. 1.

6. *(Repealed)*.

1994, c. 21, s. 6; 2007, c. 13, s. 2.

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

1994, c. 21, s. 7.

8. *(Repealed)*.

1994, c. 21, s. 8; 2007, c. 13, s. 3.

9. *(Repealed)*.

1994, c. 21, s. 9; 2007, c. 13, s. 4.

10. A majority of the members constitutes a quorum at meetings of the board of directors.

1994, c. 21, s. 10; 2007, c. 13, s. 5.

11. The remuneration, employment benefits and other conditions of employment of the president and chief executive officer shall be determined by the Government.

The other members of the board of directors shall receive no remuneration, except in the cases, on the conditions and to the extent that the Government may determine. They are entitled, however, to reimbursement of expenses incurred in performing their duties, on the conditions and to the extent determined by the Government.

1994, c. 21, s. 11; 2007, c. 13, s. 6.

12. The Société shall appoint two general managers, one assigned to the fields of the cinema and of television production and the other to the fields of sound recording, variety shows, books, specialized publishing and fine crafts.

The general managers shall, under the authority of the president and chief executive officer, perform the duties entrusted to them by the Société full time.

1994, c. 21, s. 12; 2007, c. 13, s. 7.

13. The secretary and the other members of the personnel of the Société shall be appointed in accordance with the staffing plan established by by-law of the Société.

Subject to the provisions of a collective agreement, the Société shall determine, by by-law, the standards and scales of remuneration, employee benefits and other conditions of employment of the members of its personnel, including the general managers, in accordance with the conditions defined by the Government.

1994, c. 21, s. 13; 2000, c. 8, s. 193.

14. *(Repealed).*

1994, c. 21, s. 14; 2007, c. 13, s. 8.

15. *(Repealed).*

1994, c. 21, s. 15; 2007, c. 13, s. 9.

16. The Société may provide for its internal management by by-law.

The by-law may, in particular, provide that absence from a specified number of meetings constitutes a vacancy, in the cases and circumstances determined in the by-law.

1994, c. 21, s. 16.

CHAPTER II

OBJECTS AND POWERS

17. The objects of the Société are to promote and support the creation and development of cultural enterprises, including media enterprises, in all regions of Québec, and to contribute to improving the quality and competitiveness of their products and services in Québec, elsewhere in Canada and abroad.

1994, c. 21, s. 17.

18. The Société may, within the scope of its plan of activities and on the conditions it determines, grant financial assistance by means of

- (1) a loan;
- (2) a guarantee of full or partial repayment of a financial commitment;
- (3) an investment based on the anticipated profitability of a project or an enterprise, in return for a share in the profits, royalties or any other form of compensation;
- (4) a subsidy;
- (5) assistance that is partially repayable on the basis of revenues, if any;
- (6) any other form of assistance authorized by the Government.

However, a subsidy, partially repayable assistance or preferential loan, namely, a loan at a rate of interest lower than the prevailing market rate or temporarily free of interest, may be granted only within the scope of the financial assistance programs of the Société.

1994, c. 21, s. 18.

19. Every year, the Société shall send a plan of its activities to the Minister, on the date fixed by the Minister. The plan must reflect the orientations and objectives given to the Société by the Minister.

The plan must contain separate sections pertaining, respectively, to the cinema and television production, sound recording and variety shows, book and specialized publishing, and fine crafts. In addition, it must take the form determined by the Minister and contain the information he indicates, particularly with respect to the terms and conditions for the granting of the financial assistance described in subparagraphs 1 to 3 of the first paragraph of section 18. The plan shall be submitted to the Minister for approval.

The plan must be accompanied by the projected activities of the Société and budget for the two fiscal years following the year covered by the plan of activities.

1994, c. 21, s. 19.

20. Each subsidy, partially repayable assistance or preferential loan program of the Société must contain criteria of eligibility for financial assistance, the scales and limits of the assistance and the procedure for granting it.

The criteria of eligibility and the scales and limits of financial assistance shall be submitted to the Minister for approval.

1994, c. 21, s. 20.

21. Only those cultural enterprises whose activities are concerned principally with the cinema, television production, sound recording, variety shows, books, specialized publishing or fine crafts are eligible for a subsidy, partially repayable assistance or a preferential loan under a program of the Société.

In the fields of the cinema and of television production, natural persons engaging alone in an activity are also eligible for a subsidy.

1994, c. 21, s. 21.

22. The Société shall advise the Minister on questions submitted to it by him relating to fields or matters within its competence. It may include recommendations with its advice.

1994, c. 21, s. 22.

23. In addition to the powers provided for in sections 17 and 18, the Société, with the authorization of and on the conditions

determined by the Government, shall administer any financial assistance program entrusted to it by a department or public body, in particular as regards communications enterprises.

1994, c. 21, s. 23.

24. The Société may, in particular, in exercising its powers and performing its duties,

(1) enter into an agreement, according to law, with a government other than that of Québec, a department of such a government, an international organization, or a body of such a government or organization;

(2) form committees responsible for assessing the applications made within the scope of the financial assistance programs mentioned in section 20, and determine their operating rules;

(3) form advisory commissions, other than those provided for in Chapter III, with a view to facilitating the carrying out of this Act, and determine their powers, duties and operating rules.

Each committee formed under subparagraph 2 of the first paragraph shall be composed of persons working in the field of activity to which the financial assistance program concerned applies. Such persons shall not be members of the board of directors of the Société, of the council or a commission provided for in Chapter III, or of the personnel of the Société or the public service. The contracts of employment of committee members must contain rules of ethics.

The Government shall determine the remuneration of the members of the committees formed under subparagraph 2; the members of the commissions formed under subparagraph 3 shall receive no remuneration, except in the cases, on the conditions and to the extent that the Government may determine. The members of the committees and commissions are entitled to reimbursement of expenses incurred in performing their duties, on the conditions and to the extent determined by the Government.

The committees and commissions may hold their meetings at any place in Québec.

1994, c. 21, s. 24.

25. Except in the cases and on the conditions that the Government may determine by regulation, the Société shall obtain the authorization of the Government before

(1) acquiring stocks, shares or assets of a legal person or disposing of them;

(2) acquiring, restoring, renovating, managing, operating or disposing of immovables, except for the purpose of realizing on a

security given by a borrower;

(3) contracting any loan that would increase its total outstanding borrowings beyond a determined amount;

(4) making any other financial commitment for a sum exceeding the amount determined by regulation of the Government.

The Government may make its authorization subject to the conditions it determines.

1994, c. 21, s. 25.

26. Any enterprise or person that receives financial assistance from the Société to which it or he is not entitled or that uses the proceeds of the assistance for purposes other than those for which it was granted shall cease to be entitled to such assistance and must return any sums received, unless the Société decides otherwise.

In addition, the Société may cancel or suspend financial assistance if the beneficiary enterprise or person no longer meets the criteria of eligibility.

1994, c. 21, s. 26; 1999, c. 40, s. 276.

27. The Société is also entrusted with recognizing films as Québec films in accordance with the standards provided by the regulations of the Government made under the Cinema Act (chapter C-18.1).

1994, c. 21, s. 27.

27.1. The Société is also entrusted with determining the eligibility of multimedia titles for tax assistance and the class to which multimedia titles belong and with issuing a certificate in this regard in accordance with the standards provided by the regulations of the Government.

The Government may, by regulation, define classes of multimedia titles eligible or ineligible for tax assistance.

Regulations made under this section come into force on the fifteenth day following the date of their publication in the *Gazette officielle du Québec* or on any later date fixed therein; such regulations, once published and if they so provide, may apply to a period prior to their publication, but not prior to 10 May 1996.

1997, c. 85, s. 416.

CHAPTER III COUNCIL AND COMMISSIONS

28. A council under the name of “Conseil national du cinéma et de la production télévisuelle” and commissions under the names of “Commission du disque et du spectacle de variétés”, “Commission du livre et de l'édition spécialisée” and “Commission des métiers d'art” are hereby established within the Société.

1994, c. 21, s. 28.

29. The council and each of the commissions are composed of

(1) a chair appointed by the Government, on the proposal of the Minister, from among the members of the board of directors of the Société who are active in the field of competence of the council or commission;

(2) members appointed by the Société after consultation with bodies it considers to be representative of the sectors concerned by the field of competence of the council or commission.

The number of members of the council and of each of the commissions shall be determined by by-law of the Société, but shall not be less than five.

1994, c. 21, s. 29; 2007, c. 13, s. 11.

30. The term of office of each chair corresponds to the unexpired portion of his term of office as a member of the board of directors of the Société.

The other members of the council and of a commission shall be appointed for the term determined by by-law of the Société.

The operating rules of the council and of a commission shall also be determined by by-law of the Société.

1994, c. 21, s. 30; 2007, c. 13, s. 11.

31. The members of the council and those of a commission shall receive no remuneration, except in the cases, on the conditions and to the extent that the Government may determine. They are entitled, however, to reimbursement of expenses incurred in performing their duties, on the conditions and to the extent determined by the Government.

1994, c. 21, s. 31.

32. The general manager assigned to the fields of the cinema and television production shall take part in the meetings of the council, but is not entitled to vote; he shall act as secretary of the council.

The general manager assigned to the fields of sound recording, variety shows, books, specialized publishing and fine crafts shall have the same duties in respect of each of the commissions.

If a general manager is absent or unable to act, a person designated by the Société from among the personnel assigned to a sector of activity corresponding to the field of competence of the council or commission may replace him in the performance of his duties with the council or commission.

1994, c. 21, s. 32.

33. The council and the commissions may meet on the premises of the Société.

They may also use the equipment and administrative support services of the Société, in accordance with the terms and conditions established by the Société after consulting the council or the commission concerned.

1994, c. 21, s. 33.

34. The function of the council and the commissions is to advise the Société on any question it submits to them and to carry out any study required by the Société within their fields of competence.

The Société must consult the council and the commissions on

- (1) proposed financial assistance programs within their respective fields of competence;
- (2) those parts of its draft plan of activities that apply to financial assistance within their respective fields of competence.

1994, c. 21, s. 34.

35. A further function of the council is to advise the Minister on any question he submits to it and to carry out any study required by the Minister concerning the administration of the Cinema Act (chapter C-18.1). For that purpose and at the request of the Minister, the council may solicit opinions and receive suggestions from the public.

The Minister must consult the council on draft regulations of the Government or draft by-laws of the Régie du cinéma made under

that Act.

1994, c. 21, s. 35.

36. In addition, the council shall perform any other mandate entrusted to it by the Société that involves representing the Société at events in order to promote the products and services of cultural enterprises in the fields of the cinema and of television production.

1994, c. 21, s. 36.

CHAPTER IV FINANCIAL PROVISIONS

37. The fiscal year of the Société ends on 31 March.

1994, c. 21, s. 37.

38. The Government may, on the conditions it determines,

(1) guarantee payment of the principal and interest of any loan taken out by the Société or of any obligation of the Société;

(2) authorize the Minister of Finance to advance to the Société any amount considered necessary for the fulfilment of its obligations, the achievement of its objectives or the exercise of its powers.

The sums required for the purposes of this section shall be taken out of the consolidated revenue fund.

1994, c. 21, s. 38.

39. The Société shall finance its activities out of the sums it receives and the appropriations granted each year for that purpose by the Parliament of Québec. Any surplus shall be retained by the Société, unless the Government decides otherwise.

1994, c. 21, s. 39.

CHAPTER V DOCUMENTS, ACCOUNTS AND REPORTS

40. No deed, document or writing binds the Société unless it is signed by the chair of the board of directors, the president and chief executive officer of the Société or a member of its personnel and, in the latter case, only to the extent determined by by-law of the Société.

The Société, on the conditions it determines, may allow a required signature to be affixed by means of an automatic device to the documents it determines, or a facsimile of a signature to be engraved, lithographed or printed on such documents. However, the facsimile has the same force as the signature itself only if the document is countersigned by a person authorized by the chair of the board of directors or the president and chief executive officer of the Société.

1994, c. 21, s. 40; 2007, c. 13, s. 10.

41. The minutes of the meetings of the board of directors, approved by it and certified by the chair or any other person authorized to do so by the Société, are authentic. The same applies to documents or copies of documents emanating from the Société or forming part of its records, provided they are signed or certified by any such person.

1994, c. 21, s. 41; 2007, c. 13, s. 11.

42. Not later than 30 June, the Société shall submit its financial statements and a report of its activities for the preceding fiscal year to the Minister.

The financial statements must contain separate entries for the revenues and expenditures of the Société related to financial assistance programs, the exercise and performance of its other powers and duties, and administration. The report must contain the names of the beneficiaries of the financial assistance programs, together with the amounts granted to each. The financial statements and the report must also contain any information the Minister may prescribe.

1994, c. 21, s. 42.

43. The Minister shall table the report and statements before the National Assembly within 30 days of receiving them if the Assembly is in session or, if it is not sitting, within 30 days of resumption.

1994, c. 21, s. 43.

44. The books and accounts of the Société shall be audited every year by the Auditor General, and also whenever so ordered by the Government.

The auditor's report must accompany the report of activities and the financial statements of the Société.

1994, c. 21, s. 44.

44.1. The Société must provide the Minister with any information the Minister requests concerning the Société.

2007, c. 13, s. 12.

CHAPTER VI AMENDING PROVISIONS

45. *(Omitted).*

1994, c. 21, s. 45.

46. *(Amendment integrated into c. C-18.1, s. 73).*

1994, c. 21, s. 46.

47. *(Amendment integrated into c. C-18.1, s. 74).*

1994, c. 21, s. 47.

48. *(Amendment integrated into c. C-18.1, s. 168).*

1994, c. 21, s. 48.

49. *(Amendment integrated into c. R-10, Schedule I).*

1994, c. 21, s. 49.

50. *(Omitted).*

1994, c. 21, s. 50.

CHAPTER VII

TRANSITIONAL AND FINAL PROVISIONS

51. The financial assistance programs of the Ministère de la Culture et des Communications and the related budgets, identified by the Government in a transfer plan, shall, for the fiscal year 1995-96, be administered by the Société, adapted as required, from the date or dates fixed in the transfer plan.

The administration of the programs referred to in the first paragraph, together with the records and other documents of the department related thereto, shall be transferred in accordance with the procedures established by the Minister in collaboration with the Société.

1994, c. 21, s. 51.

52. For the purposes of section 51, in any order in council, contract or other document, any reference to the Minister or Deputy Minister of Culture and Communications or to the Ministère de la Culture et des Communications is a reference to the Société where it pertains to a program the administration of which has been transferred to the Société.

1994, c. 21, s. 52.

53. The financial assistance programs of the Société générale des industries culturelles for the fiscal year 1995-96 shall also be administered by the Société de développement des entreprises culturelles.

1994, c. 21, s. 53.

54. The shareholder's equity in the Société générale des industries culturelles on 31 March 1995 becomes the equity property of the Société de développement des entreprises culturelles.

1994, c. 21, s. 54.

55. The value of the Government's equity investment in the Société générale des industries culturelles on 31 March 1995 increases the net debt of the Government as defined in the public accounts drawn up pursuant to the Financial Administration Act (chapter A-6).

1994, c. 21, s. 55.

56. The rights and obligations of the Société générale des industries culturelles and those of the Institut québécois du cinéma

become the rights and obligations of the Société de développement des entreprises culturelles.

The Act respecting duties on transfers of immovables (chapter D-15.1) does not apply to transfers of immovables under this Act.

1994, c. 21, s. 56.

57. The records and other documents of the Société générale des industries culturelles and those of the Institut québécois du cinéma become the records and other documents of the Société de développement des entreprises culturelles.

1994, c. 21, s. 57.

58. The current business of the Société générale des industries culturelles and of the Institut québécois du cinéma are continued by the Société de développement des entreprises culturelles.

1994, c. 21, s. 58.

59. The Société de développement des entreprises culturelles becomes, without continuance of suit, a party to any proceedings to which the Société générale des industries culturelles was a party.

1994, c. 21, s. 59.

60. The term of office of the members of the board of directors of the Société générale des industries culturelles ends on 1 April 1995.

1994, c. 21, s. 60.

61. The term of office of the members of the board of directors of the Institut québécois du cinéma ends on 1 April 1995.

1994, c. 21, s. 61.

62. The members of the personnel of the Société générale des industries culturelles and the members of the personnel of the Institut québécois du cinéma become the members of the personnel of the Société de développement des entreprises culturelles, without further formality.

1994, c. 21, s. 62.

63. The appropriations granted for the fiscal year 1995-96 to the Minister of Culture and Communications are transferred to the Société to the extent and on the terms and conditions determined by the Government.

The appropriations granted in respect of the Société générale des industries culturelles and the Institut québécois du cinéma are transferred to the Société de développement des entreprises culturelles.

1994, c. 21, s. 63.

64. This Act replaces the Act respecting the Société générale des industries culturelles (chapter S-17.01).

Any reference to the Act respecting the Société générale des industries culturelles or one of its provisions is a reference to this Act or the corresponding provision of this Act.

1994, c. 21, s. 64.

65. The Minister of Culture and Communications is responsible for the administration of this Act.

1994, c. 21, s. 65.



The functions and responsibilities of the Minister of Culture and Communications provided for in this Act are assigned to the Minister of Culture, Communications and the Status of Women. Order in Council 1159-2008 dated 18 December 2008, (2009) 141 G.O. 2 (French), 42.

66. (Omitted).

1994, c. 21, s. 66.

REPEAL SCHEDULE

In accordance with section 9 of the Act respecting the consolidation of the statutes and regulations (chapter R-3), chapter 21 of the statutes of 1994, in force on 1 March 1996, is repealed, except sections 50 and 66, effective from the coming into force of chapter S-10.002 of the Revised Statutes.