# The Agricultural Implements Act

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Chapter A-10 of *The Revised Statutes of Saskatchewan, 1978* (effective February 26, 1979).

# NOTE:

This consolidation is not official. Amendments have been incorporated for convenience of reference and the original statutes and regulations should be consulted for all purposes of interpretation and application of the law. In order to preserve the integrity of the original statutes and regulations, errors that may have appeared are reproduced in this consolidation.

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# **CHAPTER A-10**

# An Act respecting the Sale of Agricultural Implements

# SHORT TITLE

1 This Act may be cited as *The Agricultural Implements Act*. R.S.S. 1978, c.A-10, s.1.

# INTERPRETATION

2 In this Act:

#### "board"

(a) "board" means the Agricultural Implements Board continued by section 7.

"dealer"

(b) **"dealer"** means a person who sells or offers for sale implements or parts on his own account or on account of a distributor, but does not include a person who operates a repair shop from which no new or used implements are sold or where parts are sold as a part of repair services to implements;

#### "distributor"

(c) **"distributor"** means a person representing a manufacturer or person who sells or offers for sale implements or parts in the province and is responsible to that manufacturer or person with respect to the distribution and marketing of those implements or parts in the province;

# "implement"

(d) **"implement"** means any implement, equipment or machine that is used or intended for use upon a farm and that is within the definition of implement in the regulations;

# "minister"

(e) "minister" means the Minister of Agriculture;

# "part" or "repair"

(f) **"part"**, **"parts"**, **"repair"** or **"repairs"** means repair part or parts for an implement but does not include services for the installation thereof.

1968, c.1, s.2; 1973, c.1, s.2; 1976, c.2, ss.2 & 20; R.S.S. 1978, c.A-10, s.2.

# Application of act

**3** Except as herein otherwise provided, this Act applies to the sale of implements in the province.

1968, c.1, s.4; R.S.S. 1978, c.A-10, s.3.

# Non-application

4(1) This Act does not apply to sales of implements:

- (a) by farmers:
  - (i) by auction sale; or
  - (ii) in the ordinary course of their farming operations; or

(b) by an executor or administrator or a public official acting under judicial process.

(2) Except as provided in sections 50 and 51, this Act does not apply to sales of implements to persons carrying on an implement business who procure implements for use in that business or for resale.

1968, c.1, s.3; 1970, c.2, s.2; R.S.S. 1978, c.A-10, s.4.

# Powers of minister

**5** The minister may, for the purpose of carrying out the provisions of this Act, upon such terms and subject to such conditions as may be determined by the Lieutenant Governor in Council:

(a) enter into an agreement with any department or agency of the Government of Saskatchewan or with the Government of Canada or of any province of Canada or with any university or any research agency or person, providing for the carrying on of research or the conducting of investigations or inquiries;

(b) carry on investigations and studies on behalf of any person or organization.

1968, c.1, s.5; R.S.S. 1978, c.A-10, s.5.

#### **Employees**

**6** The minister may appoint employees that are required for the purposes of this Act; and upon appointment the employees are subject to *The Public Service Act*.

1968, c.1, s.6; R.S.S.1978, c.A-10, s.6.

## **Agricultural Implements Board**

7(1) There shall continue to be a board known as the Agricultural Implements Board consisting of not less than three or more than seven members appointed by the Lieutenant Governor in Council.

(2) The Lieutenant Governor in Council may designate one of the members to be chairman of the board and one other member to be vice-chairman of the board.

(3) The board shall determine its own rules and procedures and the method of calling meetings and giving notice of meetings to members of the board.

(4) Where a member of the board is unable to perform the duties of his office by reason of absence, other than a temporary absence, incapacity or for any other reason, the minister may appoint a person to be a member of the board, upon such terms and conditions as the minister may prescribe, in the place of the member who is unable to perform those duties for a term not exceeding four months.

(5) A majority of the members of the board shall be a quorum of the board for the transaction of business and in the event of an equality of votes on any matter before the board, the chairman or person acting as chairman has a casting vote.

(6) A member of the board shall receive such remuneration for his services and allowances for travelling and other expenses as the Lieutenant Governor in Council may determine.

1973, c.1, s.3; R.S.S. 1978, c.A-10, s.7.

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# Power of board to employ personnel

**8**(1) The board may employ an Executive Director and any other officers and employees it considers necessary for the purpose of its operations and for the purpose of giving effect thereto and determining the duties, powers and conditions of employment and remuneration of persons employed under this subsection the board shall be deemed to be an agency within the meaning of clause (a) of section 2 of *The Public Service Act* and the persons employed shall be deemed to be members of the public service within the meaning of clause (o) of section 2 of that Act.

(2) *The Public Service Superannuation Act* applies to the members of the board and to the persons employed under subsection (1).

1973, c.1, s.3; R.S.S. 1978, c.A-10, s.8.

# Powers of board

9(1) The board shall, under the direction of the minister and in accordance with the regulations, administer this Act.

(2) Without limiting the generality of subsection (1), the board may:

(a) receive and investigate complaints made to it under this Act;

(b) take any action necessary to reduce or correct unreasonable delays in the delivery of repairs and unreasonable charges for repairs or recommend to the minister appropriate action to alleviate those problems;

(c) make recommendations to the minister respecting standardization of repairs and accessory equipment for agricultural implements;

(d) review and consider contracts between dealers and distributors;

(e) conduct surveys and make investigations as to the adequacy of repair service and the cost of repairs in the province or in any area or areas of the province;

(f) make recommendations to the minister with respect to safety requirements of implements;

(g) hold public meetings or hearings.

(3) Except as provided in subsection (2) of section 12, sums required for the purposes of the board shall be paid out of moneys appropriated by the Legislature for the purposes.

1973, c.1, s.3; 1976, c.2, s.20; R.S.S. 1978, c.A-10, s.9.

# Application by farmer for the compensation for loss

**10**(1) A farmer who feels himself aggrieved, or who considers he has incurred a loss, due to an unreasonable delay in the availability of a repair or who considers he has incurred a loss due to the dealer or the distributor not fulfilling the conditions or warranties as set out in this Act or in a conditional sales contract, in respect of an implement purchased by him or by a person who transferred the implement to him, may apply to the board for an award of compensation for the damages or loss he has suffered.

(2) Upon receipt of an application under subsection (1), the board may, subject to the regulations with respect to notice of the hearing to interested parties and the conduct of the hearing, dismiss the application or make compensation to the applicant farmer out of the Agricultural Implements Compensation Fund.

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(3) The decisions and findings of the board upon all questions of law and fact are final and conclusive.

(4) Where a farmer has suffered loss, within the meaning of subsection (1), the farmer may claim compensation under this section or alternatively he may commence an action in any court of competent jurisdiction.

(5) Where an application is made to the board under this section it shall act as a bar to any court action with respect to the matters affected thereby.

(6) Compensation shall not be awarded to a farmer under this section in respect of damages or losses unless notice of the damages or losses is given to the distributor, the dealer and the board within six months after the damages or losses were alleged to have been incurred and the notice shall set out the name and address of the farmer and shall be sufficient if it states in ordinary language the cause of the damages or losses and where they were incurred.

(7) The notice may be given:

(a) to the distributor and the dealer by delivering it at or sending it by registered mail addressed to their respective places of business;

(b) to the board by delivering it to or sending it by registered mail addressed to the board.

(8) Failure to give the prescribed notice or any defect or inaccuracy in a notice does not bar the right to compensation if the board is of opinion that the claim to compensation is a just one and ought to be allowed.

1973, c.1, s.3; 1976, c.2, ss.3 & 20; R.S.S. 1978, c.A-10, s.10.

# Further material with application, etc.

**11**(1) A farmer desirous of claiming compensation under section 10 shall within six months after the damages or losses were allegedly incurred file with the board an application for the compensation and any further or other evidence of his claim that may be required by the board.

(2) No action lies for the recovery of compensation under section 10 from the board but all claims for compensation shall be heard and determined by the board.

(3) An award for compensation to a farmer under section 10 shall not exceed five thousand dollars.

(4) Compensation payable to farmers in amounts determined by the board and the expenses of investigating and hearing claims for compensation shall be paid out of the Agricultural Implements Compensation Fund.

1973, c. 1, s. 3; 1976, c. 2, s. 4; R.S.S. 1978, c.A-10, s.11.

# Agricultural Implements Compensation Fund, contributions to, etc.

**12**(1) There shall continue to be a fund known as The Agricultural Implements Compensation Fund and contributions to the fund shall be made by distributors in accordance with this section.

(2) The board shall each year assess and levy upon the distributors such percentage of their gross sales or other rates, or such specific sums, as it considers sufficient to pay during the current year compensation to farmers, to defray the expenses of investigating and hearing claims for compensation under this Act and to maintain a reserve fund to pay compensation that may become payable in the future.

(3) An assessment under subsection (2) may if the board sees fit be levied provisionally upon the estimate of gross receipts of a distributor reported to the board by the distributor or upon an estimate of those gross receipts as may be fixed by the board, and where an assessment is levied provisionally, the assessment shall be levied on the actual gross receipts of the distributor as soon as the actual gross receipts of the distributor have been ascertained by the board; and the amount to be paid by the distributor as a result of the levy may, if the board considers it reasonable, be paid in instalments in sums to be determined by the board.

(4) The board shall determine and fix the sum or provisional sum, whether calculated as a percentage or other rate for which each distributor is assessed under this section, and each distributor shall, within one month, or such other time as the board may fix, after notice of the assessment and of the sum or provisional sum to be paid has been served upon him, pay to the board the sum or provisional sum fixed by the board or, where the sum is to be paid in instalments pay the first instalment within such time as the board may specify and the remaining instalment or instalments within such time as may be so specified and, in the case of a provisional sum pay, according to terms and at times prescribed by the board, any increased amount resulting from the adjustment in the levy on the actual receipts of the distributor.

(5) The notice may be served upon the distributor by sending it by him by registered mail, postage prepaid, and shall be deemed to have been served on the distributor on the day on which the notice was mailed.

(6) Where at any time it appears that a statement or estimate of gross receipts upon which an assessment or provisional amount of assessment is based, is too low, the distributor shall upon demand pay to the board a sum, to be fixed by the board, that shall in the opinion of the board be sufficient to bring the payment to the proper amount, and payment of that sum may be enforced in the same manner as the payment of any amount levied by the board may be enforced.

(7) The sum whether calculated as a percentage or other rate determined and fixed by the board under subsection (4) shall be published in the *Gazette* forthwith after being fixed.

1973, c.1, s.3; 1976, c.2, ss.5 & 20; R.S.S.1978, c.A-10, s.12.

# Classifying distributors for assessment

**13** For the purpose of assessing distributors, the board may classify distributors and assess different rates for any class or classes of distributors.

1973, c.1, s.3; 1976, c.2, s.20; R.S.S. 1978, c.A-10, s.13.

# Penalty sum for default

14(1) Where a distributor defaults in making payment of any sum required to be paid by it to the board, the distributor shall pay as a penalty for the default such percentage of the sum unpaid as may be prescribed therefore by the regulations.

(2) Where default is made by a distributor in the payment of any sum to the board, the board may issue its certificate setting out that the assessment and levy was made, the amount remaining unpaid on account of it, the amount of the penalty in respect of the amount and the person by whom it was payable, and such certificate, or a copy of it certified by the Executive Director to be a true copy, may be filed at any judicial centre with the local clerk of the district court, and when so filed payment of the amounts set out in the certificate or copy may be enforced against the distributor as a judgment of the court for the payment of money.

1973, c.1, s.3; 1976, c.2, s.20; R.S.S. 1978, c.A-10, s.14.

# Agreement to waive claim invalid, payments not subject to attachment, etc.

**15**(1) No farmer shall agree with a distributor or dealer to waive or forego any of the benefits to which he is or may become entitled under section 10 or 11, and every agreement to that end is void.

(2) Except with the approval of the board, no sum payable as compensation under section 10:

- (a) is subject to garnishment, or attachment or seizure or any legal process;
- (b) is assignable; or
- (c) passes by operation of law unless to a personal representative.

1973, c.1, s.3; R.S.S. 1978, c.A-10, s.15.

# Investments

**16**(1) The board shall invest any part of the moneys standing to the credit of the fund and not immediately required for its purposes in any of the following classes of securities:

(a) securities authorized for investment or loan of a company's funds under subsections (1), (2) and (6) of section 63 of the *Canadian and British Insurance Companies Act* (Canada) subject to the restrictions and limitations contained in that section;

(b) any other securities authorized for investment or in the consolidated fund under section 34 of *The Department of Finance Act*;

(c) bonds, debentures, notes or other evidences of indebtedness issued by a corporation created under *The Crown Corporations Act* or a corporation established by an Act of the Legislature and that is an agent of the Crown or responsible to the Legislature.

(2) The board may dispose of any securities in which any part of the fund has been invested pursuant to subsection (1) in such manner and on such terms as the board deems expedient.

(3) The board shall each year include with the annual report made by it pursuant to section 18, a statement of all securities in which moneys of the fund have been invested pursuant to this section, a statement of such securities that have been so acquired during the next preceding fiscal year and a statement of all dispositions of such securities during that period.

# Audit of accounts of board

17 The accounts of the board shall be audited by the Provincial Auditor or by an auditor appointed by the Lieutenant Governor in Council for that purpose and the costs of the audit shall be paid by the board.

1973, c.1, s.3; R.S.S. 1978, c.A-10, s.17.

Annual report

18 The board shall make and submit to the minister an annual report respecting the affairs and business of the board which shall be laid before the Legislative Assembly within fifteen days from the commencement of the session next following the end of the year for which the report is made.

1973, c.1, s.3; R.S.S. 1978, c.A-10, s.18.

# Non-liability of minister, etc.

**19** Neither the minister nor the board nor a member of the board shall be liable for any loss or damage suffered by any person by reason of anything in good faith done, or omitted to be done, pursuant to or in the exercise or supposed exercise of the powers conferred by this Act.

1973, c.1, s.3; R.S.S. 1978, c.A-10, s.19.

# Decision of board final, jurisdiction of board

20(1) There is no appeal from any order or decision of the board under this Act, but, if new evidence is submitted to the board, relevant to a matter in respect of which the board has made an order or rendered a decision, within thirty days of the order or decision, the board may rehear the case in which the order or decision was made or may review, rescind, vary or confirm the decision or order.

(2) The board may determine any question of fact necessary to its jurisdiction, and its proceedings, orders and decisions shall not be reviewable by any court of law or by *certiorari, mandamus*, prohibition, injunction or other proceeding whatsoever.

1973, c,1, s.3; R.S.S. 1978, c.A-10, s.20.

#### Offence and penalty

**21**(1) Every distributor who fails to pay any amount to the board as required by section 12 is guilty of an offence and liable on summary conviction to a fine not exceeding \$5,000.

(2) No prosecution for an offence mentioned in subsection (1) shall be instituted without the consent of the board.

(3) Moneys paid by way of fines for offences mentioned in subsection (1) shall be paid to the convicting provincial magistrate and be paid by him to the board for deposit in the Agricultural Implements Compensation Fund.

1973, c.1, s.3; 1976, c.2, s.20; R.S.S. 1978, c.A-10, s.21.

# Advances to board for temporary purposes

**22**(1) With the approval of the Lieutenant Governor in Council and upn such terms and conditions as the Lieutenant Governor in Council may prescribe, the Minister of Finance may, without any further authority or appropriation than is provided by this section, make loans out of the consolidated fund to the board for any of its temporary purposes.

(2) The aggregate of loans outstanding under this section shall not at any time exceed \$500,000.

(3) A loan made under subsection (1) is repayable within a period not exceeding eighteen months from the day on which the loan is received.

1973, c.1, s.3; R.S.S. 1978, c.A-10, s.22.

## Fiscal year

**23** The fiscal year of the board shall be the period commencing on the first day of April in one calendar year and ending on the last day of March in the next calendar year, both dates inclusive.

1976, c.2, s.3; R.S.S. 1978, c.A-10, s.23..

# Distributors

24(1) Every person, including a manufacturer, who sells or offers for sale, implements in the province shall appoint as his representative in the province one or more distributors; but where the person or the manufacturer has a branch of his business in the province, that branch may be a distributor.

(2) Where a manufacturer or person resides or has his head office in the province and has not appointed a distributor he shall be deemed to be his own distributor.

(3) Subsections (1) and (2) do not apply to a person who has not manufactured the implements sold or offered for sale but sells the implements or offers them for sale by retail only.

(4) Every distributor shall, within seven days after being designated as such under subsection (1), file with the director a statement showing his name and the location of his place of business in the province.

(5) On or before the first day of April in each year every distributor shall file with the director a statement showing the name and location of every dealer in the province who obtains or is likely to obtain implements from or through the distributor.

(6) Where, after a statement is filed pursuant to subsection (5), it is intended that the location of any dealer is to be changed or that any additional dealer is to represent the distributor, the distributor shall, at least five days before the change is made or the additional dealer is appointed, file with the director notice of the intended change or appointment; and where the contract between the distributor and a dealer is terminated, notice thereof shall be filed with the director not later than thirty days after the date of termination.

(7) Every distributor who fails to comply with subsection (4), (5) or (6) is guilty of an offence and liable on summary conviction to a line not exceeding \$5 for every day during which the default continues.

1968, c.1, s.7; 1976, c.2, s.20; R.S.S. 1978, c.A-10, s.24.

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# Supply of repairs by distributors

**25** Every distributor who has sold or distributed implements or has implements sold or distributed on his behalf, and those implements are in operation in the province, and who fails to maintain in the province an adequate supply of repairs that may be required for those implements is guilty of an offence and liable on summary conviction to a fine not exceeding \$500.

1968, c.1, s.8; 1976, c.2, s.20; R.S.S. 1978, c.A-10, s.25.

# **Dealer's licences**

**26**(1) No dealer shall sell or offer for sale any implement or part in the province at a retail sale unless he holds a licence to do so issued to him by the minister.

(2) A dealer desiring a licence mentioned in subsection (1) shall apply therefor to the minister in such form together with such fee as may be prescribed in the regulations; and the minister, if he is satisfied that the dealer meets all the requirements of the Act and the regulations, shall issue to the dealer the licence applied for, signed by him and subject to such terms and conditions as may be prescribed in the regulations.

(3) Every dealer who contravenes any of the provisions of subsection (1) is guilty of an offence and liable on summary conviction to a fine not exceeding \$500.

(4) Where a dealer is not the holder of a current licence issued under this section the minister may, in the manner prescribed by the regulations, give written notice thereof to those persons as he may determine; and no person to whom a notice has been given shall, while the dealer remains unlicensed, deliver or cause to be delivered an implement or part to the dealer or to a person designated by the vendor or a person seeking to acquire an implement or part through him.

(5) Every person to whom a notice has been given pursuant to subsection (4) who contravenes that subsection is guilty of an offence and liable on summary conviction to a fine not exceeding \$500.

1968, c.1, s.9; 1970, c.2, s.3; 1976, c.2, s.20; R.S.S. 1978, c.A-10, s.26.

# Prohibition respecting sale by dealer

**27**(1) No dealer shall sell or offer for sale an implement or part in the province unless the implement or part is obtainable from or through a distributor.

(2) Subsection (1) does not apply with respect to second-hand implements or parts.

(3) A dealer who violates subsection (1) is guilty of an offence and liable on summary conviction to a tine not exceeding \$500.

1968, c.1, s.10; 1976, c.2, s.20; R.S.S. 1978, c.A-10, s.27.

Year of manufacture, etc., to be imprinted on implement, prohibition respecting defacing, etc., serial number

**28**(1) No manufacturer, distributor or dealer shall sell or offer for sale in the province an implement that is manufactured on or after the first day of February, 1975, unless the implement has the model year, date of manufacture or date of sale of the implement, or any one or more of them as the Lieutenant Governor in Council may require, imprinted:

(a) on a metal serial number plate affixed to the implement or on a supplementary metal plate firmly affixed to the implement adjacent to the metal serial number plate; or

(b) directly into the metal of the implement adjacent to the serial number of the implement.

(2) No person shall obliterate, deface, alter, render illegible or remove the manufacturer's serial number of an implement or the imprint indicating the model year, date of manufacture or date of sale of the implement.

(3) Every person who contravenes subsection (1) or (2) is guilty of an offence and liable on summary conviction to a fine not exceeding \$200.

(4) For the purposes of subsections (1) and (2), the expressions 'model year', 'date of manufacture' and 'date of sale' may be defined by the Lieutenant Governor in Council.

1973, c.2, s.4; 1976, c.2, s.7; R.S.S. 1978, c.A-10, s.28.

# Information to be supplied by distributor

**29** Upon request by the minister, a distributor selling or offering implements for sale in the province shall within such time as is prescribed in the request provide the minister with a list of all implements and parts, or of such implements and parts as the minister may specify that are sold, offered for sale or intended to be offered for sale in the province, showing suggested retail prices at which those implements and parts are sold, offered for sale, together with illustrations, descriptions and specifications of those implements and parts.

1968, c.1, s.11; 1976, c.2, s.20; R.S.S. 1978, c.A-10, s.29.

# Penalty for failure to comply with section 29

**30** Every distributor who fails to comply with section 29 is guilty of an offence and liable on summary conviction to a fine not exceeding \$5 for every day during which the offence continues.

1968, c.1, s.12; 1976, c.2, s.20; R.S.S.1978, c.A-10, s.30.

# Selling price of implements and repairs

**31**(1) No dealer shall sell or offer for sale an implement or part at a price higher than the suggested price of that implement part as set out in a list filed as required by section 29; but any transportation, telephone or telegraph costs incurred in requisitioning or obtaining any implement or part shall not be considered as part of the price thereof.

(2) Every dealer who violates subsection (1) is guilty of an offence and liable on summary conviction to a fine not exceeding \$250.

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# Failure of dealer to maintain supply of repairs

**32** Section 25 applies, *mutatis mutandis*, to a vendor of implements and parts except that the penalty shall not exceed \$100.

1968, c.1, s.14; R.S.S. 1978, c.A-10, s.32.

# Provisions respecting emergency repair service and parts

33(1) Where an implement breaks down during the season of use and cannot be operated to perform with reasonable efficiency the intended functions set out in the contract of purchase, the dealer and the distributor shall provide to the purchaser emergency parts service for the implement.

(2) Where parts are required for emergency repairs, the purchaser shall, when ordering the parts, notify the dealer that the parts are required for emergency repairs and the dealer shall identify the order as an emergency order and indicate thereon the date and time the order was placed and provide the purchaser with a copy of the order.

(3) Where the purchaser has, under subsection (2), notified the dealer that parts are required for emergency repairs, the dealer shall notify the distributor to that effect.

(4) Where a purchaser orders parts for emergency repairs, the dealer and the distributor shall ensure that those parts are available at the dealer's place of business within seventy-two hours from the time the order was made, not including Saturdays, Sundays and holidays, unless delivery of the parts cannot be made within that time because of strikes or other conditions beyond the control of the dealer and the distributor.

(5) No price for parts for emergency repairs shall exceed the price set out in the retail price list except that the dealer or distributor may add a service charge not exceeding ten dollars for each order for parts for emergency repairs.

(6) Any extra costs in excess of the current list price charged to a purchaser for obtaining repair parts shall be shown separately on the invoice or bill to the purchaser and no such extra cost shall be included as part of the price of the parts.

(7) Where a dealer or distributor from whom a purchaser orders parts fails to obtain those parts within the time specified in subsection (4), the dealer and distributor are jointly and severally liable, except where delivery of the parts cannot be made because of conditions beyond the control of the dealer and the distributor, to pay to the purchaser an amount equal to one-half of the normal rental rate applicable for the implement from the date of the expiry of the time limit for delivery to the date on which those parts are made available to the purchaser at the dealer's place of business.

(8) The payment under subsection (7) shall be made only for the time during which the implement would normally have been used.

(9) In lieu of making payment as set out in subsections (7) and (8) the dealer or distributor may supply the purchaser with another implement, suitable and capable of functioning properly, at one-half of the normal rental rate for that implement.

(10) The normal rental rates mentioned in this section shall be those established by the board.

1976, c.2, s.9; R.S.S. 1978, c.A-10, s.33.

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# Inspections

**34**(1) Employees appointed as inspectors for the purposes of this Act shall inspect within the province the manufacturing of implements sold or offered for sale by dealers and distributors and the stock of repairs maintained by them and for these purposes shall, during the usual business hours, have free access and admission to the premises of dealers and distributors and of their agents.

(2) Every dealer or distributor or an agent of either who refuses to permit an employee mentioned in subsection (1) to enter his premises during the usual business hours for the purposes mentioned in subsection (1) and every person who obstructs such an employee in the performance of his duties is guilty of an offence and liable on summary conviction to a fine not exceeding \$100.

1968, c.1, s.15; 1976, c.2, s.20; R.S.S. 1978, c.A-10, s.34.

# Contracts to be in writing

**35**(1) Where an implement is sold, whether for cash or on credit, if the implement is new, the contract for the sale shall be in writing in the form prescribed in the regulations and, if the implement is second-hand, the contract shall be in writing in the form prescribed in the regulations; but a contract, whether it is for a new or second-hand implement, may contain additional warranties and conditions if those warranties and conditions do not derogate from or conflict with any of the warranties and conditions set out in this Act and the relevant forms prescribed in the regulations.

(2) Where the regulations prescribe that a form of sales contract, or a part or provision of such a contract, is to be used for new implements only, but where such a contract, part or provision is used for a second-hand or rebuilt implement, the contract, part or provision shall be conclusive evidence that the implement sold is or is warranted to be a new one.

(3) Where subsection (1) is not complied with:

(a) the contract shall not be invalid on that account only, but all the terms, conditions and warranties of the form that should have been used shall, so far as applicable, be held to apply and to be incorporated in the contract in the same manner as if it had been reduced into writing in the prescribed form and, in the case of the sale of a new implement, where the contract has not been reduced into writing and signed by the parties thereto the purchaser shall have, instead of a ten days' trial as provided in clause (a) of paragraph 3 of section 36, a thirty days' trial period and he shall within the said thirty days or within two days after the expiration thereof give notice in writing to the dealer or in his absence to the distributor that the implement does not work well, and thereupon all the terms and conditions set out in this Act and in the form prescribed in the regulations, except the limitation as to a ten days' trial period, shall apply;

(b) if no agent of the dealer has been named to whom a defective implement or part may be returned, the implement or defective part may be returned to the agency of the dealer at the place where the implement or part was purchased or, if there is no such agency, then to the dealer or to the nearest agent of the dealer;

(c) if the person to whom notice is to be given that the implement or part does not work well has not been specified, the purchaser may give notice to the vendor or to the distributor.

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(4) Nothing in this section shall be construed as dispensing with the necessity of a written contract where, under *The Sale of Goods Act* or the *Statute of Frauds*, such an instrument would be necessary to constitute a binding contract.

1968, c.1, s.16; 1976, c.2, ss.10 & 20; R.S.S. 1978, c.A-10, s.35.

#### Warranties in sales contract for new implement

**36** A contract for the sale of a new implement shall be deemed to carry the following express joint and several warranties on the part of the dealer and the distributor for a period of one year from the date of delivery, and where a further period is hereinafter provided or is set forth in the sales contract, for that further period:

1. that the implement is well-made and of good materials;

2. that if the implement is properly used and operated it will perform well the work for which it is intended and in the case of engines that the warranted horse power can be developed under fit and suitable conditions;

3. that where:

(a) within a ten-day trial period, the implement does not perform well the work for which it is intended;

(b) the purchaser gives, within the ten-day trial period, notice in writing to the dealer at the address given for the dealer in the sales contract, or to the distributor, that the implement does not work well; and

(c) within a period of seven days following receipt of the notice mentioned in clause (b), the dealer or the distributor does not make the implement perform well the work for which it is intended;

the purchaser may, by giving written notice to the dealer or the distributor within the three days immediately following the seven-day period, reject the implement, in which case the sales contract shall be at an end and the purchaser shall be entitled to a return of any moneys paid or notes given by him for the purchase of the implement and of the freight charges paid by him, and if a trade-in implement has been taken by the dealer it shall be returned, or if a trade-in cannot be returned in the same condition or has been sold to a third party the dealer shall make payment to the purchaser in the amount stated in the sales contract; provided that the purchaser shall forfeit his right to reject the implement if he fails to give either of the notices within the time limit, unless the dealer or distributor either before or after the expiration of the time limit does any act, or so conducts himself, as to lead the purchaser to believe that the notices are not required to be, or to have been, given;

4. that where, within the seven-day period mentioned in clause (c) of paragraph 3, the dealer or distributor makes the implement perform well the work for which it is intended and where the purchaser's failure to make the implement perform well was due to his own improper management or want of skill in operating the implement, the purchaser shall pay the expenses incurred by the dealer or distributor in making the implement work well;

5. that the implement will be durable if used under fit and suitable conditions and kept with proper care and that parts proving defective will be replaced free of charge upon return of the defective parts to the dealer's place of business or to the distributor; and that, where the purchaser returns the implement to the dealer's place of business, the dealer will install the new parts without charge; and that all parts replaced within the warranty period are warranted to be durable for the duration of the original one-year warranty or for ninety days from the date of installation, whichever is longer;

6. that all necessary parts for the implement will, for a period of ten years from the date of sale indicated on the sales contract, be kept by the distributor in Saskatchewan and that the purchaser will be able to obtain them within a reasonable time at the distributor's place of business.

1976, c.2, s.11; R.S.S. 1978, c.A-10, s.36.

# Contracts to be kept two years and produced on request

**37** Every dealer shall keep one copy of every contract for the sale of an implement entered into by him for at least two years and shall, upon request of an employee appointed as an inspector for the purposes of this Act, produce the copy and allow the employee to make copies thereof.

1968, c.1, s.17; 1976, c.2, s.20; R.S.S. 1978, c.A-10, s.37.

## **Contracts explained before signature**

38(1) Where a purchaser is unable to read in the English language the contract shall, before it is signed by him, be read over and explained to him in a language that he understands, and in such case the burden of proving that the contract was so read over and explained to him shall be upon the dealer.

(2) An affidavit to the effect that the deponent has, within eight days preceding the taking of the affidavit, read over and explained the contract to the purchaser in a language that the purchaser understood, prior to his signature thereto, is *prima facie* proof of all the facts sworn to in the affidavit.

1968, c.1, s.18; 1976, c.2, s.20; R.S.S. 1978, c.A-10, s.38.

# Contract not binding until signed by dealer

**39** The signing of a contract by a purchaser does not bind him to purchase the implement therein described until the contract is signed by the dealer or some agent of the dealer authorized to bind the dealer and a copy thereof is delivered to or deposited in a post office addressed to the purchaser, postage prepaid and registered.

1968, c.1, s.19; 1976, c.2, s.20; R.S.S. 1978, c.A-10, s.39.

# Payment to dealer's agent deemed payment

**40** A purchaser of an implement or part may make any payment, whether due under the contract or under any note given therefor, to any sales or collection agent of the dealer in the province, and receipt of the payment by the agent shall be deemed to be receipt by the dealer; and the dealer may from time to time notify the purchaser in writing of the name and address of one or more persons to whom payments may be made; and thereafter all payments shall be made by the purchaser to the person or persons so named.

Lien of dealer

**41**(1) The dealer of an implement has a lien upon the implement for the unpaid purchase price thereof if the terms of sale set out in the contract specify that a lien note is to be taken therefor, and the purchaser makes and delivers a lien note to the dealer for the purchase price or the balance of the purchase price of the implement.

(2) If the sale of an implement is for cash, the contract shall so state.

(3) The dealer may agree to take from the purchaser his promissory note or notes for the purchase price or the balance of the purchase price of an implement and if the dealer does so the clause of the contract governing payment of the purchase price shall be altered so that it refers to promissory note or notes instead of lien note and, in the case of a contract for sale of a new implement in the form prescribed in the regulations, no commitment of the purchaser found under the heading 'Purchaser's Commitments' in the contract shall apply and such commitments shall be deemed to be deleted from the contract.

(4) Where a dealer agrees to take a promissory note or notes under subsection (3):

(a) no lien, mortgage or other security shall be taken or given in respect of the implement purchased and, subject to subsection (3), when the contract in the form prescribed in the regulations governing payment of the purchase price is duly completed it shall constitute the entire contract between the parties;

(b) if the dealer or his assignee takes action and recovers judgment against the purchaser on the promissory note or notes, or for the price or balance of the price of the implement, subsection (1) of section 5 of *The Exemptions Act* does not apply.

1973, c.1, s.5; 1976, c.2, s.12; R.S.S. 1978, c.A-10, s.41.

Effect of lien note

42(1) Where possession of an implement has been delivered to a purchaser under a lien note and the lien note is not evidenced and registered in accordance with, and within the times limited by, section 5 of *The Conditional Sales Act*, every provision contained in the lien note whereby the property in the implement remains in the dealer is void as against a creditor and as against a subsequent purchaser or mortgagee claiming from or under the purchaser in good faith for a valuable consideration and without notice.

(2) Subject to subsection (1), the purchaser shall have the possession of and the right to use the implement but during the possession and use the implement shall he at the risk of the purchaser as to damage and destruction from any cause; and in the event of damage to or destruction of the implement the purchaser shall remain liable for the full purchase price thereof.

(3) Subject to the provisions of *The Limitation of Civil Rights Act*, upon default in payment of an instalment of the purchase price the dealer may take possession of the implement.

(4) Where a purchaser absconds or permits the implement to go out of his possession to a third party without the consent of the dealer, the dealer may take possession of the implement.

(5) Upon repossession of the implement the dealer is entitled to deal with it as he sees fit without being liable to account to the purchaser in any way, save as is provided by section 43.

# **Repossession and sale of implements**

**43**(1) Where the dealer repossesses an implement, the sum for which the dealer is liable to account to the purchaser is the amount obtained upon resale of the implement at a reasonable price, either by public auction or private sale, less the reasonable expenses incurred by the dealer in obtaining repossession of, making necessary repairs to, transporting and reselling the implement.

(2) Where under subsection (1) a dealer resells an implement that was repossessed by him and the amount realized is in excess of the unpaid purchase price including the expenses referred to in subsection (1), the excess shall be paid over by the dealer to the purchaser.

1968, c.1s.23; 1976, c.2, s.20; R.S.S. 1978, c.A-10, s.43.

# Liability of original dealer

44 Where the purchaser of an implement, other than a second-hand or rebuilt implement, purchases the implement from a dealer who is not the manufacturer thereof, the manufacturer which sold the implement to the dealer and the distributor representing that manufacturer are liable to the purchaser to observe, keep and perform the warranties set forth in this Act; and the purchaser may maintain an action against any such manufacturer or distributor, as well as against the dealer, or against any one or more of them, for any breach of any of those warranties.

1968, c.1, s.24; 1976, c.2, ss.13 & 20; R.S.S. 1978, c.A-10, s.44.

# Purchaser's right to reject

**45** Where a purchaser purchases several implements at the same time from the same dealer, whether by one or several orders, and it is reasonably apparent that the several implements were intended to form part of the one outfit, then and in every such case the purchaser may, upon the happening of any event that under this Act and the forms prescribed in the regulations would give him the right to reject any one of those implements, reject any one or all of those implements.

1968, c.1, s.25; 1976, c.2, ss.14 & 20; R.S.S. 1978, c.A-10, s.45.

## Contracts to comply with act

46(1) No contract, order or security made or taken in connection with the sale of an implement shall contain any statement to the effect that the dealer is not responsible for the representations of his agent or contain any other statement limiting or modifying the legal liability of the dealer as provided in this Act or in the forms prescribed in the regulations; and the insertion of any such statement has no effect upon the contract, order or security.

(2) A breach of this section renders the contract, order or security void at the option of the purchaser.

1968, c.1, s.26; 1976, c.2, ss.15 & 20; R.S.S. 1978, c.A-10, s.46.

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# Effect of clerical errors in contract

**47** No error of a clerical nature or in an immaterial or non-essential part of a written contract under this Act invalidates the contract, unless in the opinion of the court or judge before whom a question relating thereto is tried the error has actually misled some person whose interests are affected by the contract.

1968, c.1, s.27; R.S.S. 1978, c.A-10, s.47.

# **Contract is entire contract**

**48**(1) Where a contract is made in the form prescribed by the regulations and the form is duly completed, the same shall be taken and held to be the entire contract between the parties.

(2) Notwithstanding subsection (1), every purchaser of an implement is, upon breach of any term of the contract for the sale of the implement, whether or not the same is in a form prescribed in the regulations, entitled to the damages to which a buyer of goods is entitled under *The Sale of Goods Act*.

1968, c.1, s.28; 1976, c.2, s.16; R.S.S. 1978, c.A-10, s.48.

# Validity of forms

**49** The words in parenthesis in the forms prescribed in the regulations are merely directory and need not be printed or written in any contract made pursuant to this Act; and where any paragraph of the forms governed by a parenthesis is inappropriate to any particular contract according to the directions contained in the parenthesis, the paragraph need not be printed or written in the contract.

1968, c.1, s.29; 1976, c.2, s.17; R.S.S. 1978, c.A-10, s.49.

Supplier to purchase dealer's unused stock upon expiry of termination of agreement **50**(1) In this section and in section 51:

# "agreement"

(a) **"agreement"** means a written or oral agreement between a dealer and a supplier that is in force on or after the first day of December, 1969;

# "notice to purchase"

(b) **"notice to purchase"** means the notice to purchase mentioned in subsection (6);

# "supplier"

(c) "supplier" means a distributor or a manufacturer.

(2) Where an agreement expires or is otherwise terminated by the dealer or the supplier for any reason, the supplier shall, subject to this Act and the regulations, purchase from the dealer all unused implements or unused parts or unused implements and unused parts secured by that dealer from the supplier.

(3) A supplier shall pay to a dealer:

(a) for each unused implement, one hundred per cent of the invoice price together with the transportation costs paid by the dealer from the point of manufacture of the implement to the dealer's place of business;

(b) for each unused part, eighty-five per cent of the current net price;

together with interest on any amount payable, calculated from the first day of the second month following the day the amount becomes due and owing.

(4) The amount payable by a supplier for an unused implement or unused part becomes due and owing:

(a) within thirty days of the day that immediately follows the expiry of ninety days after the day the supplier receives the notice to purchase from the dealer; or

(b) on the day that the supplier removes the unused implement or unused part from the possession of the dealer;

whichever day first occurs.

(5) In addition to any other method available to him:

(a) a dealer may recover an amount owing to him by a supplier by deduction from any amount he owes to the supplier;

(b) a supplier may recover an amount owing to him by a dealer by deduction from any amount he owes to the dealer;

(c) a supplier may recover, by deduction from any amount he owes the dealer, the amount of any lien, charge, encumbrance or mortgage in favour of a third party to which the unused farm implements or unused part or parts are subject.

(6) A dealer shall, within ninety days after the day an agreement expires or is terminated:

- (a) personally serve on the supplier or an officer of the supplier; or
- (b) send by prepaid registered mail to the supplier;

a written or printed notice to purchase containing a request by the dealer that the supplier purchase the unused implements or unused parts or unused implements and unused parts secured from the supplier; and where the dealer has not complied with this subsection the supplier is not required to purchase unused implements or unused parts or unused implements and unused parts from the dealer.

(7) A supplier is not required to purchase:

(a) an unused part that is not clearly identified either by means of a ticket or tag or box or other container or by an imprint on the part itself; or

(b) an unused part that is not listed in a supplier's current price list.

(8) A dealer is responsible for the care and custody of an unused implement or unused part until:

(a) the day the supplier removes it from his possession; or

(b) the day following the expiry of ninety days after the day the supplier receives the notice to purchase from the dealer;

whichever day first occurs; and thereafter the supplier is responsible.

- (9) The Bulk Sales Act does not apply to a sale to a supplier under this section.
- (10) A dealer is responsible for:

(a) adequately preparing each unused implement so that it is acceptable by a carrier for shipment from the dealer's place of business; and

(b) adequately packaging, crating or otherwise preparing each attachment to an unused implement and all unused parts so that they are acceptable by a carrier for shipment from the dealer's place of business.

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#### Supplier to furnish information to minister

**51** A supplier shall, upon the request of the minister, furnish the minister in accordance with the request, with:

(a) a copy of each or any franchise or other agreement in effect between a supplier and a dealer;

(b) particulars of each or any unwritten agreement with any or all dealers;

(c) a copy of a written agreement or particulars of an unwritten agreement with any or all dealers with respect to the return of implements or parts to the supplier.

1970, c.2, s.4; 1976, c.2, s.20; R.S.S. 1978, c.A-10, s.51.

#### Expenditures

**52** Sums required for the purposes of this Act may be paid from moneys appropriated by the Legislature for such purposes.

1968, c.1, s.30; R.S.S. 1978, c.A-10, s.52.

# Regulations

**53** For the purpose of carrying out the provisions of this Act according to their intent, the Lieutenant Governor in Council may make such regulations as are ancillary thereto and are not inconsistent therewith; and every regulation made under and in accordance with the authority granted by this section has the force of law; and without restricting the generality of the foregoing, the Lieutenant Governor in Council may make regulations:

(a) prescribing the form and contents of applications for licences to be issued to dealer under this Act and for renewals of such licences, the form of licences, the conditions to which licences may be subject, their duration, and the fees payable for licences and renewals of licences;

(b) prescribing the standards to be met by manufacturers, distributors and dealers with respect to repair parts, stocks and service facilities;

(c) excluding any type of implement, equipment or machine from the operation of this Act;

(d) prescribing the manner of giving notice and the persons to whom notice shall be given with respect to unlicensed dealers pursuant to subsection (4) of section 29;

(e) relating to any matter mentioned in section 50 or 51;

(f) prescribing the manner of giving notice to farmers, dealers and distributors respecting the hearings of applications for compensation pursuant to section 10;

(g) authorizing and governing the investigation by the board of claims for compensation made to the board;

(h) authorizing and governing the auditing of the books and records of distributors;

(i) relating to any other matter respecting the operations and functions of the board;

(j) prescribing the form and content of sales contracts mentioned in section 35 and, without limiting the generality of the foregoing, prescribing the terms, conditions, commitments, warranties and use of such contracts;

(k) defining any word or expression used in this Act but not defined in this Act;

(l) defining normal rental rates of implements under subsection (10) of section 33.

1968, c.1,s.31; 1970, c.2, s.5; 1973, c.1, s.6; 1976, c.2, ss.19 & 20; R.S.S. 1978, c.A-10, s.53.