

# BILL NO. 109

(as passed, with amendments)



*2nd Session, 58th General Assembly  
Nova Scotia  
51 Elizabeth II, 2002*

Government Bill

## Financial Measures (2002) Act

CHAPTER 5 OF THE ACTS OF 2002

The Honourable Neil J. LeBlanc  
Minister of Finance

[First Reading](#): April 5, 2002 (LINK TO BILL AS INTRODUCED)

Second Reading: May 3, 2002

[Third Reading](#): May 21, 2002 (WITH COMMITTEE AMENDMENTS)

Royal Assent: May 30, 2002



**An Act Respecting  
Certain Financial Measures**

Be it enacted by the Governor and Assembly as follows:

**1** This Act may be cited as the *Financial Measures (2002) Act*.

PART I

CHILDREN AND FAMILY SERVICES ACT

**2** Section 87 of Chapter 5 of the Acts of 1990, the *Children and Family Services Act*, is repealed and the following Section substituted:

87 The Minister may grant a subsidy to a person who has filed a notice of proposed adoption pursuant to this Act or who has adopted a child pursuant to this Act, where

- (a) the child is residing with the person or the adoptive parent;
- (b) the child is under the age of nineteen years; and
- (c) the child has been placed in the adoptive home by an agency or a child-placing agency pursuant to this Act.

**3** Subsection 99(1) of Chapter 5, as amended by Chapter 7 of the Acts of 1994-95, Chapter 3 of the Acts of 1996 and Chapter 3 of the Acts of 2001, is further amended by adding immediately after clause (r) the following clause:

- (s) providing for the charging of fees for services provided in relation to international adoptions;

PART II

CIVIL SERVICE ACT

**4** Chapter 70 of the Revised Statutes, 1989, the *Civil Service Act*, as amended by Chapter 38 of the Acts of 1993, Chapter 8 of the Acts of 1995-96 and Chapter 4 of the Acts of 2001, is further amended by adding immediately after Section 44 the following Section:

44A (1) Her Majesty in right of the Province shall defend, negotiate or settle a claim or charge made against a person appointed by the Governor in Council or a member of the Executive Council to any agency or board, including the board of directors of a corporation or commission, and indemnify the person from personal liability, if the selection of the person was at the sole discretion of the Governor in Council or a member of the Executive Council and the Governor in Council or a member of the Executive Council is satisfied the claim arises out of the person's activities in relation to the appointment and is not based on fraud or criminal activity.

(2) Where Her Majesty in right of the Province defends, negotiates or settles a claim or charge pursuant to subsection (1), Her Majesty has control of the conduct of the matter.

PART III

COMPANIES ACT

**5** Section 5 of Chapter 81 of the Revised Statutes, 1989, the *Companies Act*, is amended by

- (a) adding "(1)" immediately after the Section number;
- (b) striking out "There" in the first line and substituting "Subject to subsections (2) and (3), there"; and
- (c) adding the following subsections:

(2) An incorporation tax in the amount of two thousand dollars shall be paid to the Registrar for the incorporation

of an unlimited company and that tax is in substitution for the incorporation fee contained in regulations.

(3) An amalgamation tax in the amount of two thousand dollars shall be paid to the Registrar for filing documents in support of an amalgamation where the amalgamated company is an unlimited company, and that tax is in substitution for the amalgamation fee contained in regulations.

## PART IV

### CORPORATIONS REGISTRATION ACT

**6 (1)** Subsection 5(3) of Chapter 101 of the Revised Statutes, 1989, the *Corporations Registration Act*, is amended by striking out "There" in the first line and substituting "Subject to subsection (4), there".

**(2)** Section 5 of Chapter 101 is further amended by adding immediately after subsection (3) the following subsection:

(4) There shall be paid to the Registrar, for the certificate of registration for an unlimited company, a tax in the amount of one thousand dollars and that tax is in substitution for the fee contained in regulations.

**7 (1)** Subsection 12(1) of Chapter 101 is amended by striking out "and (3)" in the first line and substituting ", (3) and (3A)".

**(2)** Subsection 12(3) of Chapter 101 is amended by adding "or (3A)" immediately after "(2)" in the second line.

**(3)** Section 12 of Chapter 101 is further amended by adding immediately after subsection (3) the following subsection:

(3A) An unlimited company incorporated under the *Companies Act* shall pay an annual registration tax in the amount of one thousand dollars and that tax is in substitution for the annual registration fee contained in regulations.

**(4)** Subsection 12(4) of Chapter 101 is amended by

(a) adding "or the annual registration tax referred to in subsection (3A)" immediately after "fee" in the second line; and

(b) adding "or registration tax, as the case may be" immediately after "fee" in the last line.

## PART V

### EDUCATION ACT

**8** Subsection 62(2) of Chapter 1 of the Acts of 1995-96, the *Education Act*, is amended by adding ", including employment and personal services contracts of employees" immediately after "committees" in the fifth line.

**9 (1)** Subsection 64(2) of Chapter 1 is amended by adding immediately after clause (al) the following clause:

(ala) establish a school board conflict of interest policy for school board staff consistent with the Provincial conflict of interest policy for school board staff established by the Minister in the regulations;

**(2)** Section 64 of Chapter 1 is further amended by adding immediately after subsection (3) the following subsections:

(3A) An employment or personal-services contract entered into between a school board and senior staff, as defined in the regulations, of the school board has no effect until approved by the Minister.

(3B) A school board shall implement the administrative structure for senior staff, as defined in the regulations, of the school board in accordance with the administrative structure prescribed by the Minister in the regulations.

(3C) A school board shall establish a compensation framework for senior staff, as defined in the regulations, of

the school board in accordance with the compensation framework established by the Minister in the regulations.

**10** Chapter 1 is further amended by adding immediately after Section 64 the following Sections:

64A A school board shall not engage in or carry out any commercial activity, including lending, without the approval of the Governor in Council.

64B For greater certainty, a school board shall not engage in or carry out any activity that is outside the authority, powers, duties and responsibilities of the school board pursuant to this Act and the regulations.

**11** Subsection 65(1) of Chapter 1 is repealed and the following subsection substituted:

(1) Within three months after the end of each fiscal year, commencing with the 2001-02 fiscal year, a school board shall publish, in the manner and form prescribed by the regulations, a report of all payments, including salaries and expenses, made to and all benefits conferred on members and employees of the school board during the fiscal year of the school board ending on March 31st in that year.

**12** Subsection 68(2) of Chapter 1 is amended by striking out "and" immediately after clause (a) and substituting "or".

**13** Subsection 85(1) of Chapter 1 is amended by adding immediately after clause (b) the following clause:

(ba) those matters that are required to be published pursuant to subsection 65(1);

**14** Chapter 1 is further amended by adding immediately after Section 85 the following Section:

85A A school board shall establish an audit committee of the board composed of those persons and with the terms of reference prescribed in the regulations.

**15** Subsection 145(1) of Chapter 1 is amended by

(a) adding immediately after clause (k) the following clauses:

(ka) defining "senior staff" for the purpose of subsections 64(3A), (3B) and (3C);

(kb) respecting an administrative structure and a compensation framework for the purpose of subsections 64(3B) and (3C);

(b) striking out clause (l) and substituting the following clause:

(l) prescribing the manner and form in which a school board is to report, as required by this Act, the payments, including salaries and expenses, made to and benefits conferred on members and employees of the school board;

and

(c) adding immediately after clause (s) the following clause:

(sa) establishing a Provincial conflict of interest policy for school board staff;

**16** Subsection 146(1) of Chapter 1, as amended by Chapter 11 of the Acts of 2000, is further amended by

(a) adding immediately after clause (c) the following clause:

(ca) respecting the composition of an audit committee of a school board and the terms of reference of that committee;

and

(b) adding "and higher classes of certificates and statements of professional standing" immediately after "certificates" in the last line of clause (e).

## PART VI

### FINANCIAL MEASURES (1997) ACT

**17** Subsection 10(2) of Chapter 3 of the Acts of 1997, the *Financial Measures (1997) Act*, is repealed.

## PART VII

### FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY ACT

**18** Subsection 11(3) of Chapter 5 of the Acts of 1993, the *Freedom of Information and Protection of Privacy Act*, is repealed.

**19** Section 32 of Chapter 5 is amended by adding immediately after subsection (3) the following subsections:

(4) A person who makes a request pursuant to subsection (1) shall, before the review is undertaken, pay the fee prescribed by regulation.

(5) Subsection (4) does not apply where the review relates to access to or a correction of personal information of the applicant.

(6) A regulation prescribing the fee referred to in subsection (4) may be made retroactive to April 4, 2002.

## PART VIII

### HALIFAX - DARTMOUTH BRIDGE COMMISSION ACT

**20** Clause 11(h) of Chapter 192 of the Revised Statutes, 1989, the *Halifax-Dartmouth Bridge Commission Act*, is amended by adding "of property or assets valued at one hundred thousand dollars or more" immediately after "sale" in the fourth line.

**21** Section 31 of Chapter 192 is amended by adding immediately after subsection (2) the following subsection:

(3) Notwithstanding the *Expropriation Act*, the Commission is not liable for injurious affection as a result of suspending all traffic or restricting traffic or classes of traffic across a bridge during periods of construction or maintenance.

## PART IX

### HEALTH SERVICES AND INSURANCE ACT

**22** Chapter 197 of the Revised Statutes, 1989, the *Health Services and Insurance Act*, as amended by Chapter 20 of the Acts of 1992, is further amended by adding immediately after Section 13A the following Section:

13B Effective November 1, 2002, any agreement between a provider and a hospital, or predecessors to a hospital, stipulating compensation for the provision of insured professional services, for the provider undertaking to be on-call for the provision of such services or for the provider to relocate or maintain a presence in proximity to a hospital, excepting agreements to which the Minister and the Society are a party, is null and void and no compensation is payable pursuant to the agreement, including compensation otherwise payable for termination of the agreement.

**23** Chapter 197, as amended by Chapter 20 of the Acts of 1992, is further amended by adding immediately after Section 17 the following Section:

17A (1) The Minister may enter into a contract with a private corporation for the provision of ambulance services in the Province.

(2) The Minister may make regulations

(a) setting out fees for the use of ambulance services in the Province;

(b) authorizing the private corporation to collect the fees referred to in clause (a);

(c) setting out a procedure for resolving disputes relating to the imposition and collection of a fee referred to in clause (a).

**24 (1)** Subsection 18(1) of Chapter 197 is repealed and the following subsection substituted:

(1) Where, as a result of the negligence or wrongful act or omission of another, a person suffers personal injuries for which the person received insured hospital services, benefits under the Insured Prescription Drug Plan, ambulance services to which the Province has made payment, home-care services, care for a person in a home for special care or child-care facility to which the Province has made payment, insured professional services under this Act, or any other care, services or benefits designated by regulation, including the future costs of any such care, services or benefits, the person

(a) has the same right to recover the sum paid for the care, services or benefits against the person who was negligent or was responsible for the wrongful act or omission as the person would have had if that person had been required to pay for the care, services or benefits; and

(b) if the person makes any claim for the personal injuries suffered against the person who was negligent or who was responsible for the wrongful act or omission, shall claim and seek to recover the costs of the care, services or benefits.

**(2)** Section 18 of Chapter 197 is further amended by adding immediately after subsection (5) the following subsections:

(5A) Subject to subsection (5C), where, as a result of a claim pursuant to this Section,

(a) the claim is settled or a judgment is obtained; and

(b) insufficient funds are available to provide complete recovery to the injured person for the injured person's losses and injuries and to pay the costs of the care, services and benefits referred to in subsection (1),

the injured person and Her Majesty in right of the Province shall share *pro rata* in proportion to their respective losses in any recovery in accordance with the terms and conditions prescribed by regulation.

(5B) No person acting on their own behalf or on behalf of another person, shall, without the approval in writing pursuant to subsection (5C) of the Minister, make a settlement of a claim based upon a cause of action for damages for personal injuries in a case where the injured person has received care, services or benefits referred to in subsection (1) unless at the same time the person makes a settlement to recover the same *pro rata* proportion in respect of the cost of the care, services and benefits referred to in subsection (1) as the injured person is to recover in respect of the person's losses and injuries.

(5C) Where a person who makes a claim pursuant to subsection (1) has obtained an offer for a settlement whereby the same *pro rata* proportion of the cost of the care, services and benefits referred to in subsection (1) would be recovered as the injured person would recover in respect of the person's losses and injuries but, in the opinion of the Minister or a person designated by the Minister, the offer would not provide sufficient recovery in respect of



the care, services and benefits referred to in subsection (1), the Minister or a person designated by the Minister may approve, in writing, a release or settlement whereby the person making a claim pursuant to subsection (1) makes a settlement of a claim in respect of the person's injuries or losses without making a settlement in respect of the cost of the care, services and benefits referred to in subsection (1), but the written approval is not binding on Her Majesty in right of the Province in relation to a claim made pursuant to subsection (5) in respect of the cost of the care, services and benefits referred to in subsection (1).

(5D) Every liability insurer carrying on business in the Province shall provide the Minister, when requested to do so, information relating to

(a) a claim made against an insured person by a person who received any of the care, services or benefits referred to in subsection (1); or

(b) the terms and conditions of any settlement entered into by an insured person and a person who received any of the care, services or benefits referred to in subsection (1).

(5E) Notwithstanding any other provision of this Act, the Minister may, in accordance with the regulations, authorize the payment of a fee to a barrister and solicitor who makes a claim on behalf of an injured person and recovers a sum in respect of the cost of care, services or benefits referred to in subsection (1) that are received by the injured person.

**(3)** Subsection 18(9) of Chapter 197 is repealed.

**(4)** Section 18 of Chapter 197 is further amended by adding immediately after subsection (20) the following subsection:

(21) For greater certainty, in subsections (2) to (8) "insured hospital services" includes any care, services or benefits for which costs have been or may in the future be paid by the Minister in relation to negligence or a wrongful act or omission including, without limiting the generality of the foregoing, ambulance services to which the Province has made payment, home-care services, care for a person in a home for special care or child-care facility to which the Province has made payment and any services prescribed in the regulations as insured hospital services for the purpose of this subsection.

**25** Chapter 197 is further amended by adding immediately after Section 18 the following Section:

19 The Governor in Council may make regulations

(a) respecting the *pro rata* sharing of any recovery made respecting services or benefits referred to in subsection 18(1);

(b) respecting the provision of information to the Minister by liability insurers;

(c) respecting fees that may be paid to barristers and solicitors pursuant to subsection 18(5E) and any conditions or requirements respecting the payment of the fees;

(d) prescribing services as insured hospital services for the purpose of the definition in subsection 18(21);

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

(f) considered necessary for the better carrying out of this Act.

**26** Section 38 of Chapter 197 is amended by striking out "Section 17" in the second line and substituting "Sections 17 or 19".

## PART X

### INCOME TAX ACT

**27 (1)** Subsection 41(7) of Chapter 217 of the Revised Statutes, 1989, the *Income Tax Act*, as enacted by Chapter 4 of the Acts of 2000, is amended by striking out "qualified" in the third line and substituting "eligible".

**(2)** Section 41 of Chapter 217, as amended by Chapter 3 of the Acts of 2001, is further amended by adding immediately after subsection (10) the following subsections:

(11) Where

(a) a corporation acquired a particular property from a person or partnership in a taxation year of the corporation or in any of the four preceding taxation years;

(b) the cost of the particular property was an eligible expenditure to the corporation;

(c) the cost of the particular property is included in an amount, a percentage of which can reasonably be considered to be included in computing the corporation's research and development tax credit at the end of the taxation year; and

(d) in the year and after March 31, 2001, the corporation converts to commercial use, or disposes of without having previously converted to commercial use, the particular property or another property that incorporates the particular property,

there shall be added to the corporation's tax otherwise payable under this Part for the year the lesser of the amount that can reasonably be considered to be included in computing the corporation's research and development tax credit in respect of the particular property and the amount that is the percentage, described in clause (c), of

(e) where the particular property or the other property is disposed of to a person who deals at arm's length with the corporation, the proceeds of disposition of that property; and

(f) in any other case, the fair market value of the particular property or the other property at the time of the conversion or disposition.

(12) Where a corporation is a member of a partnership that has received a research and development tax credit under subsection (8) at the end of a particular fiscal period and where

(a) a particular property, the cost of which is an eligible expenditure, is acquired by the partnership from a person or partnership in the particular fiscal period or in any of the four preceding fiscal periods of the partnership;

(b) the cost of the particular property was included in an amount, a percentage of which can reasonably be considered to have been included in computing the amount determined under subsection (8) in respect of the partnership at the end of a fiscal period; and

(c) in the particular fiscal period and after March 31, 2001, the partnership converts to commercial use, or disposes of without having previously converted to commercial use, the particular property or another property that incorporates the particular property,

there shall be added to the corporation's tax otherwise payable under this Part at the end of the particular fiscal period the corporation's share of, as a member of the partnership, fifteen per cent of the lesser of

(d) the amount that can reasonably be considered to have been included in respect of the particular property in computing the amount determined under subsection (8) in respect of the partnership; and

(e) the percentage, described in clause (b), of

(i) where the particular property or the other property is disposed of to a person who deals at arm's length with the partnership, the proceeds of disposition of that property, and



(ii) in any other case, the fair market value of the particular property or the other property at the time of the conversion or disposition.

(13) Where

(a) a corporation acquired a particular property from a person or partnership in a taxation year or in any of the four preceding taxation years;

(b) the cost of the particular property was an eligible expenditure to the corporation;

(c) all or part of the eligible expenditure can reasonably be considered to have been the subject of an agreement made under subsection 127(13) of the Federal Act by the corporation and another corporation, in this subsection referred to as the "transferee"; and

(d) in the year and after March 31, 2001, the corporation converts to commercial use, or disposes of without having previously converted to commercial use, the particular property or another property that incorporates the particular property,

there shall be added to the corporation's tax otherwise payable under this Part for the year the lesser of

(e) the amount that can reasonably be considered to have been included in computing the transferee's research and development tax credit in respect of the eligible expenditure that was the subject of the agreement; and

(f) the amount determined by the formula

$$A \times B - C$$

where

A is the percentage applied by the transferee in determining its research and development tax credit in respect of the eligible expenditure that was the subject of the agreement,

B is

(i) where the particular property or the other property is disposed of to a person who deals at arm's length with the corporation, the proceeds of disposition of that property, and

(ii) in any other case, the fair market value of the particular property or the other property at the time of the conversion or disposition, and

C is the amount, if any, added to the corporation's tax payable under subsection (11) in respect of the particular property.

(14) For the purpose of subsections (11), (12) and (13), "cost of the particular property" to a corporation shall not exceed the amount paid by the corporation to acquire the particular property from a transferor of the particular property and, for greater certainty, does not include amounts paid by the corporation to maintain, modify or transform the particular property.

(15) Subsections (11) to (13) and (16) do not apply to a corporation or a corporation that is a member of a partnership, in this subsection referred to as the "transferor", that disposes of a property to another person or a partnership, in this subsection and subsection (16) referred to as the "purchaser", that does not deal at arm's length with the transferor, if the purchaser acquired the property in circumstances described under subsection 127(33) of the Federal Act.

(16) Where, at any particular time in a taxation year and after March 31, 2001, a purchaser converts to

commercial use, or disposes of without having previously converted to commercial use, a property that

(a) was acquired by the purchaser in circumstances described in subsection (15) or is another property that incorporates a property acquired in such circumstances; and

(b) was first acquired, or incorporates a property that was first acquired, by a corporation or a corporation that is a member of a partnership, in this subsection referred to as the "original user", with which the purchaser did not deal at arm's length at the time at which the purchaser acquired the property, in the original user's taxation year or fiscal period that includes the particular time, on the assumption that the original user had such a taxation year or fiscal period, or in any of the original user's four preceding taxation years or fiscal periods,

there shall be added to the purchaser's tax otherwise payable under this Part for the year the lesser of

(c) the amount

(i) included, in respect of the property, in the research and development tax credit of the original user, or

(ii) where the original user is a corporation that is a member of a partnership, that can reasonably be considered to have been included in respect of the property in computing the amount determined under subsections (1) or (8) in respect of the original user; and

(d) the amount determined by applying the percentage that was applied by the original user in determining the amount referred to in clause (c) to

(i) where the property or the other property is disposed of to a person who deals at arm's length with the purchaser, the proceeds of disposition of that property, and

(ii) in any other case, the fair market value of the property or the other property at the time of the conversion or disposition.

**28** Subsection 47(2) of Chapter 217, as enacted by Chapter 4 of the Acts of 2000, is amended by

(a) striking out "2003" in the last line of subclause (a)(ii) and substituting "2006";

(b) striking out "2003" in the fifth line of subclause (a)(iii) and substituting "2006"; and

(c) adding "incurred after April 10, 2000, and before 2006" immediately after "subclause (a)(iii)" in the fourth and fifth lines of clause (b).

**29** Subsection 71(7) of Chapter 217, as enacted by Chapter 4 of the Acts of 2000, is amended by striking out "2002" in the third and in the sixth lines and substituting in each case "2004".

**30** Section 77 of Chapter 217, as enacted by Chapter 4 of the Acts of 2000, is amended by striking out "2002" in the last line and substituting "2004".

## PART XI

### INSURANCE ACT

**31** Section 106 of Chapter 231 of the Revised Statutes, 1989, the *Insurance Act*, as amended by Chapter 20 of the Acts of 1995-96, is further amended by adding immediately after subsection (3) the following subsections:

(4) A person, board or agency referred to in subsection (3) may fix fees to recover the direct and indirect costs incurred by the person, board or agency in performing their functions and duties pursuant to this Section.

(5) The fees referred to in subsection (4)

(a) shall be paid to the person, board or agency by the facility association in such proportions as the person, board or agency determines; and

(b) may include the cost of retaining experts and legal counsel to provide the person, board or agency with advice, including testimony, on technical and legal matters.

**32** Section 157 of Chapter 231 is amended by adding immediately after subsection (8) the following subsections:

(9) The Board may fix fees to recover the direct and indirect costs incurred by the Board in conducting an examination, including a hearing, pursuant to this Section.

(10) The fees referred to in subsection (9)

(a) shall be paid to the Board by the licensed automobile insurers whose rates are the subject of an examination, including a hearing, pursuant to this Section in such proportions as the Board determines; and

(b) may include the cost of retaining experts and legal counsel to provide the Board with advice, including testimony, on technical and legal matters.

## PART XII

### MOTOR VEHICLE ACT

**33** Section 303G of Chapter 293, as amended by Chapter 23 of the Acts of 1995-96 and Chapter 12 of the Acts of 2001, is further amended by adding immediately after clause (ba) the following clause:

(bb) prescribing an hourly rate for the auditing of a commercial carrier;

## PART XIII

### MUNICIPAL GRANTS ACT

**34** Subsection 8(1) of Chapter 302 of the Revised Statutes, 1989, the *Municipal Grants Act*, as enacted by Chapter 7 of the Acts of 1994-95, is amended by striking out "out of the Consolidated Fund of the Province" in the second and third lines.

**35** Subsection 9(1) of Chapter 302 is repealed and the following subsection substituted:

(1) For the purpose of calculating equalization entitlements, areas shall be classified as follows:

(a) Class I, comprising regional municipalities and towns; and

(b) Class II, comprising county or district municipalities.

**36** Subsection 12(2) of Chapter 302 is repealed and the following subsection substituted:

(2) The standard expenditure per dwelling unit shall approximately equal the average estimated operating cost per dwelling unit of the following services:

(a) police protection;

(b) fire protection;

(c) transportation services, excluding public transit and operating grants from the Department of Transportation and Public Works;

(d) fifty per cent of environmental services,

all of which are defined in the *Municipal Accounting and Reporting Manual* prescribed by the Minister pursuant to the *Municipal Government Act*.

**37** Section 16 of Chapter 302 is repealed and the following Section substituted:

16 (1) A standard tax rate shall be calculated for Class I areas and Class II areas.

(2) The standard tax rate equals

(a) the total standard expenditures for all areas in the class for which the standard tax rate is being calculated, divided by

(b) the total uniform assessment for all areas in the class for which the standard tax rate is being calculated.

**38** Section 17 of Chapter 302, as enacted by Chapter 7 of the Acts of 1994-95, is amended by adding immediately after subsection (3) the following subsection:

(4) Notwithstanding subsection (3), the Minister may make adjustments to the figure obtained pursuant to subsection (3) so that the equalization grant for an area is not less than the equalization grant paid to the area in the year 2001-2002 or an amount determined by the Minister.

**39** Chapter 302 is further amended by adding immediately after Section 19 the following Sections:

19A The Minister may pay in each year to each town a foundation grant in the amount determined by the Minister.

19B (1) No grant shall be paid pursuant to this Act until all information requested by the Minister has been provided by the municipality.

(2) Where a grant is not paid because information requested by the Minister has not been provided by a municipality, no interest is payable in respect to the grant that is not paid.

## PART XIV

### NOVA SCOTIA ARTS COUNCIL --

### CONSEIL DES ARTS DE LA NOUVELLE-ÉCOSSE

**40 (1)** The appointments of the Chair, Vice-chair and all other members of the Nova Scotia Arts Council - Conseil des arts de la Nouvelle-Écosse are revoked effective March 27, 2002.

**(2)** No further appointments of a Chair, Vice-chair or other members of the Council may be made.

**(3)** Effective March 27, 2002, the powers and objects of the Council shall be administered by a person appointed by the Governor in Council.

**41 (1)** Notwithstanding any enactment, all contracts, agreements and orders relating to or fixing the amount of compensation, remuneration, fees, entitlements or benefits, including pension benefits, to the Chair, Vice-chair or other members of the Council, are null and void on or after March 27, 2002.

**(2)** Notwithstanding the *Interpretation Act* and any other enactment or any contract, agreement or order, the Chair, Vice-chair and other members of the Council have no right to compensation for the loss of their offices or the emoluments of those offices and no compensation, remuneration or fees shall be paid to any of them on or after March

27, 2002.

**42 (1)** Notwithstanding Section 15 of the *Arts Council Act*, the Nova Scotia Arts Endowment Fund created by that Act, and the proceeds therefrom, is continued as a special fund pursuant to the *Provincial Finance Act*.

**(2)** The Minister of Finance shall make payments from the Nova Scotia Arts Endowment Fund, at such time and in such amounts as directed by the Minister of Tourism and Culture, for the following purposes:

- (a) to make arts and culture integral to the lives of all Nova Scotians;
- (b) to foster artistic and cultural excellence throughout the Province;
- (c) to encourage creative expression by funding activity in the arts and culture;
- (d) to fund activities based on artistic merit utilizing peer assessment;
- (e) to educate the public regarding the cultural, social and economic importance of the arts;
- (f) to strive for regional, cultural and developmental equity in the distribution of funding;
- (g) to carry out research on matters relating to the arts and culture;
- (h) to obtain advice on matters of arts policy;
- (i) to award grants and render financial or other assistance as may be required in the furtherance of these purposes; and
- (j) such other matters in support of the arts and culture as prescribed by the Governor in Council.

**(3)** The assets of the Council shall be assets of Her Majesty in right of the Province and shall be administered and controlled by the Minister of Tourism and Culture.

**(4)** The assets referred to in subsection (3) shall be used, to the extent necessary, for the administration of the Council.

**43** Chapter 2 of the Acts of 1995-96, the *Arts Council Act*, is repealed.

## PART XV

### NOVA SCOTIA POWER PRIVATIZATION ACT

**44** Section 18 of Chapter 8 of the Acts of 1992, the *Nova Scotia Power Privatization Act*, is repealed and the following Section substituted:

18 (1) In this Section,

- (a) "Minister" means the Minister of Service Nova Scotia and Municipal Relations;
- (b) "municipality" means a municipality as defined in the *Municipal Government Act*.

(2) The Company is exempt from taxation by a municipality, other than deed transfer tax.

(3) On June 1, 2002, and, subject to subsection (6), on each and every June 1st thereafter, the Company shall pay to the Minister the sum of fifteen million seven hundred thousand dollars.

(4) On January 31, 2003, and, subject to subsection (6), on each and every January 31st thereafter, the Company shall pay to the Minister the sum of ten million seven hundred thousand dollars.

(5) The Minister shall distribute the amounts received pursuant to subsections (3) and (4), less the amounts referred to in subsection (7), if applicable, among the municipalities in the manner determined by the Minister, after consultation with the Union of Nova Scotia Municipalities.

(6) The amounts specified in subsections (3) and (4) shall be increased in each year by the same percentage increase as the average annual increase in the Consumer Price Index for Canada for the previous calendar year as determined by Statistics Canada.

(7) Notwithstanding subsection (5), in each of fiscal years 2002-03, 2003-04, 2004-05 and 2005-06, the Minister shall pay two million five hundred thousand dollars from the amounts received pursuant to subsections (3) or (4) to the Minister.

**45** Section 18A of Chapter 8 is repealed.

## PART XVI

### OFF-HIGHWAY VEHICLES ACT

**46** Chapter 323 of the Revised Statutes, 1989, the *Off-highway Vehicles Act*, is amended by adding immediately after Section 7 the following Section:

7A (1) Every dealer, upon transferring an off-highway vehicle, whether by sale, lease or otherwise, to any person other than a dealer, shall immediately give written notice of the transfer to the Registrar upon the official form provided by the Registrar.

(2) A notice referred to in subsection (1) shall contain the date of the transfer, the names and addresses of the transferor and transferee and such description of the off-highway vehicle as is required in the official form.

(3) The notice referred to in subsection (1) shall be given weekly, monthly or otherwise as the Registrar determines.

## PART XVII

### PROBATE ACT

**47** Subsection 87(2) of Chapter 31 of the Acts of 2000, the *Probate Act*, as amended by Chapter 5 of the Acts of 2001, is further amended by

- (a) striking out "\$150" in clause (b) and substituting "\$165";
- (b) striking out "\$250" in clause (c) and substituting "\$275";
- (c) striking out "\$700" in clause (d) and substituting "\$770";
- (d) striking out "\$700" in the first line of clause (e) and substituting "\$770"; and
- (e) striking out "\$12" in the first line of clause (e) and substituting "\$13".

## PART XVIII

### PROVINCIAL FINANCE ACT

**48** Subsection 8B(1) of Chapter 365 of the Revised Statutes, 1989, the *Provincial Finance Act*, is repealed and the following subsection substituted:

(1) The Minister shall submit to the House of Assembly financial reports on the state of the public finances for a



fiscal year in accordance with the following schedule:

- (a) on or before September 30th of the fiscal year to which the report relates;
- (b) on or before December 31st of the fiscal year to which the report relates;
- (c) as part of the estimates tabled in the House of Assembly for the following fiscal year; and
- (d) as part of the Public Accounts prepared respecting the fiscal year.

**49** Section 28 of Chapter 365 is repealed and the following Section substituted:

28 (1) Where the amount provided in an appropriation is insufficient to carry out the purpose for which the appropriation was made, the principal officer having responsibility for the service shall make a report of that fact to the Minister and shall, in such report, estimate the supplemental sum required to carry out the service.

(2) Upon receipt of a report pursuant to subsection (1), the Minister may make a report to the Governor in Council showing the need for the additional appropriation and the Governor in Council may order that such supplemental sum as is deemed necessary be appropriated accordingly.

(3) Commencing with the fiscal year 2001-02, an order under subsection (2) shall be made no later than ninety days after the tabling of the Public Accounts following the end of the fiscal year for which the appropriation that is supplemented was made.

(4) The Minister shall, within fifteen days of the making of an order pursuant to subsection (2), table the order in the House of Assembly if the House is then sitting or, if it is not then sitting, with the Clerk of the Assembly.

**50** Clause 77(b) of Chapter 365 is repealed.

**51** Chapter 365 is further amended by adding immediately after Section 83 the following Section:

83A (1) The Governor in Council may authorize the Minister to lend money to a government business enterprise or a government service organization.

(2) An authorization under subsection (1) shall state the maximum amount that may be outstanding and the currency of the money that may be lent under the authorization.

(3) In order to borrow money under this Section, a government business enterprise or a government service organization shall submit to the Minister a request to borrow that

(a) is in a form and contains information as required by the Minister;

(b) proposes the borrowing on terms that are within its authority to borrow and that are satisfactory to the Minister; and

(c) is made through the minister responsible for the government business enterprise or government service organization, or a person authorized in writing by the responsible minister.

(4) Where a body for which lending is authorized under subsection (1) submits a request under subsection (3), the Minister may, at the Minister's sole discretion, lend money to the body on such terms and conditions as determined by the Minister.

(5) The Minister may pay out of the Consolidated Fund amounts to be lent under this Section.

(6) In respect of a loan under this Section, the Minister may

- (a) determine the repayment terms of the loan, including the interest chargeable on the loan, and vary the terms of the loan from time to time as the Minister considers necessary;
- (b) charge the government business enterprise or government service organization a fee that the Minister considers reasonable in relation to the services provided by the Government in connection with the loan;
- (c) charge the government business enterprise or government service organization all costs, expenses and charges that the Minister determines are incurred in the negotiation or raising of the money, including all costs relating to the issue, redemption, servicing, payment and management of the borrowing and any securities issued in respect of it; and
- (d) deduct all or part of the amounts that may be charged under clauses (b) and (c) from the proceeds of the loan.

## PART XIX

### PUBLIC SERVICE SUPERANNUATION ACT

**52** Clause 2(j) of Chapter 377 of the Revised Statutes, 1989, the *Public Service Superannuation Act*, is repealed and the following clause substituted:

- (j) "salary" means the salary or compensation of an employee in respect of employment but does not include
  - (i) salary, bonuses, performance pay or other compensation in respect of employment received by an employee while the employee is seconded to an employment that is not part of the public service of the Province and, in such circumstances, the salary of the seconded employee is deemed to be the salary the employee would have earned had the employee remained in the public service of the Province,
  - (ii) acting pay, unless the employee has
    - (A) been in an acting capacity for a period of six months or more and some or all of that period occurs after the tenth day of May, 1997, and
    - (B) made application to the Minister to have the acting period recognized as pensionable service under the Act and, upon receiving approval, has paid into the Superannuation Fund the contributions required under this Act for the period, with interest at a rate or rates as determined by the Governor in Council from the date of receipt of acting pay to the date of payment of the contributions, and
  - (iii) benefits such as the value of living and residential allowances, automobile allowances, any gratuity, overtime, payment in lieu of overtime or a cost of living bonus;

**53 (1)** Subsection 16(6) of Chapter 377 is repealed.

**(2)** Subsection 16(6A) of Chapter 377 is repealed and the following subsection substituted:

- (6A) Any person who, on or after the first day of January, 2002,
  - (a) is an employee; or
  - (b) is a former employee who has remained a member of the Public Service Superannuation Plan and who is not in receipt of a pension benefit under the Plan,and has reached the age of fifty years and whose years of service and age total eighty is entitled to a superannuation allowance in accordance with this Act and the regulations.

## PART XX

## REVENUE ACT

**54** Section 10 of Chapter 17 of the Acts of 1995-96, the *Revenue Act*, is repealed and the following Section substituted:

10 The Minister of Transportation and Public Works shall file an annual report with the House of Assembly respecting the expenditures of the Province on the construction of all Provincial highways.

**55** Subsection 34(1) of Chapter 17, as amended by Chapter 21 of the Acts of 1996, Chapter 3 of the Acts of 1997, Chapter 13 of the Acts of 1998, Chapter 5 of the Acts of 1999 (2nd Session), Chapter 3 of the Acts of 2001 and Chapter 48 of the Acts of 2001, is further amended by

- (a) striking out "eight and two" in the first line of clause (a) and substituting "ten and fifty-two";
- (b) striking out "five and ninety-six" in the first line of clause (b) and substituting "nine and forty-nine"; and
- (c) striking out "six and fifty-nine" in the first line of clause (c) and substituting "ten and fifty-two".

## PART XXI

### WORKERS' COMPENSATION ACT

**56** Subsection 60A(4) of Chapter 10 of the Acts of 1994-95, the *Workers' Compensation Act*, is repealed and the following subsection substituted:

(4) An application pursuant to subsection (3) shall be made in writing.

**57** Clause 115(2)(c) of Chapter 10 is amended by adding ", including an amount that may be assessed and collected from all employers levied assessment rates under this Act, to retire any liability for which reimbursement from the Consolidated Fund of the Province was provided before April 1, 2002" immediately after "force" in the third line.

**58** Section 231 of Chapter 10 is repealed and the following Section substituted:

231 In addition to the costs that may be payable out of the Consolidated Fund of the Province by the Province as a self-insurer of the Province's employees for the purpose of Part I, the Governor in Council may order, from time to time, that amounts be taken out of the Consolidated Fund and paid into the Accident Fund.

## PART XXII

### GENERAL

**59** Notwithstanding the *Interpretation Act* and the repeal of Chapter 4 of the Acts of 1993, the *Expenditure Control Act*, the resolution introduced in the House of Assembly respecting the authorization of expenditures in excess of the total amounts appropriated for the 1999-2000 fiscal year is deemed to be approved.

**60** Section 519 of the *Municipal Government Act* does not apply to regulations made pursuant to the *Motor Vehicle Act* that have the effect of eliminating the use of restricted licence plates on vehicles owned by a municipality and requiring those vehicles to pay the annual registration fee under the *Motor Vehicle Act* for a commercial vehicle.

## PART XXIII

### EFFECTIVE DATES

**61 (1)** This Act, except for Sections 8 to 17, 22 to 27, 31, 32, 34 to 45, 48, 53 and 55 to 59, has effect on and after April 4, 2002.

**(2)** Section 17 has effect on and after May 9, 1997.

- (3)** Section 23 and subsection 28(2), as enacted by Section 49, have effect on and after April 1, 2000.
- (4)** Section 59 has effect on and after June 8, 2000.
- (5)** Section 56 has effect on and after January 1, 2001.
- (6)** Section 27 has effect on and after April 1, 2001.
- (7)** Section 53 has effect on and after January 1, 2002.
- (8)** Section 32 has effect on and after February 7, 2002.
- (9)** Sections 40 to 42 have effect on and after March 27, 2002.
- (10)** Sections 31, 34 to 39, 44, 45, 48, 57, 58 and 60 have effect on and after April 1, 2002.
- (11)** Section 55 has effect on and after April 5, 2002.
- (12)** Sections 24 to 26 and 43 come into force on such day as the Governor in Council orders and declares by proclamation.



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