



NATIONAL ASSEMBLY

SECOND SESSION

THIRTY-FIFTH LEGISLATURE

Bill 44

(1996, chapter 34)

An Act to amend various Acts relating to alcoholic beverages

Introduced 19 June 1996
Passage in principle 19 June 1996
Passage 19 June 1996
Assented to 20 June 1996

**Québec Official Publisher
1996**

EXPLANATORY NOTES

This bill amends the Act respecting the Société des alcools du Québec in order to relax or give greater precision to certain rules applicable to holders of a small-scale production permit in respect of the sale of their products. The bill also proposes a new permit, the small-scale beer producer's permit, and specifies the rights and obligations attached to it.

Moreover, two new permits are instituted under the Act respecting liquor permits: the raw material and equipment wholesaler's permit and the raw material and equipment retailer's permit. Such permits will authorize the sale of specific beer and wine constituents and of equipment for home brewing or wine making. Holders of a grocery permit will also be authorized to sell such constituents and equipment.

The bill also contains provisions for concordance with such amendments and makes a number of technical changes to the statutes concerning alcoholic beverages.

LEGISLATION AMENDED BY THIS BILL:

- Act respecting offences relating to alcoholic beverages (R.S.Q., chapter I-8.1);
- Act respecting liquor permits (R.S.Q., chapter P-9.1);
- Act respecting the Société des alcools du Québec (R.S.Q., chapter S-13).

Bill 44

An Act to amend various Acts relating to alcoholic beverages

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

ACT RESPECTING THE SOCIÉTÉ DES ALCOOLS DU QUÉBEC

1. Section 24 of the Act respecting the Société des alcools du Québec (R.S.Q., chapter S-13) is amended by inserting the words “, a small-scale beer producer’s permit” after the word “permit” in the fourth line of the first paragraph.

2. Section 24.1 of the said Act is amended

(1) by inserting the words “, other than beer,” after the word “beverages” in subparagraph 1 of the first paragraph;

(2) by replacing the second paragraph by the following paragraph:

“Unless he ships them outside Québec, the holder of a small-scale production permit may sell alcoholic beverages he makes only as follows:

(1) at the place where they are produced, for consumption on the premises indicated in the permit or for consumption elsewhere;

(2) at the place where they are produced, to the holder of a permit issued under the Act respecting liquor permits that authorizes alcoholic beverages made at such a place to be sold or served for consumption on the premises, provided that a numbered sticker issued by the board is affixed by the permit holder to each container, in numerical order, at the time of sale;

(3) in a room or on a terrace where a permit issued under the Act respecting liquor permits authorizes the permit holder to sell alcoholic beverages for consumption on the premises, provided that a numbered sticker issued by the board is affixed by the permit holder to each original container, in numerical order.”;

(3) by striking out the first sentence of the third paragraph;

(4) by replacing the word “He” in the third line of the third paragraph by the words “The holder of a small-scale production permit”;

(5) by inserting the words “, subject to the second paragraph, under” after the word “or” in the second line of the fourth paragraph.

3. The said Act is amended by inserting, after section 24.1, the following section:

“24.2 A small-scale beer producer’s permit authorizes the holder, in accordance with the regulations, to

(1) make beer and bottle it;

(2) make alcoholic beverages by combining beer with other non-alcoholic substances and bottle them;

(3) purchase alcohol from the Corporation to blend with the alcoholic beverages that he makes.

Unless he ships them outside Québec, the holder of a small-scale beer producer’s permit may sell alcoholic beverages he makes only if he sells them at the place where they are produced, for consumption on the premises, and if he is the holder of a permit, issued under the Act respecting liquor permits, authorizing alcoholic beverages to be sold for consumption on the premises.

The holder of a small-scale beer producer’s permit may also sell and deliver the alcoholic beverages he makes to the Corporation.

No such permit holder may sell the alcoholic beverages he makes to the holder of a permit issued under this Act or under the Act respecting liquor permits.”

4. Section 29 of the said Act is amended by inserting the words “, to a small-scale beer producer’s permit holder” after the words “production permit holder” in the third line of the first paragraph.

5. The said Act is amended by inserting, after section 29, the following section:

“29.1 The board shall issue to the holder of a small-scale production permit, on payment of the fees fixed by regulation, stickers bearing consecutive numbers and indicating the year in which they may be affixed to containers of alcoholic beverages.

Before 15 February each year, every permit holder shall return to the board any stickers not used by the first of that month.”

6. Section 30 of the said Act is amended by replacing the words “or a small-scale production” in the first line of subparagraph 5 of the first paragraph by the words “, a small-scale production permit or a small-scale beer producer’s”.

7. The said Act is amended by inserting, after section 30.1.1, the following section:

“30.1.2 Any person who wishes to sell, pursuant to subparagraph 1 or 2 of the second paragraph of section 24.1, alcoholic beverages he makes at the place where they are produced, for consumption on the premises, is, for the purposes of that activity, subject to the rules prescribed by subparagraphs 1 and 2 of the first paragraph of section 39, paragraph 2 of section 40, section 41, subparagraphs 1 and 2 of the first paragraph of section 45 and sections 46.1 and 47 of the Act respecting liquor permits with the necessary modifications.”

8. Section 33 of the said Act is amended

(1) by striking out the words “, in accordance with the regulation,” in the first line of the first paragraph;

(2) by replacing the words “indicated therein” in the second line of the first paragraph by the words “prescribed by regulation, and shall, in the prescribed cases and within the prescribed time limits, send them to the board”;

(3) by striking out the second paragraph.

9. The said Act is amended by inserting, after section 33, the following sections:

“33.1 The holder of a small-scale production permit must transmit monthly to the board, using the form provided by it, the information prescribed by regulation of the board in respect of the permit holder’s harvest of raw materials required for the production of alcoholic beverages and his inventory of alcoholic beverages in bulk and in containers, as they stand on the fifteenth day of the month.

Furthermore, he must, if so required, communicate to the board the number of sales of alcoholic beverages made to permit holders pursuant to subparagraph 2 of the second paragraph of section 24.1 during the period determined by the board, and, for each sale, indicate the date of sale, the name and address of the purchaser, the brand of the product, the quantity sold and the numbers of the stickers affixed to the containers of the alcoholic beverages sold. The permit holder must keep the vouchers of such sales, and, if so required, transmit them to the board.

He must also, if so required, communicate to the board the quantity of alcoholic beverages that is in a room or on a terrace where he uses a permit issued to him under the Act respecting liquor permits, the brand of the products, the numbers of the stickers affixed to the containers and the date on which they were affixed.

“33.2 Where the holder of a small-scale production permit sells alcoholic beverages pursuant to subparagraph 1 or 2 of the second paragraph of section 24.1, he is subject to the same requirements as those imposed by sections 59, 62, 66 to 68, 73, 75, 77, 77.1 to 78 and 82 to 84 of the Act respecting liquor permits on the holder of a permit authorizing alcoholic beverages to be sold.

Such provisions and the related provisions of the Act respecting offences relating to alcoholic beverages as well as sections 61, 63 and 74 of the Act respecting liquor permits apply to such permit holder with the necessary modifications.”

10. Section 34 of the said Act is amended by inserting the words “, small-scale beer producer’s permit” after the words “production permit” in the second line of subparagraph 1 of the first paragraph.

11. Section 34.1 of the said Act is amended by inserting “, 33.1” after “33” in the fourth line.

12. Section 35 of the said Act is amended

(1) by inserting, after subparagraph 1 of the first paragraph, the following subparagraph:

“(1.1) the permit was obtained following false representations;”;

(2) by replacing the words “section 33” in subparagraph 4 of the first paragraph by the words “any provision of section 29.1, 33 or 33.1”.

13. The said Act is amended by inserting, before section 35.2, the following section:

“35.1.1 The board may, instead of cancelling or suspending a permit for a reason connected with an activity referred to in subparagraph 1 or 2 of the second paragraph of section 24.1, restrict or prohibit that activity for the period it determines.”

14. Section 37 of the said Act is amended by replacing the words “conditions and modalities of keeping and sending them” in the third line of paragraph 9.1 by the words “time limits for sending them”.

15. The said Act is amended by inserting, at the end of Division IV, the following section:

“37.2 The board may, by regulation, prescribe the information to be provided by the holder of a small-scale production permit in respect of his harvest of raw materials and his inventory of alcoholic beverages in bulk and in containers.”

16. Section 53 of the said Act is amended by inserting the words “, a small-scale beer producer’s permit” after the word “permit” in the first line.

17. Section 61 of the said Act is amended

(1) by inserting the words “section 29.1,” after the words “exception of” in the second line;

(2) by inserting “, 37.2” after “36.3” in the third line.

ACT RESPECTING LIQUOR PERMITS

18. Section 1 of the Act respecting liquor permits (R.S.Q., chapter P-9.1) is amended by inserting the words “and except in the case of the word “permit”,” after the word “context” in the second line.

19. Section 25 of the said Act is amended

(1) by replacing the words “and the” in the third line by the word “the”;

(2) by inserting the words “the raw material and equipment wholesaler’s permit and the raw material and equipment retailer’s permit” after the word “permits” in the fourth line.

20. Section 31 of the said Act is amended by adding, after the second paragraph, the following paragraph :

“A grocery permit also authorizes the holder to effect any transaction authorized under a raw material and equipment retailer’s permit.”

21. The said Act is amended by inserting, after section 34, the following sections :

“34.1 A raw material and equipment wholesaler’s permit authorizes the holder to sell at wholesale specific constituents of beer or wine, including malt, extracts of malt, grapes, wort or must and concentrates, as well as equipment for the domestic manufacture of wine or beer for personal use.

“34.2 A raw material and equipment retailer’s permit authorizes the holder to sell retail specific constituents of beer or wine, including malt, extracts of malt, grapes, wort or must and concentrates, as well as equipment for the domestic manufacture of wine or beer for personal use.

The holder of a raw material and equipment retailer’s permit must purchase such products from the holder of a raw material and equipment wholesaler’s permit.”

22. Section 50 of the said Act is amended by inserting, after the third paragraph, the following paragraph :

“Subparagraphs 2 and 3 of the first paragraph of section 39, paragraph 1 of section 41 and the second paragraph of section 47 do not apply to an application for a raw material and equipment wholesaler’s or retailer’s permit.”

23. The said Act is amended by inserting, after section 60, the following section:

“60.1 A raw material and equipment wholesaler’s or retailer’s permit may be used on the days and at the hours the public may be admitted to the establishment in accordance with the Act respecting hours and days of admission to commercial establishments (chapter H-2.1).”

24. Section 62 of the said Act, amended by section 49 of chapter 71 of the statutes of 1993, is again amended by inserting the words “authorizing alcoholic beverages to be sold or served” after the words “terrace where a permit”.

25. Section 64 of the said Act is amended by inserting the words “authorizing alcoholic beverages to be sold or served” after the word “permit” in the first line.

26. Section 70 of the said Act is amended by replacing the words “A permit holder” in the first line by the words “The holder of a permit authorizing alcoholic beverages to be sold or served”.

27. The said Act is amended by inserting, after section 70, the following section:

“70.1 The holder of a raw material and equipment wholesaler’s or retailer’s permit and the holder of a grocery permit who carries on activities authorized by a raw material and equipment retailer’s permit must keep books listing all purchases and sales of raw materials and equipment and indicating, for each transaction, the following information:

(1) the name and address of the person from whom they purchased the products;

(2) in the case of a raw material and equipment wholesaler, the name and address of the person to whom he sold the products concerned;

(3) the nature and quantity of the products purchased or sold, and the cost or price thereof;

(4) the date of the transaction.

In addition, such permit holders must keep the vouchers of each transaction.

They must, if so required, transmit such books and documents to the board.”

28. Section 72.1 of the said Act, enacted by section 3 of chapter 4 of the statutes of 1995, is amended

(1) by replacing the words “A permit holder” in the first line of the first paragraph by the words “The holder of a permit authorizing alcoholic beverages to be sold or served”;

(2) by inserting the words “a small-scale production permit,” after the word “of” in the fourth line of the first paragraph;

(3) by replacing subparagraph 3 of the second paragraph by the following subparagraph:

“(3) in the establishment of the holder of a permit for consumption on the premises who is also the holder of a small-scale production permit, the presence of alcoholic beverages made by him,”.

29. Section 86.2 of the said Act is amended by inserting “, 70.1” after “70” in the second line.

30. Section 87.1 of the said Act is amended by inserting the words “authorizing alcoholic beverages to be sold or served” after the word “permit” in the first line of the first paragraph.

31. Section 88 of the said Act is amended by inserting the words “authorizing alcoholic beverages to be sold or served for consumption on the premises” after the word “permit” in the first line.

32. Section 90.1 of the said Act is amended by inserting the words “authorizing alcoholic beverages to be sold or served” after the word “permit” in the first line of the first paragraph.

33. Section 91 of the said Act is amended by replacing the words “the alcoholic beverages and their” in the second line of the first paragraph by the words “any alcoholic beverages and receptacles”.

34. Section 97 of the said Act is amended by inserting, after paragraph 1.1, the following paragraph:

“(1.2) an application for a raw material and equipment wholesaler’s permit or a raw material and equipment retailer’s permit;”.

35. Section 110 of the said Act is amended by replacing the words “a permit holder” in the first line of the second paragraph by the words “the holder of a permit authorizing alcoholic beverages to be sold or served”.

36. Section 111 of the said Act is amended by inserting the words “of raw materials and equipment for beer or wine making or” after the word “or” in the eighth line.

ACT RESPECTING OFFENCES RELATING TO ALCOHOLIC BEVERAGES

37. Section 2 of the Act respecting offences relating to alcoholic beverages (R.S.Q., chapter I-8.1) is amended

(1) by inserting the words “of section 24.2 or” after the word “paragraph” in the fourth line of paragraph 4;

(2) by inserting the words “authorizing alcoholic beverages to be sold or served” after the words “a permit” in the first line of paragraph 18.

38. Section 82.1 of the said Act is amended

(1) by inserting the words “or a small-scale beer producer’s permit” after the words “production permit” in the third line of the first paragraph;

(2) by replacing the words “other than beer or weak cider” in the first line of subparagraph 1 of the first paragraph by the words “, other than beer, weak cider or alcoholic beverages referred to in the second paragraph,”;

(3) by inserting, after the first paragraph, the following paragraph:

“No holder of a permit authorizing alcoholic beverages to be sold or served for consumption on the premises may keep, possess or sell in his establishment alcoholic beverages made by the holder of a small-scale production permit not purchased directly from the Corporation or from that permit holder.”

39. Section 83 of the said Act is amended by adding, at the end, the following paragraph:

“(6) beer, made by the holder of a small-scale beer producer’s permit issued under the Act respecting the Société des alcools du Québec, not purchased directly from the Corporation.”

40. The said Act is amended by inserting, before section 84, the following section:

“**83.2** The holder of a small-scale production permit issued under the Act respecting the Société des alcools du Québec is forbidden to sell to the holder of a permit authorizing alcoholic beverages to be sold or served for consumption on the premises any container containing an alcoholic beverage made by him to which he has not affixed a numbered sticker issued by the board under section 29.1 of the said Act or to which he has affixed such a sticker but without following the numerical order of the stickers.”

41. Section 84 of the said Act is amended by inserting the words “, or any container containing an alcoholic beverage made by the holder of a small-scale production permit to which a numbered sticker issued by the board is not affixed” after the word “affixed” in the third line of the first paragraph.

42. Section 88 of the said Act is amended by adding, at the end, the following paragraph:

“The same applies in respect of alcoholic beverages made by the holder of a small-scale production permit issued under the Act respecting the Société des alcools du Québec, subject to the holder’s rights under that Act.”

43. Section 91.1 of the said Act is amended

(1) by replacing the words “a permit for such premises and, except in the case of a restaurant service permit,” in the second and third lines by the words “, for such premises, a permit issued under the Act respecting liquor permits or a small-scale production permit

issued under the Act respecting the Société des alcools du Québec and, except in the case of a restaurant service permit, unless”;

(2) by inserting the words “or made” after the word “bought” in the fourth line.

44. Section 92 of the said Act is amended by replacing the words “brewer’s or” in the second line of paragraph *c* by the words “brewer’s permit, a small-scale beer producer’s permit or a”.

45. Section 103.1 of the said Act is amended by replacing the words “A permit holder” in the first line of the first paragraph by the words “The holder of a permit issued under the Act respecting liquor permits or of a small-scale production permit issued under the Act respecting the Société des alcools du Québec”.

46. Section 103.3 of the said Act is amended by inserting the words “or of a small-scale beer producer’s permit” after the word “permit” in the third line.

47. The said Act is amended by inserting, after section 107, the following section:

“107.1 Any person is guilty of an offence and liable, for a first offence, to a fine of \$500 to \$1,000 and, for a second or subsequent offence, to a fine of \$1,000 to \$2,000 who

(1) sells at wholesale specific constituents of beer or wine or equipment for the domestic manufacture of beer or wine without being the holder of a raw material and equipment wholesaler’s permit issued under the Act respecting liquor permits;

(2) sells such products at retail without being the holder of a raw material and equipment retailer’s permit issued under the Act respecting liquor permits;

(3) being the holder of a raw material and equipment retailer’s permit, purchases such products from a person who is not the holder of a raw material and equipment wholesaler’s permit.”

48. Section 108 of the said Act is amended by inserting the words “or, in the case of alcoholic beverages made by the holder of a small-scale production permit, any container to which a numbered sticker issued by the board is not affixed” after the word “affixed” in the third line of subparagraph 2 of the first paragraph.

49. Section 109 of the said Act is amended

(1) by inserting the words “issued under the Act respecting liquor permits or his small-scale production permit issued under the Act respecting the Société des alcools du Québec” after the word “permit” in the first line of paragraph 3;

(2) by replacing the words “, contravenes section 103.1” in paragraph 9 by the words “referred to in section 103.1, contravenes that section”.

50. Section 112 of the said Act is amended by inserting the words “issued under the Act respecting liquor permits or of a small-scale production permit issued under the Act respecting the Société des alcools du Québec” after the word “permit” in the first line of paragraph 3.

51. Section 114 of the said Act is amended in paragraph 3

(1) by inserting the words “or a numbered sticker issued by the board” after the word “Corporation” in the second line;

(2) by inserting the words “or numbered stickers imitating those used by the board” after the word “Corporation” in the fourth line;

(3) by inserting the words “or from the board, as the case may be,” after the word “Corporation” in the fifth line;

(4) by replacing the words “or stamps” in the sixth line by the words “, stamps or numbered stickers”;

(5) by inserting the words “or the board, as the case may be,” after the word “Corporation” in the sixth line;

(6) by replacing the word “its” in the seventh line by the word “their”.

52. Section 116 of the said Act is amended by inserting the words “issued under the Act respecting liquor permits or a small-scale production permit issued under the Act respecting the Société des alcools du Québec” after the word “permit” in the second line.

53. The said Act is amended by inserting, before section 133, the following section:

“132.1 For the purposes of this division, the word “permit” means, unless otherwise required by the context, a permit, issued under the Act respecting liquor permits, authorizing alcoholic beverages to be sold or served or a small-scale production permit issued under the Act respecting the Société des alcools du Québec.”

TRANSITIONAL AND FINAL PROVISIONS

54. Every small-scale production permit, issued under the Act respecting the Société des alcools du Québec (R.S.Q., chapter S-13), authorizing the production of beer shall become on (*insert here the date of coming into force of section 3*) a small-scale beer producer’s permit.

55. Until the coming into force of a regulation fixing the fees payable for a small-scale beer producer’s permit, the fees prescribed for a small-scale production permit shall apply to small-scale beer producer’s permits.

56. Any person who carries on an activity described in section 34.1 or 34.2 of the Act respecting liquor permits, enacted by section 21 of this Act, may, provided he applies, within 90 days of the coming into force of the said sections, for the issue of a permit provided for in those sections, continue to carry on the activity without being the holder of such a permit, until the Régie des alcools, des courses et des jeux decides the application.

57. Until the coming into force of a regulation fixing the fees payable for a raw material and equipment wholesaler’s permit or for a raw material and equipment retailer’s permit, the fees prescribed for a grocery permit shall apply to such permits.

58. This Act comes into force on 5 July 1996.