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PRESS RELEASE

Changes to the *Farm Implement Act*

The *Farm Implement Dealerships Act* and the *Farm Implement Act* have been combined into the new *Farm Implement and Dealership Act*.

The two acts were combined on December 17, 2014, when Bill 6, the *Statutes Amendment Act*, received royal assent. Bill 6 also includes numerous changes to sections of the former *Farm Implement Act*.

“The *Farm Implement and Dealership Act* helps protect the investment that Albertan farmers make in farm implements by establishing minimum requirements for sale agreements, warranties, and the availability of spare parts,” said Jeana Les with the Farmers' Advocate Office (FAO). “The Act also provides a mechanism for resolving disputes regarding farm implements.”

“The revised statute addresses gaps in the legislation and adds more clarity. This legislation has been around since the mid-1960s and, like any good legislation, it needs to keep evolving to meet the realities we're facing. We've also taken this opportunity make our *Farm Implement and Dealership Act* more consistent with equivalent legislation in Saskatchewan, Ontario, and Manitoba.”

As the administrator for the *Farm Implement Act*, the FAO provides support to the Farm Implement Board, employs a farm implement inspector, and manages licensing for dealers and distributors. The Farm Implement Board is comprised of three farmers, three industry representatives, and one member appointed by the Minister of Agriculture and Rural Development.

“The FAO strives to resolve complaints through the Farm Implement Inspector to help limit costs and ensure expediency for affected farmers,” said Les. “In 2013-14, the farm implement inspector spoke with approximately 240 different farmers and agri-business owners, mediated 155 disputes, and completed over 20 farm implement inspections. As a result, the Farm Implement Board did not need to review any disputes in 2013-14.”

Some of the key changes to the *Farm Implement Act* are as follows:

- **New Name**
Combining the *Farm Implement Act* with the *Farm Implement Dealerships Act* and renaming the amended statute as the *Farm Implement and Dealership Act*.
- **Public Auction**
Several amendments were made to provide clarity around the sale of farm implements by dealers or distributors at public auction. Farm implements sold by dealers or

distributors at public auctions are not covered by the consumer protection provisions in the Act.

- **Publishing Notices of Failure to Perform**
To help ensure consumer protection, the Minister will now publish the date, Vehicle Identification Number, and make and model for all farm implements for which a Notice of Failure to Perform is received.
- **Responsibility for Costs and Substitute Farm Implements**
Sales agreements between dealers and buyers must explicitly state who (the dealer or the distributor) is responsible for the costs and provision of a substitute farm implement in the event that a purchased farm implement needs repairs.
- **Demonstrator Implements**
The Act provides a definition for “distributor-approved demonstrator implement.” Any demonstrator implements matching this definition are considered “unused” and are protected by the Act.
- **Distributor’s Obligations Upon Termination of Dealership Agreement**
As in the past, when the agreement between the distributor and a dealer is terminated, the distributor is required to repurchase unused farm implements and other related resources obtained from or required by the distributor. The new *Farm Implement and Dealership Act* includes several amendments that serve to better protect dealers and align the Act with similar legislation from other provinces.
- **Increased Fine for Non-Compliance**
The maximum penalty for non-compliance with the Act or regulations has been increased from \$50,000 to \$100,000.

For details on Bill 6, go to www.assembly.ab.ca and look under “Bills and Amendments.” The new legislation will come into force in 2015, once the required amendments to the regulation are completed to align with the amended legislation. An Information Sheet for Dealers and Distributors is available on the FAO website at www.farmersadvocate.gov.ab.ca. Updated copies of the *Farm Implement and Dealership Act* will also be available on the FAO website once they become available.

For more information, please contact the FAO at farmers.advocate@gov.ab.ca or 310-FARM (3276.)