

## Chapter 2

### AN ACT TO AMEND THE CITIES, TOWNS AND VILLAGES ACT

(Assented to March 28, 2003)

The Commissioner of Nunavut, by and with the advice and consent of the Legislative Assembly, enacts as follows:

1. **The *Cities, Towns and Villages Act* is amended by this Act.**
2. **The following is added before section 1:**

Purposes of municipal governments

- .01. The purposes of municipal governments are
  - (a) to provide good government,
  - (b) to provide services, facilities or other things that, in the opinion of a council, are necessary or desirable for all or part of a municipality, and
  - (c) to develop safe and viable municipalities.

3. **Section 1 is amended:**

- (a) **by adding the following definition in alphabetical order:**

"Inuit organization" means an entity established or recognized under the *Nunavut Land Claims Agreement*, or any other entity in Nunavut that exists primarily to govern or represent Inuit people; (*organisation inuit*)

- (b) **by striking out the definition of "local improvement" and substituting the following:**

"local improvement" means a work that, in the opinion of a council, mostly benefits property in a particular area of the community; (*amélioration locale*)

- (c) **by striking out the definition of "municipal corporation" and substituting the following:**

"municipal corporation" means a corporation established by or continued under this Act as a city, town, village or hamlet; (*municipalité*)

- (d) **by striking out the definition of "ratepayer" and substituting the following:**

"ratepayer" means a person who must pay property taxes to a municipal corporation; (*contribuable*)

**4. The following is added after section 1:**

Public notice

1.1. When public notice is required under this Act, the notice must be given to the general public in one or more of the following ways:

- (a) by inserting the notice at least once in a newspaper of general circulation in the municipality;
- (b) by mailing or delivering a copy of the notice to each voter in the municipality;
- (c) by causing announcements to be made on a radio or television station received in the municipality on at least three days;
- (d) by posting a notice in at least five widely separated and conspicuous places in the municipality.

Ministerial approval

1.2. (1) Where Ministerial approval is required under this Act, the Minister shall give a decision within 60 days from the earliest of the day the request for approval was received

- (a) in the office of the government department responsible, or
- (b) in the office of the Minister.

Extension of time

(2) In considering a request for approval under subsection (1), the Minister may, by giving notice in writing to the municipal corporation that made the request, extend the period for making a decision by 30 days.

**5. The following is added after section 9:**

Responsibilities of council

9.1. A council is responsible for:

- (a) developing and evaluating the plans, policies and programs of the municipal corporation;
- (b) making sure that the powers, duties and functions of the municipal corporation are appropriately carried out;
- (c) carrying out the powers, duties and functions expressly given to it under this or any enactment.

**6. Subsection 12(2) is repealed and the following substituted:**

Use of term "alderperson"

(2) For the purposes of a city, the council may call council members "alderpersons" or "council members".

**7. Section 14 is amended by adding the following after subsection (2):**

Variation in term of office

(3) The council may, by by-law, provide that the four council members who are elected at the first general election following the making of the by-law who receive the fewest votes shall hold office for a term of two years.

Effect of variation

(4) A by-law made under subsection (3) applies to the general election following the making of the by-law, if it is made at least 270 days before the date of that general election.

Restriction on repeal of by-law

(5) A by-law made under subsection (3) cannot be repealed until after two general elections have occurred since it was made, unless repealed sooner with the prior approval of the Minister.

Expiration of terms

(6) The council may, when repealing a by-law that staggered the terms of office of the council members in the manner provided for in subsection (3), provide that the terms of office of all council members expire at the general election following the repeal of the by-law.

**8. The following is added after section 16:**

Code of ethics

16.1. A council may adopt a code of ethics for council members.

**9. Section 17 is repealed and the following substituted:**

Ineligibility

17. (1) A council member who, at any time after his or her election or appointment, would not be eligible to be a candidate shall immediately vacate his or her seat and cease to be a mayor or council member, as the case may be.

Application by council

(2) If a council member to whom subsection (1) applies does not resign immediately, the council may apply to the Nunavut Court of Justice for

- (a) an order determining whether the person was never qualified to be or has ceased to be qualified to remain a council member, or
- (b) an order declaring the person to be disqualified as a council member.

Application by elector

(3) An elector who has reason to believe that a council member is ineligible under subsection (1) may apply to the Nunavut Court of Justice for an order declaring the council member to be disqualified if the elector

- (a) files with the court an affidavit showing reasonable grounds for believing that the person never was or has ceased to be qualified as a council member, and
- (b) pays into court the sum of \$500 as security for costs.

Decision of judge

(4) After hearing an application under this section, the judge may

- (a) declare the person to be disqualified and his or her position on council to be vacant;
- (b) declare the person qualified to remain a council member; or
- (c) dismiss the application with or without costs.

**10. Section 18 is repealed.**

**11. The following is added after section 19:**

Meeting by electronic means

19.1. (1) Council may conduct a meeting by means of an electronic or other communication facility if the facility enables the members to hear and speak to each other, and the public to hear the members.

Members deemed present

(2) Members participating in a meeting in the manner referred to in subsection (1) are deemed to be present at the meeting.

Sessions in private

(3) Council shall not hold sessions in private at a meeting under subsection (1).

**12. The following is added after section 31:**

**BOARDS AND COMMISSIONS**

Establishment of boards and commissions

31.1. (1) A council may, by by-law, establish a board or commission to administer all or part of one or more programs and services within the jurisdiction of the municipal corporation.

Scope of by-law

(2) A by-law made under subsection (1) may provide for:

- (a) the powers and duties of the board or commission;
- (b) the reporting requirements of the board or commission;
- (c) the procedures of the board or commission;

- (d) the payment of
  - (i) a reasonable allowance for expenses necessarily incurred in the performance of a board or commission member's duties;
  - (ii) an indemnity to board or commission members for attending meetings of council or performing any other duties;
- (e) the appointment of members, including members who are required to serve by virtue of their offices, and persons who are not council members, to the board or commission;
- (f) whether the board or commission is to be established as a separate body corporate under the *Business Corporations Act*;
- (g) such other matters as the council considers advisable.

Council member as member

- (3) A board or commission must have at least one council member as a member.

Mayor a member

(4) The mayor is, by virtue of his or her office, a member of every board and commission.

Requirements for meetings

(5) The requirements with respect to meetings of council committees apply to meetings of boards and commissions unless otherwise provided for by by-law.

Delegation to board, commission or committee of council

31.2. (1) Subject to this section, a council may, by by-law, delegate any of its powers, duties or functions under this or any other enactment or a by-law to a committee of council, or to a board or commission, unless this or any other enactment or by-law provides otherwise.

Restriction on delegation

(2) A council may not delegate to a board or commission or to a committee of council:

- (a) a power or duty to pass by-laws,
- (b) its power to make, suspend or revoke the appointment of a person to the position of senior administrative officer,
- (c) its powers under this Act to adopt budgets.

Delegation to committee of council

(3) A council may delegate to a committee of council a duty to hear complaints or decide appeals imposed on it by this or another enactment or by-law.

**13. The following is added after section 32:**

Responsibilities of council members

32.1. Council members have the following responsibilities:

- (a) to consider the welfare and interests of the municipality as a whole and to bring to council's attention anything that would promote the welfare or interests of the municipality;
- (b) to participate generally in developing and evaluating the policies and programs of the municipal corporation;
- (c) to participate in council meetings and council committee meetings and meetings of other bodies to which they are appointed by the council;
- (d) to keep in confidence matters discussed in private at a council or council committee meeting until they are discussed at a meeting held in public; and
- (e) to perform any duty or function imposed on council members by this or any other enactment or by the council.

**14. Section 35 is repealed.**

**15. Subsection 39 (1) is repealed and the following substituted:**

Additional responsibilities of mayor

39. (1) A mayor, in addition to performing the duties of a council member, has the responsibility to:

- (a) preside when in attendance at a council meeting except where the procedures, by-law, or this or any other Act provides otherwise;
- (b) provide leadership and direction to the council; and
- (c) perform any other duty imposed on a mayor by this or any other enactment or by-law.

**16. The following is added after section 53:**

PART II.1

CORPORATE POWERS

GENERAL

Corporate status

53.1. A municipal government is a corporation and, subject to this Act, has the rights and is subject to the liabilities of a corporation and may exercise its powers for municipal purposes.

Corporate seal

53.2. Every municipal corporation shall have a corporate seal.

Power to contract

53.3. (1) A municipal corporation has the power to contract for municipal purposes.

By-laws regarding contracts

(2) A council may, by by-law, provide for the making of

- (a) contracts for and on behalf of the municipal corporation; and
- (b) contracts for the provision of municipal services by other persons on behalf of the municipal corporation.

Powers related to real property

53.4. (1) A municipal corporation may, for a municipal purpose,

- (a) purchase, lease or otherwise acquire real property;
- (b) use, hold or develop real property belonging to the municipal corporation; or
- (c) subdivide real property belonging to the municipal corporation in accordance with the *Planning Act*.

Disposition of real property

(2) A municipal corporation may sell, lease or otherwise dispose of real property belonging to the municipal corporation if

- (a) the real property is not required for a municipal purpose; or
- (b) the disposition of the real property is necessary for or promotes a municipal purpose.

Municipal purpose

(3) The development or subdivision of real property belonging to the municipal corporation is deemed, for the purposes of this Act, to be a municipal purpose if the development or subdivision is

- (a) for subsequent sale, lease or other disposition, or
- (b) for residential, commercial, industrial, institutional or other use.

Definition of "land administration by-law"

53.5. (1) In this section, "land administration by-law" means a by-law made under subsection (2).

Scope of land administration by-law

(2) Subject to subsection (3), a council may, by by-law, approved by the Minister, provide:

- (a) for the purchase, lease or other acquisition of real property by the municipal corporation;
- (b) for the use, holding or development of real property belonging to the municipal corporation; or
- (c) for the sale, lease or other disposition of real property belonging to the municipal corporation, including the management and use of the proceeds of the disposition of the property.

#### Public notice

(3) Before a council gives third reading to a land administration by-law, the council shall

- (a) give public notice of the proposed by-law at least two weeks in advance, and
- (b) hear any person, or representative of the person, who claims to be affected by the by-law and who wishes to be heard.

#### Restrictions on acquisition

(4) A municipal corporation shall not purchase, lease or otherwise acquire real property unless the purchase, lease or other acquisition

- (a) is authorized or approved by a by-law, and
- (b) is made in accordance with a land administration by-law, if such a by-law has been made and if that by-law provides for the acquisition of real property.

#### Restrictions on disposition

(5) Subject to an exemption order made under subsection (6), a municipal corporation shall not sell, lease, or otherwise dispose of real property belonging to the municipal corporation unless

- (a) a land administration by-law has been made for the municipal corporation that provides for the matters referred to in paragraph (2)(c); and
- (b) the sale, lease or other disposition
  - (i) is made in accordance with the land administration by-law;
  - (ii) is authorized or approved by a by-law.

#### Exemption

(6) The Minister may, by order, exempt a municipal corporation from compliance with either paragraph (5) (a) or subparagraph 5 (b) (i) or both, for the period of time and subject to the conditions that the Minister considers appropriate.

#### Long-term leases of real property

53.6. (1) For the purposes of this Act, the following are deemed to be forms of long-term borrowing:

- (a) a lease of real property with a fixed term beyond ten years or a fixed term of ten years or less but with a right of renewal that would, if exercised, extend the original term beyond 5 years, and
- (b) an agreement to purchase real property that creates an interest in the real property to secure payment of the real property's purchase price if payment of the purchase price under the agreement exceeds 10 years.

#### Exception

(2) Subsection (1) does not apply where the payments made are nominal or where the general revenues of the municipal corporation are to bear no part of the cost of leasing or paying the purchase price of the real property.

#### Personal property

53.7. (1) A municipal corporation may, for a municipal purpose,

- (a) purchase, lease or otherwise acquire personal property; or
- (b) hold or use personal property belonging to the municipal corporation.

#### Limitation on lease of personal property

(2) A lease of personal property may not have a term exceeding 10 years unless

- (a) the lease is authorized by by-law made under paragraph (4)(a), and
- (b) the ratepayers have approved the by-law.

#### Disposition of personal property

(3) A municipal corporation may sell, lease or otherwise dispose of personal property belonging to the municipal corporation if

- (a) the personal property is not required for a municipal purpose, or
- (b) the disposition of the personal property is necessary for or promotes a municipal purpose.

#### By-laws regarding personal property

(4) A council may, by by-law, provide

- (a) for the purchase, lease or other acquisition of personal property,
- (b) for the use or holding of personal property belonging to the municipal corporation, and
- (c) for the sale, lease or other disposition of personal property belonging to the municipal corporation.

#### Application of by-law

(5) If a by-law has been made under subsection (4), a municipal corporation or any other person shall not sell, lease or otherwise dispose of personal property belonging to the municipal corporation except in accordance with the by-law.

#### Definitions

53.8. (1) In this section

"Commissioner's land" means lands to which the *Commissioner's Land Act* applies; (*terres domaniales*)

"granular materials" include limestone, granite, slate, marble, gypsum, loam, marl, gravel, sand, clay, volcanic ash or stone, but do not include minerals; (*matière granuleuse*)

"public quarry" means a quarry on real property

- (a) that is Commissioner's land, or
- (b) that is not Commissioner's land and that belongs to the municipal corporation; (*carrière publique*)

"quarry" means any work or undertaking in which granular materials are removed from the ground or the land by any method, and includes all ways, works, machinery, plant, buildings and premises belonging to or used in connection with the quarry. (*carrière*)

Powers of municipal corporation

- (2) A municipal corporation may, and has always been able to,
  - (a) establish, operate and restore a public quarry, subject to subsection (3), and
  - (b) enter into and implement an agreement that delegates responsibility to the municipal corporation for the administration of Commissioner's land.

Public quarry on Commissioner's land

(3) No municipal corporation shall establish, operate or restore a public quarry on Commissioner's land after July 1, 1997, unless authorized to do so under a lease or an agreement referred to in paragraph (2)(b).

Municipal purpose

(4) The establishment and operation of a public quarry by a municipal corporation in order to provide for the sale or supply of granular materials to another municipal corporation or a settlement, the Government of Nunavut, the Government of Canada, or any other person, and the restoration of a public quarry by a municipal corporation, are and have always been municipal purposes.

## ECONOMIC DEVELOPMENT

Definition of "local economic development"

53.9. (1) In this section and in section 53.97, "local economic development" means the establishment, expansion or continuation of a business or industry.

Economic development powers of council

(2) Subject to limitations on its powers in this or in any other enactment or by a by-law, a council may encourage local economic development in any manner it considers appropriate and, for that purpose, may enter into an agreement with a person, with an Inuit organization, with an agency of the Government of Nunavut or the Government of Canada, or with another municipal or settlement corporation or government, including a local government outside of Nunavut.

#### Approval of Minister

(3) Where the plans of a council under subsection (2) to encourage local economic development would result in competition with similar services provided by the private sector, the approval of the Minister is required.

### COMMUNITY AGREEMENTS

#### Community agreements with governments

53.91. (1) A council may, by by-law, authorize the municipal corporation to enter into a community agreement with the Government of Nunavut or the Government of Canada delegating to the municipal corporation the authority and responsibility for the administration and delivery of any service or program specified in the agreement.

#### Community agreements with other bodies

(2) A council may, by by-law, authorize the municipal corporation to enter into a community agreement with one or more other municipal or settlement corporations or Inuit organizations within Nunavut respecting the administration and delivery of a service or program.

#### Authority of municipal corporation

(3) A community agreement may provide a municipal corporation with the authority to administer and deliver a service or program within or outside the boundaries of the municipality, or for other communities in Nunavut.

#### Powers of municipal corporation

(4) A municipal corporation has, subject to the terms and conditions of a community agreement, the power to administer and deliver any service or program delegated to the municipal corporation by the community agreement and, for greater certainty, the administration and delivery of such a service or program in accordance with the community agreement is deemed, for the purposes of this Act, to be a municipal purpose.

#### Provision for settling disputes

(5) Every community agreement must include a provision describing a process for the settling of disputes.

#### Approval of Minister

(6) A community agreement is of no effect until it receives the approval of the Minister.

#### Similar agreement

(7) An agreement similar in nature and purpose to a community agreement that was entered into before the coming into force of this section is deemed to be a community agreement entered into under this section.

#### Joint boards and commissions

53.92. A community agreement may provide for the establishment of a board or commission to be jointly controlled by two or more parties to the agreement, and any matters with respect to the board or commission that the parties consider advisable.

#### Public and private partnership agreements

53.93. (1) A council may, by by-law, authorize the municipal corporation to enter into an agreement with any person for the provision of a service or a capital facility that the municipal corporation is authorized to provide.

#### Terms of agreement

(2) An agreement may allow for the lease, operation and maintenance of the facility or provision of the service by any person, including the sale or disposition to that person of property of the municipal corporation that is still required for the purposes of the municipal corporation.

#### Assistance for purposes of agreement

(3) A municipal corporation may provide assistance to any person who has entered into an agreement by

- (a) guaranteeing borrowing, and
- (b) providing the services of employees of the municipal corporation.

#### Limitation on assistance

(4) Assistance provided to a person under subsection (3) shall only be for the performance of the agreement.

#### Borrowing during agreement

(5) A municipal corporation may borrow from any person who has entered into an agreement for a period not exceeding the length of the agreement.

## MUNICIPAL SERVICES AND BUSINESSES

#### Municipal services

53.94. (1) A municipal corporation may, for municipal purposes, do the following:

- (a) construct, operate, repair, improve and maintain works and improvements;
- (b) acquire, establish, maintain and operate services, facilities and utilities, excluding electrical utilities;
- (c) use municipal equipment, materials and labour to carry out private works on private property.

#### Terms and conditions

(2) A municipal corporation exercising its powers under subsection (1) may, by by-law, subject to the *Utility Rates Review Council Act*, set terms and conditions in respect of users, including

- (a) setting, charging and collecting the rates or amounts of deposits, fees and other charges;
- (b) providing for a right of entry onto private property to determine compliance with other terms and conditions, to determine the amount of deposits, fees or other charges, or to disconnect a service; and
- (c) discontinuing or disconnecting a service and refusing to provide the service to users who fail to comply with the terms and conditions.

#### Approval of Minister

(3) Where the exercise of the powers of the municipal corporation under subsection (1) would result in competition with similar services provided by the private sector, the approval of the Minister is required.

#### Corporations

53.95. (1) A municipal corporation may, with the approval of the Minister, establish or acquire shares in a corporation for the purposes of carrying on a municipal business, program or service, solely or jointly with one or more parties to a community agreement or a public or private partnership agreement where provided for in the agreement.

#### Approval of Minister

(2) The Minister may approve the establishment of, or acquisition of shares in, a corporation where the Minister considers it to be in the public interest.

#### Municipal businesses for profit

53.96. (1) A municipal corporation may carry on a for-profit business to provide a service that the municipal corporation is not otherwise authorized to carry on under this Act where the Minister considers it to be in the public interest.

#### Municipal purpose

(2) Where the Minister considers the carrying on of a for profit business by the municipal corporation to be in the public interest, the carrying on of that business is deemed, for the purposes of this Act, to be a municipal purpose.

#### Criteria for consideration

53.97. (1) In deciding whether to grant his or her approval of a proposal by a council or municipal corporation under sections 53.9, 53.91, and 53.93 to 53.96, the Minister shall consider all relevant factors.

#### Specific considerations

(2) Without restricting the general application of subsection (1), the Minister shall consider the possible effect of the carrying out of the proposal on

- (a) local economic development, and
- (b) existing and anticipated private sector business activity in the municipality.

**17. Subsection 54(1) is amended by striking out "the Territories" and substituting "Nunavut".**

**18. The following is added after section 54:**

Interpretation

54.1. The power given to a council under section 54.2 to pass by-laws is stated in general terms:

- (a) to give broad authority to the council and to respect its right to govern the municipality in whatever way the council considers appropriate, within the jurisdiction given to it under this and other Acts; and
- (b) to enhance the ability of the council to respond to present and future issues in the municipality.

Spheres of jurisdiction

54.2. Subject to limitations on its powers in this or any other enactment, a council may pass by-laws for municipal purposes respecting the following matters:

- (a) the safety, health and welfare of people and the protection of people and property;
- (b) people, activities and things in, on or near a public place or place that is open to the public;
- (c) nuisances, including unsightly property;
- (d) local transportation systems;
- (e) businesses, business activities and persons engaged in business;
- (f) programs, services, utilities and facilities provided by or on behalf of the municipality;
- (g) wild and domestic animals and activities in relation to them; and
- (h) the enforcement of by-laws.

Exercising by-law making powers

54.3. Without restricting the general application of section 54.2, a council may in a by-law passed under this Part:

- (a) regulate or prohibit;
- (b) create offences;
- (c) provide that a person who is guilty of an offence under a by-law is liable on summary conviction to a fine in an amount specified in the by-law not exceeding
  - (i) \$2000 for an individual, or
  - (ii) \$10,000 for a corporation,or to imprisonment in default of payment of a fine for a term not exceeding six months;
- (d) adopt by reference, in whole or in part, as of a set time or as amended from time to time, with any changes the council considers necessary or advisable, a code or standard made or recommended by the Government of Canada or a province or

- territory, or a recognized technical or professional organization, and require compliance with the code or standard;
- (e) deal with any development, activity, industry, business or thing in different ways, including dividing each of them into classes and dealing with each class in different ways;
- (f) establish fees or other charges for services, activities or things provided or done by the community or for the use of property under the ownership, direction, management or control of the municipal corporation;
- (g) provide for a system of licences, permits and approvals, including any or all of the following:
  - (i) establishing fees that may be in the nature of a reasonable tax for the activity authorized or for the purpose of raising revenue;
  - (ii) establishing higher fees for non-residents;
  - (iii) prohibiting any development, activity, business or thing until a licence, permit or approval has been granted;
  - (iv) providing that terms and conditions may be imposed on any licence, permit or approval, the nature of the terms and conditions and who may impose them;
  - (v) providing for the duration of licences, permits and approvals and their suspension or cancellation for failure to comply with a term or condition, or the by-law, or for any other reason specified in the by-law;
- (h) provide for an appeal, the body that is to decide the appeal and related matters, except where a right of appeal is already provided in this or any other Act.

#### Compliance provisions

54.4. Without limiting the generality of paragraph 54.2(h), a by-law passed under that paragraph may include provisions

- (a) providing for procedures, including inspections, for determining whether by-laws are being complied with; and
- (b) remedying contraventions of by-laws.

#### Definition of "specific by-law passing power"

54.5. (1) In this section, "specific by-law passing power" means a council's power or duty to pass a by-law that is set out in an enactment other than section 54.2.

#### By-law subject to conditions

(2) If a by-law could be passed under section 54.2 and under a specific by-law passing power, the by-law passed under section 54.2 is subject to any conditions contained in the specific by-law passing power.

Operation of specific by-law passing power

(3) If there is an inconsistency between a by-law passed under section 54.2 and one passed under a specific by-law passing power, the by-law passed under section 54.2 is of no effect to the extent that it is inconsistent with the by-law passed under the specific by-law passing power.

**19. Section 55 is repealed and the following substituted:**

Geographical limitation

55. (1) Subject to subsection (2), a by-law applies only inside the boundaries of a municipality.

(2) A by-law, with the approval of the Minister, on the recommendation of Executive Council, may apply outside the boundaries of the municipality in respect of the following facilities, programs or services that serve the residents of the municipality:

- (a) a sewage or drainage system;
- (b) a public incinerator;
- (c) a public garbage dump;
- (d) a water distribution system;
- (e) an airport, aerodrome or facilities for them;
- (f) fire protection services;
- (g) ambulance services;
- (h) recreation programs, services or facilities;
- (i) a public quarry, as defined in subsection 53.8(1);
- (j) a service or program undertaken by the municipal corporation in accordance with a valid community agreement or a valid public or private partnership agreement; or
- (k) a road outside the municipality and designated as a municipal road by order of the Minister on the recommendation of Executive Council.

**20. The following is added after section 55:**

PROCEDURES FOR MAKING BY-LAWS

**21. The following is added after section 59:**

Power to amend or repeal by-law

59.1. (1) Subject to this Act, a council may, by by-law, amend or repeal a by-law.

Power subject to conditions

(2) The power of a council to amend or repeal a by-law is subject to the same conditions as the power to make the by-law.

Evidence of by-law

59.2. A copy of a by-law under the seal of the municipal corporation and certified by the senior administrative officer to be a true copy is admissible in evidence without further proof.

Disallowance

59.3. The Minister, on the recommendation of the Executive Council, may disallow any by-law for any reason within one year after the by-law receives third reading.

**22. The following is added after section 60:**

APPROVALS

**23. Section 62 is repealed.**

**24. The following is added after section 64:**

VOTER PETITIONS

Petition for by-law

64.1. (1) If at least 25% of the voters in a municipality petition the council to submit, for the approval of the voters, a by-law dealing with any matter within its power to make by-laws, the council shall

- (a) cause a by-law dealing with the subject-matter of the petition to be prepared and read for the first time within 30 days of the petition being declared sufficient;
- (b) cause a copy of the by-law to be forwarded to the Minister; and
- (c) submit the by-law to the voters for their approval.

Third reading

(2) If a majority of the voters who vote approve of the by-law referred to in subsection (1), the by-law as submitted shall be given third reading within four weeks after the vote, and no alteration that affects substance may be made in the by-law.

Form of petition

64.2. (1) A petition must consist of one or more pages, each of which must contain an identical statement of the purpose of the petition.

Information required

- (2) The petition must include, for each petitioner,
- (a) the printed surname and printed given names or initials of the petitioner,
  - (b) the petitioner's signature,
  - (c) the street address of the petitioner or the legal description of the land on which the petitioner lives, and
  - (d) the date on which the petitioner signs the petition.

#### Signature of witness

- (3) Each signature must be witnessed by an adult person who must
- (a) sign opposite the signature of the petitioner, and
  - (b) provide an affidavit that to the best of the person's knowledge the signature witnessed is that of a person entitled to sign the petition.

#### Statement of representative

(4) The petition must have attached to it a signed statement of a person stating that

- (a) the person is the representative of the petitioners, and
- (b) the municipal corporation may direct any inquiries about the petition to the representative.

#### Filing petition

64.3. (1) A petition must be filed with the senior administrative officer and the senior administrative officer is responsible for determining whether the petition is sufficient.

#### Changes to petition

(2) No name may be added to or removed from a petition after it has been filed with the senior administrative officer.

#### Counting petitioners

(3) In counting the number of petitioners on a petition there must be excluded the name of a person

- (a) whose signature is not witnessed,
- (b) whose signature appears on a page of the petition that does not have the same purpose statement that appears on all the other pages of the petition,
- (c) whose printed name or initials are not included or are incorrect,
- (d) whose street address or legal description of land is not included or is incorrect,
- (e) if the date when the person signed the petition is not stated,
- (f) who does not meet the voter eligibility requirements under section 17 of the *Local Authorities Elections Act*, or
- (g) who signed the petition more than 60 days before the date on which the petition was filed with the senior administrative officer.

#### Report on sufficiency of petition

64.4. (1) Within 30 days of the date on which a petition is filed, the senior administrative officer must make a declaration to the council on whether the petition is sufficient or insufficient.

#### Where petition not sufficient

(2) If a petition is not sufficient, the council is not required to take any notice of it.

Time for holding vote

64.5. If a petition for a vote of the electors is filed with the senior administrative officer within 12 months before a general election and a vote of the electors is to be conducted because of the petition, the council may direct that the vote be conducted at the general election.

Limit on petitions

64.6. If a vote of the electors is conducted on a by-law, the council may refuse to receive any further petition on the same or a similar subject filed within one year of the date of the vote.

Limit on subject matter

64.7. A petition requesting a by-law to be made on a subject under Part IV of this Act (Financial Affairs), the *Property Assessment and Taxation Act*, or the *Planning Act* is of no effect.

By-law passed as result of petition

64.8. A by-law the council was required to pass as a result of a vote of the electors may be amended or repealed only if

- (a) a vote of the electors is held on the proposed amendment or repeal and the majority of the electors voting vote in favour of the proposed amendment or repeal, or
- (b) 3 years have passed from the date the by-law was passed.

**25. Sections 65, 66 and 67 are repealed.**

**26. Section 73 is repealed.**

**27. The heading "SEWAGE AND DRAINAGE SYSTEM" is struck out and the following added after section 77:**

WATER DISTRIBUTION, SEWAGE AND DRAINAGE SYSTEMS

Scope of by-law

77.1. (1) A council may, by by-law, provide for the establishment, acquisition, operation, maintenance or alteration of

- (a) a sewage system to collect, convey and dispose of sewage;
- (b) a drainage system to collect, convey and dispose of surface and other waters; or
- (c) a water distribution system for the supply of water for drinking and other purposes.

Source of funding

(2) A by-law providing for the establishment, acquisition, operation, maintenance or alteration of a sewage, drainage or water distribution system must state the sources of funding for all costs that will be incurred by the municipal corporation as a result.

Mandatory connection to system

77.2. A council may, by by-law, require the owners of real property to connect their buildings and structures to a water distribution system or to a sewage or drainage system in the manner that the by-law may require.

Costs of connection

77.3. A council may, by by-law, impose a charge on the owner of real property for the costs incurred by the municipal corporation in providing a connection between a water distribution system or a sewage or drainage system and the edge of the real property to be served.

- 28. Paragraph 69(1)(e) and sections 78, 79, and 80 are repealed.**
- 29. Sections 83 and 84 are repealed.**
- 30. Sections 89, 90, and 91 are repealed.**
- 31. Sections 93 and 94 are repealed.**
- 32. Section 128 is amended by striking out "approved by the Minister".**
- 33. Sections 130, 130.1, 130.2, 131, 132, 132.1, 132.2, 132.3, 132.4 and 132.5 are repealed.**
- 34. The following is added after section 137:**

Public access to budgets

137.1. A copy of the current year's budget must be available for inspection by members of the public at the offices of the municipal corporation during regular business hours.

- 35. Subsection 144(3) is repealed and the following substituted:**
  - (3) The financial statements must be prepared
    - (a) in accordance with an appropriate disclosed basis of accounting;
    - (b) on a basis consistent with that of the preceding fiscal year or another disclosed basis;
    - (c) in accordance with the generally accepted accounting principles recommended from time to time by the Canadian Institute of Chartered Accountants; and
    - (d) in accordance with guidelines issued by the Minister.

**36. The following is added after section 144:**

Public access to financial statements

144.1. A copy of the municipal corporation's financial statements and auditor's reports must be available for inspection by members of the public at the offices of the municipal corporation during regular business hours.

**37. Section 150 is repealed and the following substituted:**

Long-term borrowing

150. (1) Where a municipal corporation is a municipal taxing authority, the council may, by by-law, authorize the municipal corporation to borrow on a long-term basis for a period exceeding one year amounts that may be needed for municipal purposes.

Maximum amounts

(2) The Minister may, by regulation, prescribe the maximum amounts that a municipal corporation or municipal corporations may borrow on a long-term or short-term basis.

Approval by ratepayers

(3) Every long term borrowing by-law made under this section must be approved by the ratepayers, unless the by-law is exempted by the Minister under subsection (6) or the regulations, or the borrowing is for a local improvement.

Exemption

(4) The Minister may, by regulation, prescribe that long term borrowing of amounts below a set amount does not require ratepayer approval.

Application of regulation

(5) A regulation made under subsection (4) may apply to one or more municipal corporations.

Exemption by order of Minister

(6) The Minister may, by order, exempt a long term borrowing by-law from the requirement for ratepayer approval under subsection (3) where

- (a) the money to be secured by way of long term debt security is to be used to
  - (i) finance a project other than a local improvement, or
  - (ii) refinance an existing long term debt security; and
- (b) the general revenues of the municipal corporation are to bear no part of the cost of the activities referred to in paragraph (a).

**38. The following is added after section 167:**

Loans and guarantees by-laws

167.1. A council may, by by-law, approved by the Minister, lend money or guarantee the repayment of a loan if:

- (a) the loan is authorized by a community agreement and is made to another municipal corporation within Nunavut or a board, commission or corporation jointly controlled by one or more municipal corporations within Nunavut;
- (b) the loan is made to a board, commission or corporation controlled by the municipal corporation;
- (c) the loan is authorized by a community agreement and is made in respect of a loan between a lender and another municipal corporation within Nunavut or a board, commission or corporation jointly controlled by one or more municipal corporations within Nunavut;
- (d) the guarantee is made in respect of a loan between a lender and a board, commission or corporation controlled by the municipal corporation; or
- (e) the loan or guarantee is made in accordance with the provisions on public and private partnership agreements.

Contents of loan by-laws

167.2. A by-law authorizing a loan must set out

- (a) the amount of money to be loaned;
- (b) in general terms, the purpose for which the money that is loaned is to be used;
- (c) the minimum rate of interest, the term of the loan, and the terms of repayment of the loan; and
- (d) the source or sources of the money to be loaned.

Contents of guarantee by-laws

167.3. A by-law authorizing a guarantee must set out

- (a) the amount of money to be borrowed under the loan to be guaranteed;
- (b) in general terms, the purpose for which the money is to be borrowed;
- (c) the rate of interest under the loan, or how the rate of interest is to be calculated;
- (d) the term of the loan and the terms of repayment of the loan; and
- (e) the source or sources of money to be used to pay the principal and interest owing under the loan if the municipal corporation is required to do so under the guarantee.

Definition of "securities"

167.4. In section 168, "securities" includes bonds, debentures, treasury bills, trust certificates, guaranteed investment certificates or receipts, certificates of deposit, deposit receipts, bills, notes and mortgages of real estate and leaseholds and rights or interests in respect of a security.

**39. Section 168 is repealed and the following substituted:**

Authorized investments

168. A council may, by resolution, authorize the senior administrative officer to invest surplus money belonging to the municipal corporation in any of or any combination of the following:

- (a) securities issued or guaranteed by
  - (i) the Government of Canada or an agency of the Government of Canada, or
  - (ii) the government of a province or territory or the agency of the government of a province or territory;
- (b) securities, the payment of which is a charge on the Consolidated Revenue Fund of the Government of Canada or a province or territory of Canada;
- (c) securities of a municipal corporation in Canada;
- (d) securities of a Canadian municipal participation corporation;
- (e) securities issued or guaranteed by a bank, credit union or trust corporation;
- (f) securities that are insured by the *Canada Deposit Insurance Corporation Act*;
- (g) investments authorized by the Minister by regulation; and
- (h) units in pooled funds of all or any of the investments described in paragraphs (a) to (g).

**40. The following is added after section 168:**

Pooled funds

168.1. (1) A municipal corporation may, where authorized by a community agreement, form a pooled investment fund with another municipal corporation or with any entity approved by the Minister by regulation.

Use of pooled funds

(2) The money in a pooled investment fund may be used only to make investments authorized under section 168.

Regulations

168.2. The Minister may make regulations for the purpose of prescribing standards and guidelines for investments to be made by one or more municipal corporations.

**41. The following is added after section 170:**

PART V

LIABILITY AND ENFORCEMENT

LIABILITY

Definitions

170.1. In this Part,

"board member" means a member of a board or other body established by a municipal corporation under this Act; (*membre de la régie*)

"municipal officer" means any of the senior administrative officer and designated officers and employees of the municipal corporation; (*fonctionnaire municipal*)

"public utility" means a system of works used to provide one or more of the following for public consumption, benefit, convenience or use:

- (a) water or steam;
- (b) sewage disposal;
- (c) public transportation operated by or on behalf of the municipality;
- (d) drainage;
- (e) waste management;

and includes the thing that is provided for public consumption, benefit, convenience or use; (*entreprise de service public*)

"volunteer worker" means a volunteer member of a fire or ambulance service or emergency measures organization established by a municipal corporation, or any other volunteer performing duties under the direction of a municipal corporation. (*travailleur bénévole*)

Limit on liability

170.2. (1) Subject to the *Conflict of Interest Act*, no council member is liable to any civil action, prosecution, arrest, imprisonment or damages by reason of

- (a) anything said by the council member in a meeting of council or a committee of council, or
- (b) anything brought before council or a committee of council by the council member.

Liability

(2) A council member is liable for anything said or brought before council or a committee of council by the council member that is said or brought with malicious intent.

Where loss or damage occurs in performance of function

(3) Subject to the *Conflict of Interest Act*, no council member, council committee member, board member, municipal officer or volunteer worker is liable for loss or damage by reason of anything said or done or omitted to be done in the performance or intended performance of his or her functions, duties or powers under this Act.

Limitation on defence

(4) Subsection (3) is not a defence where

- (a) the cause of action is defamation; or
- (b) the council member, council committee member, board member, municipal officer or volunteer worker was dishonest, grossly negligent or guilty of wilful misconduct.

Liability of municipal corporation

(5) Subsection (3) does not affect the legal liability of the municipal corporation.

Non-negligence actions

170.3. A municipal corporation is not liable in an action based on nuisance, or on any other tort that does not require a finding of intention or negligence, if the damage arises, directly or indirectly, from roads or from the operation or non-operation of a public utility.

Exercise of discretion

170.4. A municipal corporation that has the discretion to do something is not liable for deciding in good faith not to do that thing or for not doing that thing.

Inspections and maintenance

170.5. A municipal corporation is not liable for damage caused by

- (a) a system of inspection, or the manner in which inspections are to be performed, or the frequency, infrequency or absence of inspections, and
- (b) a system of maintenance, or the manner in which maintenance is to be performed, or the frequency, infrequency or absence of maintenance.

Public facilities

170.6. (1) In this section, "public facility" means a place that is subject to the direction, control and management of the municipal corporation.

Limitation on liability

(2) A municipal corporation is not liable for failing to maintain a public facility in a reasonable state of repair unless the municipal corporation knew or ought to have known of the state of disrepair and failed to take steps to rectify the state of disrepair within a reasonable period of time.

#### Public utilities and municipal services

170.7. A municipal corporation that operates a public utility or provides a service is not liable for loss or damage as a result of the breaking of a pipe, conduit, pole, wire, cable or other part of the utility or service, or the discontinuance or interruption of a service or connection, that occurs by reason of:

- (a) accident;
- (b) disconnection for non-payment or non-compliance with a term or condition of service; or
- (c) necessity for repair or replacement of part of the utility or service.

#### Water overflow

170.8. A municipal corporation is not liable for loss as a result of an overflow of water from a sewer, drain, ditch or watercourse that is a consequence of excessive snow, ice or rain.

#### Fire protection

170.9. For the purpose of determining the standard of care required of a municipal corporation in an action or proceeding relating to the provision by the municipal corporation of a protective fire service, the court shall consider all relevant factors that might reasonably have affected the ability of the municipal corporation to provide the fire protection service, including, but not limited to:

- (a) the population of the municipality;
- (b) geographic limitations to the provision of the service;
- (c) whether the service provided is volunteer or partly volunteer;
- (d) the revenues of the municipal corporation; and
- (e) any other criteria that may be specified by the Minister by regulation.

#### Remedying contraventions of by-laws

170.91. A municipal corporation is not liable for loss or damage caused by it in remedying, or attempting to remedy, a contravention of a by-law, unless the municipal corporation is grossly negligent.

#### Negligent supervision by others

170.92. Where a municipal corporation entrusts the construction of a public work or a public facility to the supervision of an engineer, architect, surveyor or other person with relevant expertise to supervise the construction, the municipal corporation is not liable for loss or damage arising from any negligence on the part of the supervisor unless the supervisor is exempt from liability under section 170.2.

#### Limitation of actions respecting roads

170.93. An action for damages caused by negligent maintenance or repair of a municipal road may not be commenced unless

- (a) notice in writing is given to the senior administrative officer within 30 days after the damage was sustained or within such longer period of time as a council may, by by-law, designate, and

- (b) the action is commenced not later than two years after the damage was sustained.

#### Repair of roads

170.94. (1) Every road that is subject to the direction, control and management of the municipal corporation must be kept in a state of reasonable repair by the municipal corporation, having regard to

- (a) the character of the road, and
- (b) the area of the municipality in which it is located.

#### Liability of municipal corporation

(2) The municipal corporation is liable for damage caused by the municipal corporation failing to perform its duty under subsection (1) only if the municipal corporation knew or should have known of the state of disrepair.

#### Application

(3) This section does not apply to any road made or laid out by a private person until the road is subject to the direction, control and management of the municipal corporation.

#### Liability for particular loss or damage

(4) A municipal corporation is not liable under this section unless the claimant has suffered a particular loss or damage by reason of the default of the municipal corporation beyond what is suffered by the claimant in common with all other persons affected by the state of disrepair.

#### Liability where municipal corporation not a party

(5) A municipal corporation is not liable under this section in respect of acts done or omitted to be done by persons exercising powers or authorities conferred on them by law, and over which the municipal corporation has no control, if the municipal corporation is not a party to those acts or omissions.

#### Defense

(6) A municipal corporation is not liable under this section if it proves that it took reasonable steps to prevent the disrepair from arising.

#### Traffic control device

(7) When a traffic control device has been defaced, removed or destroyed by someone other than a designated officer, employee or agent of the municipal corporation, the municipal corporation is liable under this section only if the municipal corporation

- (a) had actual notice of the defacement, removal or destruction, and
- (b) failed to restore, repair or replace the traffic control device in a reasonable period of time.

#### Things on or adjacent to roads

170.95. A municipal corporation is not liable for damage caused

- (a) by the presence, absence or type of any wall, fence, guardrail, railing, curb, pavement markings, traffic control device, illumination device or barrier adjacent to or in, along or on a road, or
- (b) by or on account of any construction, obstruction or erection or any situation, arrangement or disposition of any earth, rock, tree or other material or thing adjacent to or in, along or on a road that is not on the traveled portion of a road.

#### Snow on roads

170.96. (1) A municipal corporation is only liable for an injury to a person or damage to property caused by snow, ice or slush on roads or sidewalks in the municipality if the municipal corporation is grossly negligent.

#### Notice

(2) A person who brings an action claiming gross negligence as described in subsection (1) must notify in writing the senior administrative officer of the municipal corporation of the event that gives rise to the action within 30 days of the occurrence of the event, or such longer time as the council may establish by by-law.

#### **42. Section 174 is repealed and the following substituted:**

##### Entry by designated officer

174. (1) If this or any other enactment or by-law authorizes or requires anything to be inspected, remedied, enforced or done by a municipal corporation, a designated officer of the municipal corporation may, after giving reasonable notice to the owner or occupier of the land or structure to be entered to carry out the inspection, remedy, enforcement or action,

- (a) enter the land or structure at any reasonable time and carry out the inspection, remedy, enforcement or action authorized or required by the enactment or by-law;
- (b) request that anything be produced to assist in the inspection, remedy, enforcement or action; and
- (c) make copies of anything related to the inspection, remedy, enforcement or action.

##### Identification

(2) The designated officer must display or produce on request identification showing that the officer is authorized to enter the land or structure.

##### Entry without notice

(3) Where the council or the designated officer authorized to do a thing under subsection (1) has reasonable grounds to believe that there is imminent danger to public health and safety, or where other extraordinary circumstances warrant, the designated officer need not give reasonable notice or enter at a reasonable hour and may do the things in subsection (1) without the consent of the owner or occupier.

**43. The following is added after section 175:**

Application to court

175.1. (1) The municipal corporation may apply to the Nunavut Court of Justice for an order under subsection (2) if a person

- (a) refuses to allow or interferes with the entry, inspection, enforcement or action referred to in paragraph 174(1)(a), or
- (b) refuses to produce anything to assist in the inspection, remedy, enforcement or action referred to in paragraph 174(1)(b).

Order of court

(2) The court may issue an order

- (a) restraining a person from preventing or interfering with the entry, inspection, enforcement or action, or
- (b) requiring the production of anything to assist in the inspection, remedy, enforcement or action.

Hearing without notice

(3) Where in the opinion of the court there is imminent danger to public health or safety, or extraordinary circumstances warrant, the court may hear the application without notice to any person.

Order to remedy contravention

175.2. (1) If a designated officer finds that a person is contravening this or any other enactment that the municipal corporation is authorized to enforce, or a by-law, the designated officer may, by written order, require the person responsible for the contravention to remedy it as the circumstances require.

Terms of order

(2) The order may:

- (a) direct a person to stop doing something, or to change the way in which the person is doing it;
- (b) direct a person to take any action or measures necessary to remedy the contravention of the enactment or by-law, including the removal or demolition of a structure that has been erected or placed in contravention of a by-law, and, if necessary, to prevent a recurrence of the contravention;
- (c) state a time within which the person must comply with the directions; and
- (d) state that if the person does not comply with the directions within a specified time, the municipal corporation will take the action or measure at the expense of the person.

Service of order

(3) The order must be served personally or, if personal service is not possible because the address of the person is not known, notice of the order must be published twice in a newspaper having general circulation in the municipality or in Nunavut.

Order to remedy dangers and unsightly property

175.3. (1) If a designated officer has reason to believe that a structure, excavation or hole is dangerous to public safety or to property, or, because of its unsightly condition, is detrimental to the surrounding area, the designated officer may, by written order,

- (a) require the owner of the structure to
  - (i) eliminate the danger to public safety in the manner specified, or
  - (ii) remove or demolish the structure and level the site;
- (b) require the owner of the land that contains the excavation or hole to
  - (i) eliminate the danger to public safety in the manner specified, or
  - (ii) fill in the excavation or hole and level the site; or
- (c) require the owner of the property that is in unsightly condition to
  - (i) improve the appearance of the property in the manner specified, or
  - (ii) if the property is a structure, remove or demolish the structure and level the site.

Terms of order

(2) An order made under subsection (1) must

- (a) state a time within which the person must comply with the directions; and
- (b) state that if the person does not comply with the directions within the specified time, the municipal corporation will take the action or measure at the expense of the person.

Service of order

(3) The order must be served personally or, if personal service is not possible because the address of the person is not known, notice of the order must be published twice in a newspaper having general circulation in the municipality or in Nunavut.

Request for hearing by council

175.4. (1) A person who receives a written order under section 175.2 or 175.3 may request council to review the order by giving notice in writing to the council within 21 days of the date the order was issued, or such longer period as specified by by-law.

Powers of council on review

(2) After reviewing the order, the council may confirm, vary, substitute its own order, or cancel the order.

#### Appeal from decision of council

175.5. (1) A person affected by a decision of a council under section 175.4 may appeal to the Nunavut Court of Justice within 30 days of the date the decision is served on the person on the grounds that

- (a) the procedure required to be followed under this Act was not followed; or
- (b) the decision is patently unreasonable.

#### Contents of application

(2) The application for the appeal must state the reasons for the appeal.

#### Decision of court

(3) The court may

- (a) confirm the decision of the council; or
- (b) declare the decision invalid and send the matter back to the council with directions.

#### Municipal corporation remedying contraventions

175.6. (1) A municipal corporation may take whatever action or measures are necessary to remedy a contravention of this Act, or a by-law, or any other enactment that the municipal corporation is authorized to enforce, or to prevent a recurrence of the contravention, if

- (a) the municipal corporation has given a written order under section 175.2 or 175.3;
- (b) the order contains a statement referred to in paragraph 175.2(2)(d) or 175.3(2)(b);
- (c) the person to whom the order is directed has not complied with the order within the time specified in the order; and either
- (d) the appeal periods respecting the order have passed and no appeal has been made; or
- (e) any appeal that has been made has been decided, and the decision allows the municipality to take the action or measures.

#### Closure of premises

(2) If the order directed that premises be put and maintained in a sanitary condition, the municipal corporation may, under this section, close the premises and use reasonable force to remove the occupants.

#### Expenses and costs of action

(3) The expenses and costs of an action or measure taken by a municipal corporation under this section are a debt owing to the municipal corporation by the person who contravened the enactment or by-law, and may be recovered from the person in default by civil action for debt, or by charging it against real property of which the person is the assessed owner in the same manner as arrears of property taxes under the *Property Assessment and Taxation Act*.

Proceeds of sale of structure

(4) If the municipal corporation sells all or a part of a structure that has been removed in accordance with an order issued under paragraph 175.2(2)(b) or subparagraph 175.3(1)(a)(ii), the proceeds of the sale must be used to pay the expenses and costs of the removal and any excess proceeds must be paid to the person entitled to them.

Exception for imminent danger

175.7. (1) Despite sections 175.4 and 175.5, where the council or designated officer is of the opinion that there is imminent danger to public health and safety, the municipal corporation may take whatever actions or measures are necessary to eliminate the danger.

Application

(2) This section applies whether or not the danger involves a contravention of this Act, or an enactment or by-law that the municipal corporation is authorized to enforce.

Compliance

(3) A person who receives an oral or written order under this section requiring the person to provide labour, services, equipment or materials must comply with the order.

**44. Section 177 is repealed and the following substituted:**

Injunction

177. (1) In addition to any other remedy available to it, a municipal corporation may enforce a by-law by applying to the Nunavut Court of Justice for an injunction or other order in accordance with the Rules of the Nunavut Court of Justice.

Decision of court

(2) The court may grant or refuse the injunction or other order or may make any other order that in its opinion is required by the principles of justice.

**45. Section 186 is amended by striking out "by this Act or by a by-law" and substituting "by this Act, the regulations or a by-law".**

**46. Section 187 is repealed and the following substituted:**

Obstruction or interference

187. Every person is guilty of an offence who wilfully obstructs or interferes with any of the following persons in the performance of his or her duties under this Act or a by-law:

- (a) a by-law officer,
- (b) another officer of the municipal corporation,
- (c) a municipal inspector,
- (d) a municipal administrator, or
- (e) a municipal supervisor.

**47. Section 189 is repealed and the following substituted:**

Municipal inspections

189. Upon request by the Minister or by the council, a municipal inspector shall review or examine the following documents and other matters of the municipal corporation:

- (a) the records, books and accounts;
- (b) management and administration;
- (c) operations; and
- (d) financial affairs.

**48. The following is added after section 191:**

MUNICIPAL SUPERVISORS

Order of supervision

191.1. (1) The Minister may, by order, place the affairs of the municipal corporation under supervision, and appoint a supervisor of the affairs of the municipal corporation, if the Minister has reason to believe that

- (a) a municipal corporation is in financial or operational difficulty,
- (b) the council has failed to perform a duty required of it by this Act or any other Act, or
- (c) it is in the best interests of the municipal corporation that its affairs be supervised.

Term of appointment

(2) The initial appointment of a supervisor under subsection (1) shall be for a maximum term of up to one year, but may be ended before the expiry of the term if, in the opinion of the Minister, the conditions referred to in paragraphs (1)(a) to (c) that justified the initial appointment no longer exist.

Extension

(3) The appointment of a supervisor under subsection (1) may be extended if, in the opinion of the Minister, the conditions in paragraphs (1)(a) to (c) that justified the initial appointment still exist.

Renewal

(4) An extension under subsection (3) may be renewed if, in the opinion of the Minister, the conditions referred to in paragraphs (1)(a) to (c) that justified the initial appointment still exist.

Term of renewal

(5) An extension under subsection (3) or a renewal of an extension under subsection (4) shall be for a maximum term of up to six months, but may be ended before the expiry of the term if, in the opinion of the Minister, the conditions referred to in paragraphs (1)(a) to (c) that justified the initial appointment and renewal no longer exist.

#### Written reasons

(6) Where the Minister decides to extend the appointment of a supervisor under subsection (3), or to renew an extension under subsection (4), he or she shall provide written reasons for doing so.

#### Submission of program by municipal corporation

191.2. If a supervisor is appointed by the Minister under section 191.1, the municipal corporation must submit to the supervisor for approval the particulars of the following matters which constitute the program of the municipal corporation:

- (a) the budget of the municipal corporation;
- (b) any other matter affecting the administration of the affairs of the municipal corporation.

#### Directions and approval by supervisor

191.3. The municipal corporation and its officers and employees must comply with the directions of the supervisor, and the council of the municipal corporation must not finalize its program or pass any by-law respecting it until the program has been approved, or revised and approved, by the supervisor.

#### Minister may prescribe program

191.4. If a municipal corporation fails to obtain the approval of the supervisor or fails in whole or in part to conduct its affairs in accordance with the program, the Minister may prescribe a program for the municipal corporation, which becomes effective and is binding upon the municipal corporation, its council, the senior administrative officer, and all persons interested in or affected by it.

#### Amendment of program

191.5. The Minister may amend, in whole or in part, a program approved by the supervisor or prescribed by the Minister and the amendment is effective and binding immediately upon notice in writing being given to the municipal corporation.

#### Current borrowings

191.6. The Minister may direct that every borrowing by the municipality is subject to the Minister's approval and that no money may be borrowed for purposes other than, or in amounts greater than, those approved from time to time, and the municipal corporation must comply with the direction.

#### Ministerial directions

191.7. In appointing a supervisor the Minister may

- (a) give directions respecting approval of the program set out in section 191.2,
- (b) give directions for the deposit and disbursement of all money of, or received on account of, the municipal corporation,
- (c) give directions regarding the approval and execution of all by-laws, security documents, and other documents, and

- (d) impose such terms or conditions or give such other directions as the Minister considers advisable.

Application of Act

191.8. Subject to sections 191.1 to 191.7, the members of the council and the senior administrative officer of a municipal corporation, the affairs of which are under supervision, remain subject to this and any other Act.

Payment of expenses

191.9. The Minister may require that the expenses incurred under sections 191.1 to 191.7 be paid wholly or in part by the municipal corporation under supervision and be included in the operating budget of the municipal corporation.

**49. Section 204 is repealed and the following substituted:**

Expenses of municipal administrator

204. (1) The expenses of a municipal administrator must be paid out of the funds of the municipal corporation, including

- (a) remuneration at the prescribed rate, and
- (b) all reasonable living and travelling expenses.

Other expenses

(2) Section 191.9 applies with necessary modifications to the expenses incurred under sections 191.1 to 191.7 by or on behalf of a municipal corporation under the direction of a municipal administrator.

**50. Section 211 is repealed.**

**51. The following is added after section 212:**

Minister may make regulations

212.1. (1) The Minister may make regulations providing criteria that must be considered by the Minister before exercising any power under this Act concerning borrowing, lending or other economic activity.

Application of regulation

(2) A regulation made under subsection (1) may be general or specific in its application.

**COMMENCEMENT**

**52. This Act comes into force on assent.**