Media Release

BCLI issues Report on a Franchise Act for BC

for immediate release

Vancouver — 31 March 2014. The British Columbia Law Institute (BCLI) recommends that British Columbia become the sixth province to enact franchise legislation.

BCLI issued its Report on a Franchise Act for British Columbia today. The report analyzes franchise legislation in force in Canada, the U.S. and elsewhere, and contains a detailed legislative proposal with commentary. It was preceded by a consultation paper issued by BCLI early in 2013 to seek public input. The recommendations in the report were reached after responses to the consultation paper were reviewed by BCLI’s Board of Directors.

“Given the prevalence of franchised businesses in BC and their importance to the provincial economy, it is surprising that BC has no franchising legislation,” said Jim Emmerton, Executive Director of BCLI. “The enactment of franchise legislation in BC along the lines set out in this report would give appropriate and needed protection to BC franchise owners. It would also benefit franchisors by contributing to the establishment of consistent standards across the country.”

Alberta, Ontario, Manitoba, PEI and New Brunswick already have legislation in place that imposes pre-sale disclosure requirements to guard against investors being misled when purchasing a franchise. Their legislation contains certain other important protections also aimed at levelling the playing field between franchisors and franchisees. The Uniform Franchises Act developed under the Uniform Law Conference of Canada Commercial Law Strategy was the model for the franchise enactments of several of those provinces.

The BC franchise legislation proposed in the report would also be based primarily on the Uniform Franchises Act. It contains some updates, such as allowing franchisors to deliver pre-sale disclosure documents electronically.

BCLI strives to be a leader in law reform by carrying out the best in scholarly law-reform research and writing and the best in outreach relating to law reform.

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