

EAC 2014 Governance Changes: Backgrounder

October 2013

EAC 2012–2014 Governance Task Force

New Requirements

An important piece of federal legislation, the Canada Not-for-Profit Corporations Act, came into force on October 17, 2011. This Act establishes a new set of rules for federally incorporated not-for-profit corporations in Canada. EAC is a federally incorporated not-for-profit corporation, so the new Act applies to the association.

Every existing corporation covered by this new Act must replace its letters patent and bylaws with new “articles of continuance” (a two-page form with prescribed categories of information) and new bylaws. The Act sets out specific content requirements for both documents.

Documentation must be filed with Corporations Canada by October 2014. Corporations that do not make this transition by the deadline will be assumed to be inactive and will be dissolved. So, EAC must take steps to comply with the Act if we want the association to continue in its current form.

Corporations Canada recommends that organizations take the following steps:

1. Review the organization’s current letters patent and bylaw
2. Prepare articles of continuance
3. Prepare a new bylaw
4. Get members’ approval
5. Submit the required documents to Corporations Canada

Progress to Date

EAC’s National Executive Council struck a Governance Task Force in August 2012 to review the requirements of the new legislation and propose revisions to the association’s bylaw and policies.

The task force has completed step 1 and has prepared drafts for steps 2 and 3. The drafts were prepared with input from a lawyer and from the association’s auditor. The task force invites comments and questions from members on these drafts.

Changes for EAC

Because the rules under the Canada Not-for-Profit Corporations Act are different from the old legislation, the provisions EAC needs to set out in the articles and the bylaw are also different. Some new provisions are mandatory; some provisions are recommended but can be altered; and some provisions in EAC’s current constitution are no longer needed under the new Act. The annotated draft bylaw indicates the source(s) of each provision.

Some of the required changes to our bylaw and practices will also require us to make corresponding changes to other association policies, procedures, rules and regulations. Work on drafting these changes is underway.

Milestones

August 2012	Governance Task Force struck by National Executive Council
June 8, 2013	Governance Task Force Interim Report to Members presented at AGM
October 2013	Draft articles of continuance and new draft bylaw circulated to members, along with backgrounder and FAQs

October 2013–January 2014	Changes discussed at branch meetings; feedback sought through Interactive Voice, email forums, meetings, etc.
January–March 2014	Final draft articles of continuance and bylaw prepared, along with revisions to associated policy and procedural documents
April 2014	Revised governance documents circulated to members
May/June 2014	Members vote at AGM on articles of continuance and revised bylaw
October 17, 2014	Deadline for EAC to submit articles of continuance to Corporations Canada

Further Information

Corporations Canada website, including links to the new legislation and a transition guide:

www.corporationscanada.ic.gc.ca

Current EAC constitution, bylaw and policies:

www.editors.ca/members/readup/constitution/index.html

EAC governance structures and mechanisms:

www.editors.ca/about/governance/index.html

EAC information about governance changes:

www.editors.ca/content/modernizing-our-governance-structure-2014

EAC's Governance Task Force:

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Acknowledgements

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