

Notice of Ways and Means Motion to implement certain provisions of
the budget tabled in Parliament on February 28, 2000.

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That it is expedient to implement certain provisions of the budget tabled in Parliament on February 28, 2000 as follows:

SUMMARY

PART 1

Part 1 amends the *Employment Insurance Act* to allow parents of a child born or placed in their care for adoption after December 30, 2000, to receive benefits for up to one year while caring for the child. The number of weeks of parental benefits is increased to 35 weeks and the number for a combination of special benefits (maternity, parental and sickness) is increased to 50. Access to special benefits is improved by reducing qualification from 700 to 600 hours of insurable employment. Parents will continue to be able to split the 35 weeks of parental benefits with only one waiting period required between them. As is the case for regular employment insurance benefits, parents may have earnings of up to 25% of their weekly benefit or \$50, whichever is higher, without affecting their parental benefits.

PART 2

Part 2 amends the *Federal-Provincial Fiscal Arrangements Act* to implement a \$2.5 billion increase in the Canada Health and Social Transfers. The funds will be distributed to the provinces on a per capita basis. The Minister is authorized to pay \$2.5 billion into a trust from which these funds will be distributed over the four-year period beginning on April 1, 2000.

PART 3

Part 3 provides for government financing of Canada Student Loans and for the making of loans to students by the Minister of Human Resources Development. It allows the Minister to enter into agreements with private sector service providers to administer the loans on behalf of the government.

PART 4

Part 4 enables thirteen First Nations, identified in the schedule, to impose a 7% value-added tax (equivalent to the GST) on all sales of fuel, alcohol and tobacco products, where the sales occur on reserves. The First Nations identified in the schedule are the Cowichan Band, the Westbank First Nation, the Kamloops Band, the Sliammon Band, the Osoyoos Band, the Adams Lake Band, the Tsawout First Nation, the Chemainus First Nation, the Dakota Tipi Band, the Waywayseecappo First Nation, the Opaskwayak Cree Nation, the Buffalo Point First Nation and the Tobique Band. Part 4 repeals specific First Nation sales tax legislation for four First Nations, as those First Nations would now be listed in the schedule. It repeals Parts III and IV of the *Budget Implementation Act, 1997* (Cowichan Tribes Tobacco Products Tax and Westbank First Nation Tax on Alcohol, Tobacco and Fuels), Part 4 of the *Budget Implementation Act, 1998* (Kamloops Indian Band Tax on Alcohol, Tobacco and Fuels)

and Division 1 of Part 5 of the *Budget Implementation Act, 1999* (Sliammon First Nation Tax on Tobacco and Fuels).

PART 5

Part 5 amends the *Excise Tax Act* to allow the Minister of National Revenue to obtain judicial authorization to immediately assess and take actions to collect from a person the amount of Goods and Services Tax or Harmonized Sales Tax determined by the Minister to be remittable by the person at the time of the authorization. This would only apply when the collection of net tax from a registrant would be jeopardized by a delay in its collection.

PART 6

Part 6 amends the *Income Tax Act* to reinstate, as of January 1, 2000, full indexation of the previously partially indexed parameters of the personal income tax system and to increase both the base benefit and the National Child Benefit supplement payable under the Canada Child Tax Benefit (CCTB). It also amends the Act to top up the parameters used in computing the CCTB and GST credit payable for the twelve-month period commencing in July 2000 to ensure that eligible individuals benefit from full indexation as of January 1, 2000. It also amends Part XI of the Act to increase the 20% limit on foreign property that can be held within a deferred income plan without incurring penalty tax to 25% for 2000 and to 30% after 2000.

PART 7

Part 7 amends the *Canada Labour Code* to extend the allowable period of parental leave. It mirrors amendments being made to the *Employment Insurance Act* with respect to parental benefits.

It also amends the *Canada Pension Plan* to permit provinces to redeem securities held by the Canada Pension Plan Investment Fund prior to their maturity and the *Special Import Measures Act* to permit the Governor in Council to suspend provisions of that Act in order to comply with the World Trade Organization Agreement on Subsidies.

EXPLANATORY NOTES

Employment Insurance Act

Clause 2: The definitions "major attachment claimant" and "minor attachment claimant" in subsection 6(1) of the Act read as follows:

"major attachment claimant" means a claimant who qualifies to receive benefits and has 700 or more hours of insurable employment in their qualifying period;

"minor attachment claimant" means a claimant who qualifies to receive benefits and has fewer than 700 hours of insurable employment in their qualifying period;

Clause 3: (1) and (2) The relevant portion of subsection 12(3) reads as follows:

(3) Subject to subsection (7), the maximum number of weeks for which benefits may be paid in a benefit period

...

(b) because the claimant is caring for one or more new-born children of the claimant or one or more children placed with the claimant for the purpose of adoption is 10; and

(3) Subsections 12(4) to (7) read as follows:

(4) Subject to subsection (7), the maximum number of weeks for which benefits may be paid

(a) for a single pregnancy is 15; and

(b) for the care of one or more new-born or adopted children as a result of a single pregnancy or placement is 10.

(5) In a claimant's benefit period, the claimant may combine weeks of benefits to which the claimant is entitled because of a reason mentioned in subsection (3), but the maximum number of combined weeks is 30.

(6) In a claimant's benefit period, the claimant may combine weeks of benefits to which the claimant is entitled because of a reason mentioned in subsections (2) and (3), but if the claimant is entitled under subsection (2)

(a) to more than 30 weeks of benefits, the total number of weeks of benefits payable because of reasons mentioned in subsections (2) and (3) shall not exceed the claimant's entitlement under subsection (2); and

(b) to 30 or fewer weeks of benefits, the claimant may, subject to the applicable maximums, receive a greater number of weeks of benefits if the claimant is also entitled to benefits because of a reason mentioned in subsection (3), but the total number of weeks of benefits shall not exceed 30.

(7) The maximum number of 10 weeks specified in paragraphs (3)(b) and (4)(b) is extended to 15 weeks if

(a) a child mentioned in paragraph (3)(b) or (4)(b) is six months of age or older at the time of the child's arrival at the claimant's home or actual placement with the claimant for the purpose of adoption; and

(b) a medical practitioner or the agency that placed the child certifies that the child suffers from a physical, psychological or emotional condition that requires an additional period of parental care.

Clause 4: (1) Subsection 23(3) reads as follows:

(3) If benefits are payable to a major attachment claimant under this section and earnings are received by the claimant for a period that falls in a week in the period described in subsection (2), the provisions of subsection 19(2) do not apply and, subject to subsection 19(3), all those earnings shall be deducted from the benefits payable for that week.

(2) New.

Clause 5: The title of Part VIII.1 reads as follows:

SPECIAL BENEFITS FOR NEW ENTRANTS AND RE-ENTRANTS TO THE LABOUR
FORCE

Clause 6: (1) The relevant portion of subsection 153.1(1) reads as follows:

153.1 (1) Notwithstanding anything in this Act, the Commission shall, with the approval of the Governor in Council, make such regulations as it deems necessary respecting the establishment and operation of a scheme to ensure that special benefits are provided to persons who are new entrants or re-entrants to the labour force within the meaning of subsection 7(4), including regulations

(2) Subsection 153.1(3) reads as follows:

(3) The scheme established by the regulations may not provide special benefits to persons who

(a) have less than 700 hours of insurable employment in their qualifying period; or

(b) are subject to an increase under section 7.1 in the number of hours of insurable employment required to qualify for benefits.

Federal-Provincial Fiscal Arrangements Act

Clause 12: The relevant portion of subsection 13(1) reads as follows:

13. (1) Subject to this Part, a Canada Health and Social Transfer established under paragraphs 14(a) and (b) is to be provided to the provinces for the purposes of

Clause 13: New. The relevant portion of section 14 reads as follows:

14. The Canada Health and Social Transfer shall consist of

Clause 14: New.

Clause 15: New.

Canada Student Financial Assistance Act

Clause 17: New.

Clause 18: Section 13 reads as follows:

13. Notwithstanding anything in this Act or any agreement entered into under section 5, the aggregate amount of outstanding student loans on which no interest is payable by the borrowers under subsection 7(1) may not exceed five billion dollars, except as otherwise provided by an appropriation Act or other Act of Parliament.

Clause 19: (1) The relevant portion of the definition "net costs" in subsection 14(6) reads as follows:

"net costs", for a province for a loan year, means the amount by which

(a) the estimated aggregate of all amounts paid by the Minister in that loan year

(i) to lenders under this Act, the regulations or an agreement entered into under section 5, to lenders under the *Canada Student Loans Act* or the regulations made under that Act, and to collection agencies, in respect of student loans or guaranteed student loans made pursuant to certificates of eligibility issued or caused to be issued in any loan year by the appropriate authority for that province, and

(2) The relevant portion of the definition "total program net costs" in subsection 14(6) reads as follows:

"total program net costs", for a loan year, means the amount by which

(a) the aggregate of all amounts paid by the Minister in that loan year

(i) to lenders under this Act, the regulations or an agreement entered into under section 5, to lenders under the *Canada Student Loans Act* or the regulations made under that Act, and to collection agencies, in respect of student loans or guaranteed student loans made pursuant to certificates of eligibility issued or caused to be issued in any loan year by the appropriate authorities for participating provinces, and

Clause 20: New. The relevant portion of section 15 reads as follows:

15. The Governor in Council may make regulations

Clause 21: Section 19 reads as follows:

19. Any amount payable by the Minister under this Act, the regulations or an agreement or arrangement entered into under this Act may be paid by the Minister out of the Consolidated Revenue Fund.

Budget Implementation Act, 1997

Clause 30: Parts III and IV read as follows:

PART III

COWICHAN TRIBES TOBACCO PRODUCTS TAX

43. The definitions in this section apply in this Part.

"council", in relation to the Cowichan Tribes, has the same meaning as the expression "council of the band" in subsection 2(1) of the *Indian Act*.

"Cowichan Tribes" means the Cowichan Band of Indians referred to in Order in Council P.C. 1973-3571.

"direct" has the same meaning, for the purpose of distinguishing between a direct and an indirect tax, as in class 2 of section 92 of the *Constitution Act, 1867*.

"Minister" means the Minister of Finance.

"reserve" means the reserves, within the meaning of subsection 2(1) of the *Indian Act*, set apart by Her Majesty for the use and benefit of the Cowichan Tribes.

"sale" has the meaning assigned by subsection 123(1) of the *Excise Tax Act*.

"tobacco product" means

(a) every article made by a tobacco manufacturer from raw leaf tobacco, within the meaning assigned to those expressions by section 6 of the *Excise Act*, by any process whatever, and includes cigarettes and tobacco sticks, as defined in that section, and snuff;

(b) the leaves and stems of the tobacco plant if they have been processed further than drying and sorting; and

(c) cigars, as defined in that section.

44. (1) Notwithstanding section 87 of the *Indian Act*, the council may make a by-law imposing a direct tax in respect of the sale of tobacco products on a reserve to be collected pursuant to an agreement entered into under subsection 46(1).

(2) For greater certainty, except with respect to a tax imposed by a by-law made under subsection (1), nothing in that subsection affects the application of section 87 of the *Indian Act*.

(3) Moneys raised pursuant to a tax referred to in subsection (1) are not Indian moneys within the meaning of subsection 2(1) of the *Indian Act*.

(4) For the purposes of this Part, a tobacco product is sold on a reserve if

(a) tax under section 165 of the *Excise Tax Act* is not payable in respect of the sale because of the connection of the sale with the reserve and the application of section 87 of the *Indian Act*; or

(b) tax under section 165 of the *Excise Tax Act* would not have been payable in respect of the sale because of the reasons set out in paragraph (a) if the purchaser had been a person eligible to benefit from an exemption from taxation under section 87 of the *Indian Act* and section 47 had not applied to the sale.

(5) Expenditures made out of moneys raised pursuant to a tax referred to in subsection (1) must be made under the authority of a resolution approved by a majority of the councillors of the Cowichan Tribes present at a meeting of the council duly convened.

45. (1) A by-law made under subsection 44(1)

(a) shall be valid only if approved by a majority of the councillors of the Cowichan Tribes present at a meeting of the council duly convened;

(b) shall not come into force before it is approved by the Minister and an agreement has been entered into under subsection 46(1);

(c) shall provide that the rate of tax on the sale of tobacco products is the rate at which tax is imposed under subsection 165(1) of the *Excise Tax Act*, as amended from time to time;

(d) may be made with respect to any matter arising out of or ancillary to the exercise of powers under this section; and

(e) is not subject to the *Statutory Instruments Act*.

(2) A copy of a by-law made by the council under this Part, if it is certified to be a true copy by the Minister or a person authorized by the Minister, is evidence that the by-law was duly made by the council and approved by the Minister, without proof of

the signature or the authorization of the person, and no such by-law is invalid by reason of any defect in form.

(3) The council shall, on demand, provide a copy of any by-law made under this Part and shall publish every such by-law in a newspaper having general circulation in the place where the tax applies as well as in the *First Nations Gazette*, but no by-law shall be invalid by reason of a failure to make such publication.

46. (1) Where the council has made a by-law imposing a tax under this Part, the Minister, with the approval of the Governor in Council, may on behalf of the Government of Canada enter into an agreement with the council pursuant to which the Government of Canada will collect the tax on behalf of the Cowichan Tribes and will make payments to the council in respect of the tax so collected in accordance with the terms and conditions of the agreement.

(2) Where an agreement has been entered into, the Minister may make advance payments to the council out of the Consolidated Revenue Fund on account of any amount that may become payable to the Cowichan Tribes pursuant to the agreement.

(3) Where an agreement has been entered into,

(a) Part IX of the *Excise Tax Act* (except paragraph 240(1)(a) of that Act) applies for the purposes of a by-law made under subsection 44(1) as if the tax were imposed under subsection 165(1) of that Act;

(b) where a person does anything to satisfy a requirement of the by-law that would satisfy a corresponding requirement of Part IX of the *Excise Tax Act* if the tax imposed under the by-law were imposed under subsection 165(1) of that Act, the requirement of the by-law is deemed to have been satisfied;

(c) for greater certainty, every person who is a registrant for the purposes of Part IX of the *Excise Tax Act* is a registrant for the purposes of the by-law; and

(d) any proceeding that could be taken under any other Act of Parliament in respect of the tax imposed under subsection 165(1) of the *Excise Tax Act* may be taken in respect of the tax imposed under the by-law.

47. No tax is payable under subsection 165(1) of the *Excise Tax Act* with respect to a supply in respect of which a tax referred to in subsection 44(1) is payable.

48. (1) No person shall provide access to information obtained in the administration of this Part or any by-law made under this Part that may directly or indirectly identify a person except

(a) for the purposes of administering or enforcing this Part or Part IX of the *Excise Tax Act* or a by-law made under this Part;

(b) for any purpose for which taxpayer information may be provided under Part IX of the *Excise Tax Act*;

(c) for the purposes of any legal proceedings;

(d) to the person to whom the information relates;

(e) to the council and any officer of the tax administration of the Cowichan Tribes who is authorized by the council, for the purposes of formulating or implementing the fiscal policy of the Cowichan Tribes;

(f) to an official of the Department of Finance for the purposes of formulating or implementing fiscal policy; and

(g) to any person legally entitled to it under any Act of Parliament or of the legislature of a province, solely for the purposes for which that person is entitled to it.

(2) Every person to whom information has been provided for a particular purpose under subsection (1) and who for any other purpose knowingly uses, provides to any person, allows the provision to any person of, or allows any person access to, that information is guilty of an offence and liable on summary conviction to a fine of not more than \$5,000 or to imprisonment for a term of not more than twelve months, or to both.

49. Every person who contravenes this Part, except subsection 48(1), or a by-law made under this Part is guilty of an offence and liable on summary conviction to a fine of not more than \$25,000 or to imprisonment for a term of not more than twelve months, or to both.

50. [Amendment]

PART IV

WESTBANK FIRST NATION TAX ON ALCOHOL AND TOBACCO

51. The definitions in this section apply in this Part.

"alcoholic beverage" means

(a) beer, within the meaning assigned by section B.02.130 of the *Food and Drug Regulations*, containing more than .05% alcohol by volume;

(b) ale, stout, porter or malt liquor, within the meaning assigned by section B.02.131 of the *Food and Drug Regulations*, containing more than .05% alcohol by volume;

(c) wine, within the meaning assigned by section 25 of the *Excise Tax Act*, containing more than 1% alcohol by volume;

(d) any beverage containing more than 1% alcohol by volume, that is obtained from the distillation of grains, fruit or other agricultural products or from the distillation of beer or wine; and

(e) any other beverage that contains a combination of any beverage referred to in paragraphs (a) to (d) that is suitable for human consumption and that contains more than 1% alcohol by volume.

"council", in relation to the Westbank First Nation, has the same meaning as the expression "council of the band" in subsection 2(1) of the *Indian Act*.

"direct" has the same meaning, for the purpose of distinguishing between a direct and an indirect tax, as in class 2 of section 92 of the *Constitution Act, 1867*.

"Minister" means the Minister of Finance.

"reserve" means the reserves, within the meaning of subsection 2(1) of the *Indian Act*, set apart by Her Majesty for the use and benefit of the Westbank First Nation.

"sale" has the meaning assigned by subsection 123(1) of the *Excise Tax Act*.

"tobacco product" means

(a) every article made by a tobacco manufacturer from raw leaf tobacco, within the meaning assigned to those expressions by section 6 of the *Excise Act*, by any process whatever, and includes cigarettes and tobacco sticks, as defined in that section, and snuff;

(b) the leaves and stems of the tobacco plant if they have been processed further than drying and sorting; and

(c) cigars, as defined in that section.

"Westbank First Nation" means the Westbank Band of Indians referred to in Order in Council P.C. 1973-3571.

52. (1) Notwithstanding section 87 of the *Indian Act*, the council may make a by-law imposing a direct tax in respect of the sale of alcoholic beverages or tobacco products on a reserve to be collected pursuant to an agreement entered into under subsection 54(1).

(2) For greater certainty, except with respect to a tax imposed by a by-law made under subsection (1), nothing in that subsection affects the application of section 87 of the *Indian Act*.

(3) Moneys raised pursuant to a tax referred to in subsection (1) are not Indian moneys within the meaning of subsection 2(1) of the *Indian Act*.

(4) For the purposes of this Part, an alcoholic beverage or a tobacco product is sold on a reserve if

(a) tax under section 165 of the *Excise Tax Act* is not payable in respect of the sale because of the connection of the sale with the reserve and the application of section 87 of the *Indian Act*; or

(b) tax under section 165 of the *Excise Tax Act* would not have been payable in respect of the sale because of the reasons set out in paragraph (a) if the purchaser had been a person eligible to benefit from an exemption from taxation under section 87 of the *Indian Act* and section 55 had not applied to the sale.

(5) Expenditures made out of moneys raised pursuant to a tax referred to in subsection (1) must be made under the authority of a resolution approved by a majority of the councillors of the Westbank First Nation present at a meeting of the council duly convened.

53. (1) A by-law made under subsection 52(1)

(a) shall be valid only if approved by a majority of the councillors of the Westbank First Nation present at a meeting of the council duly convened;

(b) shall not come into force before it is approved by the Minister and an agreement has been entered into under subsection 54(1);

(c) shall provide that the rate of tax on the sale of the alcoholic beverages and tobacco products that are subject to the tax is the rate at which tax is imposed under subsection 165(1) of the *Excise Tax Act*;

(d) may be made with respect to any matter arising out of or ancillary to the exercise of powers under this section; and

(e) is not subject to the *Statutory Instruments Act*.

(2) A copy of a by-law made by the council under this Part, if it is certified to be a true copy by the Minister or a person authorized by the Minister, is evidence that the by-law was duly made by the council and approved by the Minister, without proof of the signature or the authorization of the person, and no such by-law is invalid by reason of any defect in form.

(3) The council shall, on demand, provide a copy of any by-law made under this Part and shall publish every such by-law in a newspaper having general circulation in the place where the tax applies as well as in the *First Nations Gazette*, but no by-law shall be invalid by reason of a failure to make such publication.

54. (1) Where the council has made a by-law imposing a tax under this Part, the Minister, with the approval of the Governor in Council, may on behalf of the Government of Canada enter into an agreement with the council pursuant to which the Government of Canada will collect the tax on behalf of the Westbank First Nation and will make payments to the council in respect of the tax so collected in accordance with the terms and conditions of the agreement.

(2) Where an agreement has been entered into, the Minister may make advance payments to the council out of the Consolidated Revenue Fund on account of any amount that may become payable to the Westbank First Nation pursuant to the agreement.

(3) Where an agreement has been entered into,

(a) Part IX of the *Excise Tax Act* (except paragraph 240(1)(a) of that Act) applies for the purposes of a by-law made under subsection 52(1) as if the tax were imposed under subsection 165(1) of that Act;

(b) where a person does anything to satisfy a requirement of the by-law that would satisfy a corresponding requirement of Part IX of the *Excise Tax Act* if the tax imposed under the by-law were imposed under subsection 165(1) of that Act, the requirement of the by-law is deemed to have been satisfied;

(c) for greater certainty, every person who is a registrant for the purposes of Part IX of the *Excise Tax Act* is a registrant for the purposes of the by-law; and

(d) any proceeding that could be taken under any other Act of Parliament in respect of the tax imposed under subsection 165(1)

of the *Excise Tax Act* may be taken in respect of the tax imposed under the by-law.

55. No tax is payable under subsection 165(1) of the *Excise Tax Act* with respect to a supply in respect of which a tax referred to in subsection 52(1) is payable.

56. (1) No person shall provide access to information obtained in the administration of this Part or any by-law made under this Part that may directly or indirectly identify a person except

(a) for the purposes of administering or enforcing this Part or Part IX of the *Excise Tax Act* or a by-law made under this Part;

(b) for any purpose for which taxpayer information may be provided under Part IX of the *Excise Tax Act*;

(c) for the purposes of any legal proceedings;

(d) to the person to whom the information relates;

(e) to the council and any officer of the tax administration of the Westbank First Nation who is authorized by the council, for the purposes of formulating or implementing the fiscal policy of the Westbank First Nation;

(f) to an official of the Department of Finance for the purposes of formulating or implementing fiscal policy; and

(g) to any person legally entitled to it under any Act of Parliament or of the legislature of a province, solely for the purposes for which that person is entitled to it.

(2) Every person to whom information has been provided for a particular purpose under subsection (1) and who for any other purpose knowingly uses, provides to any person, allows the provision to any person of, or allows any person access to, that information is guilty of an offence and liable on summary conviction to a fine of not more than \$5,000 or to imprisonment for a term of not more than twelve months, or to both.

57. Every person who contravenes this Part, except subsection 56(1), or a by-law made under this Part is guilty of an offence and liable on summary conviction to a fine of not more than \$25,000 or to imprisonment for a term of not more than twelve months, or to both.

Budget Implementation Act, 1998

Clause 31: Part 4 reads as follows:

PART 4

CERTAIN FIRST NATIONS' SALES TAXES

DIVISION 1

KAMLOOPS INDIAN BAND TAX ON ALCOHOL, TOBACCO AND FUELS

58. The definitions in this section apply in this Division.

"alcoholic beverage" means

(a) beer, within the meaning assigned by section B.02.130 of the *Food and Drug Regulations*, containing more than .05% alcohol by volume;

(b) ale, stout, porter or malt liquor, within the meaning assigned by section B.02.131 of the *Food and Drug Regulations*, containing more than .05% alcohol by volume;

(c) wine, within the meaning assigned by section 25 of the *Excise Tax Act*, containing more than 1% alcohol by volume;

(d) any beverage containing more than 1% alcohol by volume, that is obtained from the distillation of grains, fruit or other agricultural products or from the distillation of beer or wine; and

(e) any other beverage that contains a combination of any beverage referred to in paragraphs (a) to (d) that is suitable for human consumption and that contains more than 1% alcohol by volume.

"council" in relation to the Kamloops Indian Band, has the same meaning as the expression "council of the band" in subsection 2(1) of the *Indian Act*.

"direct" has the same meaning, for the purpose of distinguishing between a direct and an indirect tax, as in class 2 of section 92 of the *Constitution Act, 1867*.

"fuel" means

(a) diesel fuel, including any fuel oil that is suitable for use in internal combustion engines of the compression-ignition type, other than such fuel oil that is intended for use and is actually used as heating oil;

(b) gasoline type fuels for use in internal combustion engines; and

(c) propane gas.

"Kamloops Indian Band" means the Kamloops Band of Indians referred to in Order in Council P.C. 1973-3571.

"Minister" means the Minister of Finance.

"reserve" means the reserves, within the meaning of subsection 2(1) of the *Indian Act*, set apart by Her Majesty for the use and benefit of the Kamloops Indian Band.

"sale" has the meaning assigned by subsection 123(1) of the *Excise Tax Act*.

"tobacco product" means

(a) every article made by a tobacco manufacturer from raw leaf tobacco, within the meaning assigned to those expressions by section 6 of the *Excise Act*, by any process whatever, and includes cigarettes and tobacco sticks, as defined in that section, and snuff;

(b) the leaves and stems of the tobacco plant if they have been processed further than drying and sorting; and

(c) cigars, within the meaning assigned by section 6 of the *Excise Act*.

59. (1) Notwithstanding section 87 of the *Indian Act*, the council may make a by-law imposing a direct tax in respect of the sale of alcoholic beverages, fuel or tobacco products on a reserve to be collected pursuant to an administration agreement entered into under subsection 60(1).

(2) For greater certainty, except with respect to a tax imposed by a by-law made under subsection (1), nothing in that subsection affects the application of section 87 of the *Indian Act*.

(3) Moneys raised pursuant to a tax referred to in subsection (1) are not Indian moneys within the meaning of subsection 2(1) of the *Indian Act*.

(4) For the purposes of this Division, an alcoholic beverage, fuel or a tobacco product is sold on a reserve if

(a) tax under section 165 of the *Excise Tax Act* is not payable in respect of the sale because of the connection of the sale with the reserve and the application of section 87 of the *Indian Act*;

(b) tax under section 165 of the *Excise Tax Act* would not have been payable in respect of the sale because of the reasons set

out in paragraph (a) if the purchaser had been a person eligible to benefit from an exemption from taxation under section 87 of the *Indian Act* and section 61 had not applied to the sale.

(5) Expenditures made out of moneys raised pursuant to a tax referred to in subsection (1) must be made under the authority of a resolution approved by a majority of the councillors of the Kamloops Indian Band present at a meeting of the council duly convened.

(6) A by-law made under subsection (1)

(a) shall be valid only if approved by a majority of the councillors of the Kamloops Indian Band present at a meeting of the council duly convened;

(b) shall not come into force before it is approved by the Minister and an administration agreement has been entered into under subsection 60(1);

(c) shall provide that the rate of tax on the sale of the alcoholic beverages, tobacco products and fuels that are subject to the tax is the rate at which tax is imposed under subsection 165(1) of the *Excise Tax Act*;

(d) may be made with respect to any matter arising out of or ancillary to the exercise of powers under this subsection; and

(e) is not subject to the *Statutory Instruments Act*.

(7) A copy of a by-law made by the council under this Division, if it is certified to be a true copy by the Minister or a person authorized by the Minister, is evidence that the by-law was duly made by the council and approved by the Minister, without proof of the signature or the authorization of the person, and no such by-law is invalid by reason of any defect in form.

(8) The council shall, on demand, provide a copy of any by-law made under this Division and shall publish a copy of every such by-law in a newspaper having general circulation in the place where the tax applies as well as in the *First Nations Gazette*, but no by-law shall be invalid by reason of a failure to make such publication.

60. (1) Where the council has made a by-law imposing a tax under this Division, the council may enter into an administration agreement within the meaning of subsection 2(1) of the *Federal-Provincial Fiscal Arrangements Act* with respect to the by-law.

(2) Where an administration agreement has been entered into,

(a) Part IX of the *Excise Tax Act* (except paragraph 240(1)(a) of that Act) applies for the purposes of a by-law made under subsection 59(1) as if the tax were imposed under subsection 165(1) of that Act;

(b) where a person does anything to satisfy a requirement of the by-law that would satisfy a corresponding requirement of Part IX of the *Excise Tax Act* if the tax imposed under the by-law were imposed under subsection 165(1) of that Act, the requirement of the by-law is deemed to have been satisfied;

(c) for greater certainty, every person who is a registrant for the purposes of Part IX of the *Excise Tax Act* is a registrant for the purposes of the by-law; and

(d) any proceeding that could be taken under any other Act of Parliament in respect of the tax imposed under subsection 165(1) of the *Excise Tax Act* may be taken in respect of the tax imposed under the by-law.

61. No tax is payable under subsection 165(1) of the *Excise Tax Act* with respect to a supply in respect of which a tax referred to in subsection 59(1) is payable.

62. (1) No person shall provide access to information obtained in the administration of this Division or any by-law made under this Division that may directly or indirectly identify a person except

(a) for the purpose of administering or enforcing this Division or Part IX of the *Excise Tax Act* or a by-law made under this Division;

(b) for any purpose for which taxpayer information may be provided under Part IX of the *Excise Tax Act*;

(c) for the purposes of any legal proceedings;

(d) to the person to whom the information relates;

(e) to the council and any officer of the tax administration of the Kamloops Indian Band who is authorized by the council, for the purposes of formulating or implementing fiscal policy of the Kamloops Indian Band;

(f) to an official of the Department of Finance for the purposes of formulating or implementing fiscal policy; and

(g) to any person legally entitled to it under any Act of Parliament or of the legislature of a province, solely for the purposes for which that person is entitled to it.

(2) Every person to whom information has been provided for a particular purpose under subsection (1) and who for any other purpose knowingly uses, provides to any person, allows the provision to any person of, or allows any person access to, that information is guilty of an offence and liable on summary conviction to a fine of not more than \$5,000 or to imprisonment for a term of not more than twelve months, or to both.

(3) Every person who contravenes this Division, except subsection (1), or a by-law made under this Division is guilty of an offence and liable on summary conviction to a fine of not more than \$25,000 or to imprisonment for a term of not more than twelve months, or to both.

DIVISION 2

BUDGET IMPLEMENTATION ACT, 1997

63. to 71. [Amendments]

Budget Implementation Act, 1999

Clause 32: Division 1 of Part 5 reads as follows:

DIVISION 1

SLIAMMON FIRST NATION TAX ON TOBACCO AND FUELS

25. The definitions in this section apply in this Division.

"council", in relation to the Sliammon First Nation, has the same meaning as the expression "council of the band" in subsection 2(1) of the *Indian Act*.

"direct" has the same meaning, for the purpose of distinguishing between a direct and an indirect tax, as in class 2 of section 92 of the *Constitution Act, 1867*.

"fuel" means

(a) diesel fuel, including any fuel oil that is suitable for use in internal combustion engines of the compression-ignition type, other than such fuel oil that is intended for use and is actually used as heating oil;

(b) gasoline type fuels for use in internal combustion engines;
and

(c) propane gas.

"Minister" means the Minister of Finance.

"reserve" means the reserves, within the meaning of subsection 2(1) of the *Indian Act*, set apart by Her Majesty for the use and benefit of the Sliammon First Nation.

"sale" has the meaning assigned by subsection 123(1) of the *Excise Tax Act*.

"Sliammon First Nation" means the Sliammon Band of Indians referred to in Order in Council P.C. 1973-3571.

"tobacco product" means

(a) every article made by a tobacco manufacturer from raw leaf tobacco, within the meaning assigned to those expressions by section 6 of the *Excise Act*, by any process whatever, and includes cigarettes and tobacco sticks, as defined in that section, and snuff;

(b) the leaves and stems of the tobacco plant if they have been processed further than drying and sorting; and

(c) cigars, within the meaning assigned by section 6 of the *Excise Act*.

26. (1) Notwithstanding section 87 of the *Indian Act*, the council may make a by-law imposing a direct tax in respect of the sale of tobacco products or fuel on a reserve to be collected under an administration agreement entered into under subsection 31(1).

(2) For greater certainty, except with respect to a tax imposed by a by-law made under subsection (1), nothing in that subsection affects the application of section 87 of the *Indian Act*.

(3) Moneys raised pursuant to a tax referred to in subsection (1) are not Indian moneys within the meaning of subsection 2(1) of the *Indian Act*.

(4) For the purposes of this Division, a tobacco product or fuel is sold on a reserve if

(a) tax under section 165 of the *Excise Tax Act* is not payable in respect of the sale because of the connection of the sale with the reserve and the application of section 87 of the *Indian Act*; or

(b) tax under section 165 of the *Excise Tax Act* would not have been payable in respect of the sale because of the reasons set out in paragraph (a) if the purchaser had been a person eligible to benefit from an exemption from taxation under section 87 of the *Indian Act* and section 32 had not applied to the sale.

(5) Expenditures made out of moneys raised under a tax referred to in subsection (1) must be made under the authority of a resolution approved by a majority of the councillors of the Sliammon First Nation present at a meeting of the council duly convened.

(6) A by-law made under subsection (1)

(a) is valid only if approved by a majority of the councillors of the Sliammon First Nation present at a meeting of the council duly convened;

(b) may not come into force before it is approved by the Minister and an administration agreement has been entered into under subsection 31(1);

(c) must provide that the rate of tax on the sale of the tobacco products and fuels that are subject to the tax is the rate at which tax is imposed under subsection 165(1) of the *Excise Tax Act*;

(d) may be made with respect to any matter arising out of or ancillary to the exercise of powers under this section; and

(e) is not subject to the *Statutory Instruments Act*.

(7) A copy of a by-law made by the council under this Division, if it is certified to be a true copy by the Minister or a person authorized by the Minister, is evidence that the by-law was duly made by the council and approved by the Minister, without proof of the signature or the authorization of the person, and no such by-law is invalid by reason of any defect in form.

(8) The council must, on demand, provide a copy of any by-law made under this Division and must publish a copy of every such by-law in the *First Nations Gazette* and in a newspaper having general circulation in the place where the tax applies. However, if the council fails to so publish it, the by-law is, notwithstanding the failure, valid.

27. (1) If the council has made a by-law imposing a tax under this Division, the council may enter into an administration agreement, within the meaning of subsection 2(1) of the *Federal-Provincial Fiscal Arrangements Act*, with respect to the by-law.

(2) If an administration agreement has been entered into,

(a) Part IX of the *Excise Tax Act* (except paragraph 240(1)(a) of that Act) applies for the purposes of a by-law made under subsection 30(1) as if the tax were imposed under subsection 165(1) of that Act;

(b) anything done to satisfy a requirement of the by-law that would satisfy a corresponding requirement of Part IX of the *Excise Tax Act* if the tax imposed under the by-law were imposed under subsection 165(1) of that Act, satisfies the requirement of the by-law;

(c) for greater certainty, every person who is a registrant for the purposes of Part IX of the *Excise Tax Act* is a registrant for the purposes of the by-law; and

(d) any proceeding that could be taken under any other Act of Parliament in respect of the tax imposed under subsection 165(1) of the *Excise Tax Act* may be taken in respect of the tax imposed under the by-law.

28. No tax is payable under subsection 165(1) of the *Excise Tax Act* with respect to a supply in respect of which a tax referred to in subsection 30(1) is payable.

29. (1) No person shall provide access to information obtained in the administration of this Division or any by-law made under this Division that may directly or indirectly identify a person except

(a) for the purpose of administering or enforcing this Division, Part IX of the *Excise Tax Act* or a by-law made under this Division;

(b) for any purpose for which taxpayer information may be provided under Part IX of the *Excise Tax Act*;

(c) for the purposes of any legal proceedings;

(d) to the person to whom the information relates;

(e) to the council or any officer of the tax administration of the Sliammon First Nation who is authorized by the council, for the purposes of formulating or implementing fiscal policy of the Sliammon First Nation;

(f) to an official of the Department of Finance for the purposes of formulating or implementing fiscal policy; and

(g) to any person legally entitled to it under any Act of Parliament or of the legislature of a province, solely for the purposes for which that person is entitled to it.

(2) Every person to whom information has been provided for a particular purpose under subsection (1) and who for any other purpose knowingly uses, provides to any person, allows the provision to any person of, or allows any person access to, that information is guilty of an offence and liable on summary

conviction to a fine of not more than \$5,000 or to imprisonment for a term of not more than 12 months, or to both.

30. Every person who contravenes this Division, except subsection 33(1), or a by-law made under this Division is guilty of an offence and liable on summary conviction to a fine of not more than \$25,000 or to imprisonment for a term of not more than 12 months, or to both.

Excise Tax Act

Clause 33: New. The relevant portion of subsection 295(5) reads as follows:

(5) An official may

...

(d) provide confidential information

Excise Tax Act

Clause 35: The relevant portion of subsection 245(2) reads as follows:

(2) Subject to subsection 248(3) and sections 251 and 265 to 267, the reporting period of a registrant at a particular time in a fiscal year of the registrant is

Clause 36: New.

Income Tax Act

Clause 37: (1) The amendment would replace "(A/B) - 1.03" with "(A/B) - 1".

(2) New.

(3) The relevant portion of subsection 117.1(4) reads as follows:

(4) In this section, the Consumer Price Index for any 12 month period is the result arrived at by

(a) aggregating the Consumer Price Index, as published by Statistics Canada under the authority of the *Statistics Act*, adjusted in such manner as may be prescribed, for each month in that period;

Clause 38: (1) The amendment would replace "\$6,456" with "\$6,546".

(2) The amendment would replace "\$25,921" with "\$26,284".

(3) New.

Clause 39: (1) The relevant portion of the description of B in subsection 122.51(2) reads as follows:

B is 5% of the amount, if any, by which

...

exceeds

(b) \$16,069.

Clause 40: (1) The amendment would replace "\$1,020" with "\$1,090".

(2) The description of B in subsection 122.61(1) reads as follows:

B is 5% (or where the person is an eligible individual in respect of only one qualified dependant at the beginning of the month, 2.5%) of the amount, if any, by which the person's adjusted income for the year exceeds \$29,590; and

(3) The amendment would replace "\$955" with "\$1,155", "\$955" with "\$1,155", "\$755" with "\$955" and "\$680" with "\$880".

(4) The descriptions of G and H in subsection 122.61(1) read as follows:

G is the amount, if any, by which the person's adjusted income for the year exceeds \$20,921, and

H is, where the person is an eligible individual in respect of

(a) only one qualified dependant, 11.0%,

(b) two qualified dependants, 19.7%, and

(c) three or more qualified dependants, 27.6%.

(5) The amendment would replace "1996" with "1998".

(6) The amendment would replace "(A/B) - 1.03" with "(A/B) - 1".

(7) The description of A in subparagraph 122.61(5)(b)(ii) reads as follows:

A is the Consumer Price Index (within the meaning assigned by subsection 117.1(4)) for the 12 month period that ended on March 31 in the calendar year following the base taxation year, and

(8) New.

Clause 41: (1) The amendment would replace "20%" with "30%".

Canada Labour Code

Clause 42: Section 206.2 is new. Section 206.1 reads as follows:

206.1 (1) Every employee who has completed six consecutive months of continuous employment with an employer is entitled to and shall be granted a leave of absence from employment as follows:

(a) subject to subsection (2), where an employee has or will have the actual care and custody of a new-born child, the employee is entitled to and shall be granted a leave of absence from employment of up to twenty-four weeks in the fifty-two week period beginning on the day on which the child is born or the day on which the child comes into the employee's care; and

(b) subject to subsection (2), where an employee commences legal proceedings under the laws of a province to adopt a child or obtains an order under the laws of a province for the adoption of a child, the employee is entitled to and shall be granted a leave of absence from employment of up to twenty-four weeks in the fifty-two week period beginning on the day on which the child comes into the employee's care.

(2) The aggregate amount of leave of absence from employment that may be taken by two employees under this section in respect of the birth or adoption of any one child shall not exceed twenty-four weeks.

Canada Pension Plan

Clause 45: New.

Special Import Measures Act

Clause 47: New.

SHORT TITLE

Short title

1. This Act may be cited as the *Budget Implementation Act, 2000*.

PART 1

EMPLOYMENT INSURANCE

1996, c. 23

Employment Insurance Act

General Amendments

2. The definitions "major attachment claimant" and "minor attachment claimant" in subsection 6(1) of the *Employment Insurance Act* are replaced by the following:

"major
attachment
claimant"
« *prestataire
de la première
catégorie* »

"major attachment claimant" means a claimant who qualifies to receive benefits and has 600 or more hours of insurable employment in their qualifying period;

"minor
attachment
claimant"
« *prestataire
de la deuxième
catégorie* »

"minor attachment claimant" means a claimant who qualifies to receive benefits and has fewer than 600 hours of insurable employment in their qualifying period;

3. (1) The portion of subsection 12(3) of the Act before paragraph (a) is replaced by the following:

Maximum –
special
benefits

(3) The maximum number of weeks for which benefits may be paid in a benefit period

(2) Paragraph 12(3)(b) of the Act is replaced by the following:

(b) because the claimant is caring for one or more new-born children of the claimant or one or more children placed with the claimant for the purpose of adoption is 35; and

(3) Subsections 12(4) to (7) of the Act are replaced by the following:

Maximum –
special
benefits

(4) The maximum number of weeks for which benefits may be paid

(a) for a single pregnancy is 15; and

(b) for the care of one or more new-born or adopted children as a result of a single pregnancy or placement is 35.

Combined weeks
of benefits

(5) In a claimant's benefit period, the claimant may combine weeks of benefits to which the claimant is entitled because of a reason mentioned in subsection (3), but the maximum number of combined weeks is 50.

Combined weeks
of benefits

(6) In a claimant's benefit period, the claimant may, subject to the applicable maximums, combine weeks of benefits to which the claimant is entitled because of a reason mentioned in subsections (2) and (3), but the total number of weeks of benefits shall not exceed 50.

4. (1) Subsection 23(3) of the Act is repealed.

(2) Section 23 of the Act is amended by adding the following after subsection (4):

Deferral of
waiting period

(5) A major attachment claimant who makes a claim for benefits under this section may have his or her waiting period deferred

until he or she makes another claim for benefits in the same benefit period, otherwise than under section 22 or this section, if

(a) the claimant has already made a claim for benefits under section 22 or this section in respect of the same child and has served the waiting period;

(b) another major attachment claimant has made a claim for benefits under section 22 or this section in respect of the same child and that other claimant has served or is serving his or her waiting period;

(c) another major attachment claimant is making a claim for benefits under section 22 or this section in respect of the same child at the same time as the claimant and that other claimant elects to serve the waiting period; or

(d) the claimant or another major attachment claimant meets the prescribed requirements.

5. The title of Part VIII.1 of the Act is replaced by the following:

ALTERNATE ACCESS TO SPECIAL BENEFITS

6. (1) The portion of subsection 153.1(1) of the Act before paragraph (a) is replaced by the following:

Regulations

153.1 (1) Despite anything in this Act, the Commission shall, with the approval of the Governor in Council, make any regulations it considers necessary respecting the establishment and operation of a scheme to ensure that special benefits are provided to insured persons who have at least 600 hours of insurable employment in their qualifying period but who do not qualify to receive benefits under section 7, including regulations

(2) Subsection 153.1(3) of the Act is replaced by the following:

Limitation

(3) The scheme established by the regulations may not provide special benefits to persons who are subject to an increase under section 7.1 in the number of hours of insurable employment required to qualify for benefits.

Interim Provisions

Births and
adoptions
before December
31, 2000

7. With respect to a claimant to whom a child is born or in whose care a child is placed for adoption before December 31, 2000,

(a) the following provisions of the Act, as they read immediately before the coming into force of sections 2, 3, 5 and 6 of this Act, apply:

(i) the definitions "major attachment claimant" and "minor attachment claimant" in subsection 6(1),

(ii) the portion of subsection 12(3) before paragraph (a),

(iii) paragraph 12(3)(b),

(iv) subsections 12(4) to (6),

(v) the title of Part VIII.1,

(vi) the portion of subsection 153.1(1) before paragraph (a),
and

(vii) subsection 153.1(3); and

(b) subsection 12(7) of the Act, as it read immediately before the coming into force of subsection 3(3), is replaced by the following:

Extension of
maximum

(7) The maximum number of 10 weeks specified in paragraphs (3)(b) and (4)(b) is extended to 15 weeks if a medical practitioner or the agency that placed the child certifies that the child suffers from a physical, psychological or emotional condition that requires an additional period of parental care.

Section 21

8. For the purposes of section 21 of the Act, the amendments in section 2 and subsection 3(3) do not apply to a claimant who, before December 31, 2000, becomes unable to work because of illness, injury or quarantine.

Section 23

9. For the purposes of section 23 of the Act, the amendments in section 4 do not apply to a claimant

(a) to whom a child is born or in whose care a child is placed for adoption before December 31, 2000; or

(b) who, before December 31, 2000, meets the requirements set out in the regulations made under paragraph 54(f.1) of the Act, as enacted by section 109 of Bill C-23, introduced in the 2nd Session of the 36th Parliament and entitled the *Modernization of Benefits and Obligations Act*, if that Act receives royal assent.

Conditional Amendment

Bill C-23

10. If Bill C-23, introduced in the 2nd Session of the 36th Parliament and entitled the *Modernization of Benefits and Obligations Act* (the "other Act"), receives royal assent, then on the later of the coming into force of section 107 of the other Act and the coming into force of section 4 of this Act, subsection 23(5) of the *Employment Insurance Act* is replaced by the following:

Interpretation

(5) Subsections 12(3) to (8) and subparagraph 58(1)(b)(ii) shall be read as including the situation where a claimant is caring for one or more children and meets the requirements set out in the regulations made under paragraph 54(f.1).

Deferral of waiting period

(6) A major attachment claimant who makes a claim for benefits under this section may have his or her waiting period deferred until he or she makes another claim for benefits in the same benefit period, otherwise than under section 22 or this section, if

(a) the claimant has already made a claim for benefits under section 22 or this section in respect of the same child and has served the waiting period;

(b) another major attachment claimant has made a claim for benefits under section 22 or this section in respect of the same child and that other claimant has served or is serving his or her waiting period;

(c) another major attachment claimant is making a claim for benefits under section 22 or this section in respect of the same

child at the same time as the claimant and that other claimant elects to serve the waiting period; or

(d) the claimant or another major attachment claimant meets the prescribed requirements.

Coming into Force

December 31,
2000

11. Sections 2 to 6 come into force on December 31, 2000.

PART 2

CANADA HEALTH AND SOCIAL TRANSFER

R.S., c. F-8;
1995, c. 17,
s. 45(1)

Federal-Provincial Fiscal Arrangements Act

1999, c. 26,
s. 3(1)

12. The portion of subsection 13(1) of the *Federal-Provincial Fiscal Arrangements Act* before paragraph (a) is replaced by the following:

Transfers
established
under
paragraphs
14(a), (b) and
(e)

13. (1) Subject to this Part, a Canada Health and Social Transfer established under paragraphs 14(a), (b) and (e) is to be provided to the provinces for the purposes of

13. Section 14 of the Act is amended by striking out the word "and" at the end of paragraph (c), by adding the word "and" at the end of paragraph (d) and by adding the following after paragraph (d):

(e) a cash contribution of \$2.5 billion for the fiscal year beginning on April 1, 1999, to be paid to the trust referred to in section 16.2.

14. Section 15 of the Act is amended by adding the following after subsection (4):

Provincial
share of cash
contribution
established
under paragraph
14(e)

(5) The cash contribution established under paragraph 14(e) that may be provided to a province shall be determined in accordance with the terms of the trust indenture establishing the trust referred to in section 16.2.

15. The Act is amended by adding the following after section 16.1:

Payments to
trust

16.2 The Minister may make direct payments, in an aggregate amount not exceeding \$2.5 billion, to a trust established to provide funding for the purposes referred to in subsection 13(1).

Coming into
force

16. Sections 12 to 15 are deemed to have come into force on April 1, 2000.

PART 3

FINANCIAL ASSISTANCE TO STUDENTS

1994, c. 28

Canada Student Financial Assistance Act

17. The *Canada Student Financial Assistance Act* is amended by adding the following after section 6:

GOVERNMENT FINANCING OF STUDENT LOANS

Agreements with
qualifying
students

6.1 (1) Subject to subsection (2), the Minister, or any person authorized by order of the Minister to act on the Minister's behalf, may enter into an agreement with any qualifying student for the purpose of making a student loan.

Terms and
conditions to
be approved by
Governor in
Council

(2) The agreement shall be subject to terms and conditions approved by the Governor in Council, on the recommendation of the Minister with the concurrence of the Minister of Finance.

Agreement with
service
provider

6.2 (1) The Minister may enter into an agreement with any corporation incorporated under the laws of Canada or a province and carrying on business in Canada (a "service provider"), respecting the administration of student loans made, or other forms of financial assistance provided, by the Minister. An agreement may provide for, but is not limited to, the following matters:

(a) disbursing student loans or other forms of financial assistance on behalf of the Minister;

(b) audits and adjustments in respect of payments made by the Minister under the agreement;

(c) the manner of calculating the interest payable by the Minister to the service provider, including the amount on which interest is to be calculated and the rate of interest or the manner of determining the rate of interest;

(d) the procedures to be followed by the service provider in making, collecting or otherwise dealing with a student loan and other forms of financial assistance;

(e) the making of reports to the Minister respecting student loans and other forms of financial assistance;

(f) the terms and conditions respecting the obligations of the Minister and the service provider under the agreement; and

(g) the payment of compensation by the Minister to the service provider for the administration of student loans and other forms of financial assistance.

Privacy Act

(2) The *Privacy Act* applies to a service provider with respect to its activities under this Act as if it were a government institution.

Agreement with
financial
institutions

6.3 Despite subsection 41(1) of the *Financial Administration Act*, the Minister may enter into an agreement with any financial institution, as defined in the regulations, with respect to the disbursement of student loans.

18. Section 13 of the Act is replaced by the following:

Maximum amount

13. Despite anything in this Act or any agreement entered into under section 5 or 6.1, the aggregate amount of outstanding student loans may not exceed fifteen billion dollars, except as otherwise provided by an appropriation Act or other Act of Parliament.

19. (1) Subparagraph (a)(i) of the definition "net costs" in subsection 14(6) of the Act is replaced by the following:

(i) to lenders, service providers or financial institutions under this Act, the regulations or an agreement entered into under section 5, 6.2 or 6.3, to lenders under the *Canada Student Loans Act* or the regulations made under that Act, and to collection agencies, in respect of student loans or guaranteed student loans made pursuant to certificates of eligibility issued or caused to be issued in any loan year by the appropriate authority for that province, and

(2) Subparagraph (a)(i) of the definition "total program net costs" in subsection 14(6) of the Act is replaced by the following:

(i) to lenders, service providers or financial institutions under this Act, the regulations or an agreement entered into under section 5, 6.2 or 6.3, to lenders under the *Canada Student Loans Act* or the regulations made under that Act, and to collection agencies, in respect of student loans or guaranteed student loans made pursuant to certificates of eligibility issued or caused to be issued in any loan year by the appropriate authorities for participating provinces, and

20. Section 15 of the Act is amended by adding the following after paragraph (e):

(e.1) defining the term "financial institutions" for the purposes of section 6.3 and providing for the circumstances under which financial institutions may disburse student loans to qualifying students;

21. Section 19 of the Act is replaced by the following:

Payment out of
C.R.F.

19. Any amount payable by the Minister under this Act, the regulations or an agreement or arrangement entered into under this Act, including any student loans to be advanced by the Minister, shall be paid out of the Consolidated Revenue Fund.

Coming into
force

22. The provisions of this Part, except this section, come into force on a day or days to be fixed by order of the Governor in Council.

PART 4

FIRST NATIONS' SALES TAX

General Provisions

Definitions

23. (1) The definitions in this subsection apply in this Part.

"alcohol"
« *alcool* »

"alcohol" means ethyl alcohol.

"alcoholic
beverage"
« *boisson
alcoolisée* »

"alcoholic beverage" means

(a) beer, within the meaning assigned by section B.02.130 of the *Food and Drug Regulations*, that contains more than 0.5% alcohol by volume;

(b) ale, stout, porter or malt liquor, within the meaning assigned by section B.02.131 of the *Food and Drug Regulations*, that contains more than 0.5% alcohol by volume;

(c) wine, within the meaning assigned by section 25 of the *Excise Tax Act*, that contains more than 0.5% alcohol by volume;

(d) any beverage that contains more than 0.5% alcohol by volume, that is obtained from the distillation of grains, fruits or other agricultural products or from the distillation of beer or wine; and

(e) any other beverage that contains a combination of any beverage referred to in paragraphs (a) to (d) that is suitable for human consumption and that contains more than 0.5% alcohol by volume.

"council of a band"
« *conseil* »

"council of a band" has the same meaning as the expression "council of the band" in subsection 2(1) of the *Indian Act*.

"direct"
« *directe* »

"direct" has the same meaning, for the purpose of distinguishing between a direct and an indirect tax, as in class 2 of section 92 of the *Constitution Act, 1867*.

"fuel"
« *carburant* »

"fuel" means

(a) diesel fuel, including any fuel oil that is suitable for use in internal combustion engines of the compression-ignition type, other than fuel oil that is intended for use and is actually used as heating oil;

(b) gasoline type fuels for use in internal combustion engines; and

(c) propane gas.

"Minister"
« *ministre* »

"Minister" means the Minister of Finance.

"tobacco
product"
« *produit du
tabac* »

"tobacco product" means

(a) every article made by a tobacco manufacturer from raw leaf tobacco, within the meaning assigned to those expressions by section 6 of the *Excise Act*, by any process whatever, and includes cigarettes and tobacco sticks, as defined in that section, and snuff;

(b) the leaves and stems of the tobacco plant if they have been processed further than drying and sorting; and

(c) cigars, within the meaning assigned by section 6 of the *Excise Act*.

Expressions
defined in
other Acts

(2) In this Part,

(a) the expressions "band" and "reserve" have the meanings assigned by subsection 2(1) of the *Indian Act*; and

(b) the expressions "supply" and "taxable supply" have the meanings assigned by subsection 123(1) of the *Excise Tax Act*.

Tax on specific
supplies

24. (1) Despite section 87 of the *Indian Act*, the council of a band listed in the schedule may make a by-law imposing a direct tax in respect of taxable supplies of alcoholic beverages, fuel or tobacco products made on the reserves of the band at the rates at which tax is imposed under subsections 165(1) and (3) of the *Excise Tax Act* in respect of those supplies.

Collection of
tax

(2) A direct tax imposed under a by-law made under subsection (1) shall be collected pursuant to an administration agreement entered into under subsection 26(1).

Supply on a
reserve

(3) For the purposes of subsection (1), a supply is made on a reserve only if

(a) tax under section 165 of the *Excise Tax Act* is not payable in respect of the supply because of the connection of the supply with the reserve and the application of section 87 of the *Indian Act*; or

(b) tax under section 165 of the *Excise Tax Act* would not be payable in respect of the supply for the reasons set out in paragraph (a) if the recipient of the supply were eligible for exemption from taxation under section 87 of the *Indian Act*.

Application of
section 87 of
the *Indian Act*

25. (1) For greater certainty, except in respect of a tax imposed by a by-law made under subsection 24(1), nothing in that subsection affects the application of section 87 of the *Indian Act*.

Indian moneys

(2) Moneys raised pursuant to a direct tax imposed under subsection 24(1) are not Indian moneys within the meaning of subsection 2(1) of the *Indian Act*.

Expenditures

(3) Expenditures made out of moneys raised pursuant to a tax imposed under a by-law made under subsection 24(1) must be made under the authority of a resolution approved by a majority of councillors present at a meeting of the council of a band that is duly convened.

By-law

(4) A by-law made under subsection 24(1)

(a) is valid only if approved by a majority of councillors present at a meeting of the council of a band that is duly convened;

(b) does not come into force before it has been received by the Minister and an administration agreement has been entered into under subsection 26(1);

(c) shall provide that the rates of tax under the by-law are those at which tax is imposed under subsections 165(1) and (3) of the *Excise Tax Act*;

(d) may be made in respect of any matter arising out of or ancillary to the exercise of powers under this subsection; and

(e) is not subject to the *Statutory Instruments Act*.

Proof of by-law

(5) A copy of a by-law made under this Part, if it is certified to be a true copy by the Minister or a person authorized by the Minister, is evidence that the by-law was duly made by the council of a band and received by the Minister, without proof of the signature or the authorization of the person, and no such by-law is invalid by reason of any defect in form.

Publication

(6) The council of a band shall, on demand, provide a copy of any by-law made by the council under this Part and shall publish a copy of every such by-law in a newspaper that has general circulation in the place where the tax applies and in the *First Nations Gazette*, but no by-law shall be invalid by reason of a failure to publish it.

Agreement with Government of Canada

26. (1) If the council of a band has made a by-law imposing a tax under this Part, the council may enter into an administration agreement within the meaning of subsection 2(1) of the *Federal-Provincial Fiscal Arrangements Act* in respect of the by-law.

Rules where agreement

(2) If the council of a band has entered into an administration agreement under subsection (1) in respect of a by-law,

(a) Part IX of, and Schedules V, VI and VII to, the *Excise Tax Act* apply for the purposes of the by-law as if the tax imposed under the by-law were imposed under section 165 of that Act;

(b) Part IX of the *Excise Tax Act* applies for all other purposes as if the by-law were part of that Part and the tax imposed under the by-law were imposed under that Part;

(c) the by-law applies as if Part IX of the *Excise Tax Act* were part of the by-law and tax imposed under that Part were imposed under the by-law;

(d) for greater certainty,

(i) where a person does anything to satisfy a requirement of the by-law that would satisfy a corresponding requirement of Part IX of the *Excise Tax Act* if the tax imposed under the by-law were imposed under section 165 of that Act, the requirement of the by-law is deemed to have been satisfied,

(ii) where a person does anything to exercise an authority under the by-law that would be a valid exercise of a corresponding authority under Part IX of the *Excise Tax Act* if the tax imposed under the by-law were imposed under section 165 of that Act, the authority under the by-law is deemed to have been validly exercised, and

(iii) every person who is a registrant for the purposes of Part IX of the *Excise Tax Act* is a registrant for the purposes of the by-law; and

(e) any proceeding that could be taken under any other Act of Parliament in respect of the tax imposed under section 165 of the *Excise Tax Act* may be taken in respect of the tax imposed under the by-law.

Tax under
subsection
165(1) of the
Excise Tax Act
not payable

27. No tax is payable under subsection 165(1) of the *Excise Tax Act* in respect of a supply if tax is payable in respect of the supply under a by-law made under subsection 24(1).

Offence

28. Where a person commits an act or omission in respect of a by-law made under subsection 24(1) that would be an offence under a provision of Part IX of the *Excise Tax Act* if the act or omission were committed in relation to that Part,

(a) subject to paragraph (b), the person is guilty of an offence punishable on summary conviction;

(b) the Attorney General of Canada may elect to prosecute the person by indictment where an offence under that provision of that Part may be prosecuted by indictment; and

(c) the person is liable on conviction to the punishment provided for in that provision of that Part.

Amendment of
schedule

29. The Governor in Council may, by order, amend the schedule by adding to it or deleting from it the name of any band.

Consequential Amendments

1997, c. 26

Budget Implementation Act, 1997

1998, c. 21,
ss. 65 to 67,
69, 70(2),
71(2); 1999, c.
26, ss. 31 to
34

30. Parts III and IV of the *Budget Implementation Act, 1997* are repealed.

1998, c. 21

Budget Implementation Act, 1998

31. Part 4 of the *Budget Implementation Act, 1998* is repealed.

1999, c. 26

Budget Implementation Act, 1999

32. Division 1 of Part 5 of the *Budget Implementation Act, 1999* is repealed.

R. S., c. E-15

Excise Tax Act

33. Paragraph 295(5)(d) of the *Excise Tax Act* is amended by adding the following after subparagraph (iv):

(iv.1) to a person authorized by the council of a band listed in the schedule to the *Budget Implementation Act, 2000* solely for the purposes of the formulation, evaluation or initial implementation of fiscal policy relating to a tax that the council of the band may impose under a by-law made under subsection 24(1) of that Act,

Conditional Amendment

Bill C-24

34. If Bill C-24, introduced in the 2nd Session of the 36th Parliament and entitled the *Sales Tax and Excise Tax Amendments Act, 1999* (the "other Act"), is assented to and Part 4 of this Act comes into force before, or on the same day as, the day of that assent, then

(a) for the period that begins on June 18, 1998 and ends on the day before the day on which that Part comes into force, the amendments to the *Budget Implementation Act, 1997* enacted by sections 149 to 151 of the other Act apply as though Parts III and IV of the *Budget Implementation Act, 1997* had not been repealed by section 30 of this Act;

(b) for the period that begins on June 18, 1998 and ends on the day before the day on which that Part comes into force, the amendments to the *Budget Implementation Act, 1998* enacted by sections 152 and 153 of the other Act apply as though Part 4 of the *Budget Implementation Act, 1998* had not been repealed by section 31 of this Act; and

(c) for the period that begins on June 17, 1999 and ends on the day before the day on which that Part comes into force, the amendment to the *Budget Implementation Act, 1999* enacted by section 154 of the other Act applies as though Division 1 of Part 5 of the *Budget Implementation Act, 1999* had not been repealed by section 32 of this Act.

PART 5

R. S., c. E-15

EXCISE TAX ACT

1997, c. 10,
s. 55(2)

35. The portion of subsection 245(2) of the *Excise Tax Act* before paragraph (a) is replaced by the following:

Reporting
period of
registrant

(2) Subject to subsection 248(3) and sections 251, 265 to 267 and 322.1, the reporting period of a registrant at a particular time in a fiscal year of the registrant is

36. The Act is amended by adding the following after section 322:

Definitions

322.1 (1) The definitions in this subsection apply in this section.

"assessed
period"
« *période visée*
»

"assessed period" of a person, in respect of an authorization under subsection (2) relating to a particular reporting period of the person, means

(a) if the hearing date is before the last day of the particular reporting period, the period beginning on the first day of the particular reporting period and ending on the assessment date; and

(b) in any other case, the particular reporting period.

"assessment
date"
« *date de
cotisation* »

"assessment date", in respect of an authorization under subsection (2), means the day immediately before the hearing date.

"hearing date"
« *date
d'audience* »

"hearing date", in respect of an authorization under subsection (2), means the day on which a judge hears the application for the authorization.

"judge"
« *juge* »

"judge" means a judge of a superior court of a province or a judge of the Federal Court.

Authorization
to assess and
take collection
action

(2) If, on *ex parte* application by the Minister relating to a particular reporting period of a person, a judge is satisfied that there are reasonable grounds to believe that the net tax for the period, determined without reference to this section, would be a positive amount and that the collection of all or any part of that net tax would be jeopardized by a delay in its collection, the judge shall, on such terms as the judge considers reasonable in the circumstances, authorize the Minister to, without delay,

(a) assess the net tax for the assessed period, determined in accordance with subsection (3); and

(b) take any of the actions described in sections 316 to 321 in respect of that amount.

Effect of
authorization

(3) For the purposes of this Part, where an authorization is granted under subsection (2) in respect of an application relating to a particular reporting period of a person,

(a) if the hearing date is before the last day of the particular period,

(i) the following periods are each deemed to be a separate reporting period of the person:

(A) the assessed period, and

(B) the period beginning on the hearing date and ending

(I) where the particular period is a fiscal year, on the last day of the fiscal quarter of the person that includes the hearing date, and

(II) in any other case, on the last day of the particular period, and

(ii) where the particular period is a fiscal year,

(A) the person is deemed to have made an election under section 247 to have reporting periods that are fiscal quarters of the person that takes effect at the beginning of the first fiscal quarter of the person beginning after the hearing date, and

(B) section 237 applies in respect of the assessed period as if that period were a reporting period determined under subsection 248(3);

(b) the day on or before which the person is required to file a return under Division V for the assessed period is deemed to be the hearing date;

(c) the net tax for the assessed period is deemed to be equal to the amount that would be the net tax for the period if, on the assessment date, the person were to claim in a return under Division V filed for the period all amounts, each of which is an amount that the person would be entitled on that day to claim as an input tax credit for the period or as a deduction in determining the net tax for the period;

(d) the net tax for the assessed period is deemed to have become due to the Receiver General on the hearing date;

(e) if, in assessing the net tax for the assessed period, the Minister takes into account an amount that the person would be entitled to claim as an input tax credit or a deduction in determining the net tax, the person is deemed to have claimed the amount in a return filed under Division V for the assessed period; and

(f) sections 280 and 284 apply as if the net tax for the assessed period were not required to be remitted, and the return for that period were not required to be filed, until the last day of the period described in subsection (9).

Affidavits

(4) Statements contained in an affidavit filed in the context of an application under this section may be based on belief in which case it must include the grounds for that belief.

Service of authorization and notice of assessment

(5) An authorization granted under subsection (2) in respect of a person shall be served by the Minister on the person within 72 hours after it is granted, except if the judge orders the authorization to be served at some other time specified in the authorization, and a notice of assessment for the assessed period shall be served on the person together with the authorization.

How service effected

(6) For the purpose of subsection (5), service on a person shall be effected by personal service on the person or service in accordance with the directions of a judge.

Application to
judge for
direction

(7) If service cannot reasonably be effected as and when required under this section, the Minister may, as soon as practicable, apply to a judge for further direction.

Review of
authorization

(8) If a judge of a court has granted an authorization under subsection (2) in respect of a person, the person may, on six clear days notice to the Deputy Attorney General of Canada, apply to a judge of the court to review the authorization.

Limitation
period for
review
application

(9) An application by a person under subsection (8) to review an authorization shall be made

(a) within 30 days after the day on which the authorization was served on the person in accordance with this section; or

(b) within such further time as a judge may allow, on being satisfied that the application was made as soon as practicable.

Hearing *in*
camera

(10) An application by a person under subsection (8) may, on the application of the person, be heard in private, if the person establishes to the satisfaction of the judge that the circumstances of the case justify proceedings heard in private.

Disposition of
application

(11) On an application under subsection (8), the judge shall determine the question summarily and may confirm, vary or set aside the authorization and make such other order as the judge considers appropriate.

Effect of
setting aside
authorization

(12) If an authorization is set aside under subsection (11), subsection (3) does not apply in respect of the authorization and any assessment made as a result of the authorization is deemed to be void.

Directions

(13) If any question arises as to the course to be followed in connection with anything done or being done under this section and there is no relevant direction in this section, a judge may give such direction with regard to the course to be followed as, in the opinion of the judge, is appropriate.

No appeal from
review order

(14) No appeal lies from an order of a judge made under subsection (11).

PART 6

R.S., c. 1 (5th
Supp.)

INCOME TAX ACT

37. (1) The formula in subsection 117.1(1) of the *Income Tax Act* is replaced by the following:

(A/B) - 1

(2) Section 117.1 of the Act is amended by adding the following after subsection (1):

Adjustment of
certain amounts

(1.1) Notwithstanding any other provision of this section, for the purpose of making the adjustment provided under subsection (1) for the 2000 taxation year, the amounts used for the 1999 taxation year

(a) in respect of the amounts of \$6,000, \$5,000 and \$500 referred to in paragraphs (a), (b) and (c) of the description of B in subsection 118(1) and the amount of \$625 referred to in

subparagraph 180.2(4)(a)(ii) are deemed to be \$7,131, \$6,055, \$606 and \$665, respectively; and

(b) in respect of the amounts of \$6,456 and \$4,103 referred to in paragraph (d) of the description of B in subsection 118(1) are deemed to be \$7,131 and \$4,778, respectively.

(3) Paragraph 117.1(4)(a) of the Act is replaced by the following:

(a) aggregating the Consumer Price Index for Canada, as published by Statistics Canada under the authority of the *Statistics Act*, adjusted in such manner as is prescribed, for each month in that period;

(4) Subsections (1) and (3) apply to the 2000 and subsequent taxation years.

(5) Subsection (2) applies to the 2000 taxation year.

38. (1) Subclause 122.5(3)(e)(ii)(B)(II) of the Act is replaced by the following:

(II) \$6,546

(2) Subparagraph 122.5(3)(f)(ii) of the Act is replaced by the following:

(ii) \$26,284,

(3) Section 122.5 of the Act is amended by adding the following after subsection (3):

Adjustment of
certain amounts

(3.1) For the purpose of subsection (3) and notwithstanding subsection 117.1(1), the amounts, in respect of the amounts of \$190, \$100 and \$105 referred to in subsection (3), used for the purpose of determining amounts deemed to be paid during months specified under subsection (4)

(a) for the 1999 taxation year are deemed to be \$205, \$107 and \$107, respectively;

(b) for the 2000 taxation year shall be equal to the greater of the amounts referred to in paragraph (a) and the amounts that would otherwise be determined to be paid during those months if this Act were read without reference to this subsection; and

(c) for the 2001 and subsequent taxation years shall be computed without reference to paragraphs (a) and (b).

(4) Subsections (1) to (3) apply to the 1999 and subsequent taxation years.

39. (1) Paragraph (b) of the description of B in subsection 122.51(2) of the Act is replaced by the following:

(b) the sum of

(i) the greatest total that may be determined in respect of an individual for the year under paragraph (a) of the description of B in subsection 118(1), and

(ii) the dollar amount used for the year in computing the amount that may be claimed under subsection 118.3(1) in respect of an individual who has attained the age of 18 years before the end of the year.

(2) Subsection (1) applies to the 2000 and subsequent taxation years.

40. (1) Paragraph (a) of the description of A in subsection 122.61(1) of the Act is replaced by the following:

(a) the product obtained by multiplying \$1,090 by the number of qualified dependants in respect of whom the person was an eligible individual at the beginning of the month,

(2) The description of B in subsection 122.61(1) of the Act is replaced by the following:

B is 5% (or where the person is an eligible individual in respect of only one qualified dependant at the beginning of the month, 2 1/2%) of the amount, if any, by which

(a) the person's adjusted income for the year

exceeds

(b) the dollar amount, as adjusted annually and referred to in paragraph 117(2)(a), that is used for the calendar year following the base taxation year; and

(3) Paragraphs (a) and (b) of the description of F in subsection 122.61(1) of the Act are replaced by the following:

(a) only one qualified dependant, \$1,155, and

(b) two or more qualified dependants, the total of

(i) \$1,155 for the first qualified dependant,

(ii) \$955 for the second qualified dependant, and

(iii) \$880 for each of the third and subsequent qualified dependants,

(4) The descriptions of G and H in subsection 122.61(1) of the Act are replaced by the following:

G is the amount, if any, by which the person's adjusted income for the year exceeds \$21,214, and

H is the proportion (expressed as a percentage rounded to the nearest one-tenth of one per cent) that

(a) the total that would be determined under the description of F in respect of the eligible individual if that description were applied without reference to the fourth and subsequent qualified dependants in respect of whom the person is an eligible individual

is of

(b) the amount by which

(i) the amount referred to in paragraph (b) of the description of B

exceeds

(ii) \$21,214.

(5) The portion of subsection 122.61(5) of the Act before paragraph (a) is replaced by the following:

Annual
adjustment

(5) Each amount expressed in dollars in subsection (1) shall be adjusted so that, where the base taxation year in relation to a particular month is after 1998, the amount to be used under that subsection for the month is the total of

(6) The formula in subparagraph 122.61(5)(b)(ii) of the Act is replaced by the following:

(7) The description of A in subparagraph 122.61(5)(b)(ii) of the Act is replaced by the following:

A is the Consumer Price Index (within the meaning assigned by subsection 117.1(4)) for the 12-month period that ended on September 30 of the base taxation year, and

(8) Section 122.61 of the Act is amended by adding the following after subsection (5):

Adjustment to
certain amounts

(6) For the purpose of subsection (5), the amount of \$1,090, and the amounts in respect of the amounts of \$213 and \$75, referred to in subsection (1), that are used for the purpose of determining the amount deemed to be an overpayment arising during particular months that are

(a) after June 2000 and before July 2001, are deemed to be \$1,104, \$219 and \$77, respectively;

(b) after June 2001 and before July 2002, shall be equal to the greater of the amounts deemed under paragraph (a) to be an overpayment arising during the months referred to in that paragraph and the amounts that would otherwise be determined for those particular months if this Act were read without reference to this subsection; and

(c) after June 2002, shall be computed without reference to paragraphs (a) and (b).

Exception

(6.1) Where section 122.63 applies for the purpose of calculating an overpayment deemed under subsection (1) to arise during a month referred to in paragraph (6)(a) or (b) on account of a person's tax liability, the amount determined under subparagraph (5)(b)(ii) in respect of the person for the month is deemed to be

(a) zero, where the month is referred to

(i) in paragraph (6)(a), or

(ii) in paragraph (6)(b) and the amount otherwise determined under subparagraph (5)(b)(ii) is less than 0.014; and

(b) 1090/1104 of the amount otherwise determined under that subparagraph, in any other case.

(9) Subsections (1) to (8) apply with respect to overpayments deemed to arise during months that are after June 2000 except that, with respect to overpayments deemed to arise during months that are after June 2000 and before July 2001, the references to "\$1,155", "\$955" and "\$880" in paragraphs (a) and (b) of the description of F in subsection 122.61(1) of the Act, as enacted by subsection (3), shall be read as references to "\$977", "\$771" and "\$694", respectively.

41. (1) Paragraph 206(2)(b) of the Act is replaced by the following:

(b) 30% of the total of all amounts each of which is the cost amount of a property to the taxpayer, and

(2) Subsection (1) applies to months that end after 1999, except that for months in 2000 the reference to "30%" in paragraph 206(2)(b) of the Act, as enacted by subsection (1), shall be read as "25%".

PART 7

AMENDMENTS TO OTHER ACTS

R.S., c. L-2

Canada Labour Code

1993, c. 42,
s. 26

42. Section 206.1 of the *Canada Labour Code* is replaced by the following:

Entitlement to
leave

206.1 (1) Subject to subsections (2) and (3), every employee who has completed six consecutive months of continuous employment with an employer is entitled to and shall be granted a leave of absence from employment of up to thirty-seven weeks to care for a new-born child of the employee or a child who is in the care of the employee for the purpose of adoption under the laws governing adoption in the province in which the employee resides.

Period in which
leave may be
taken

(2) The leave of absence may only be taken during the fifty-two week period beginning on the day on which the child is born or comes into the care of the employee.

Aggregate leave
- two employees

(3) The aggregate amount of leave that may be taken by two employees under this section in respect of the same birth or adoption shall not exceed thirty-seven weeks.

Aggregate leave
- maternity and
parental

206.2 The aggregate amount of leave that may be taken by one or two employees under sections 206 and 206.1 in respect of the same birth shall not exceed fifty-two weeks.

Conditional
amendment -
Bill C-23

43. If Bill C-23, introduced in the 2nd Session of the 36th Parliament and entitled the *Modernization of Benefits and Obligations Act* (the "other Act"), receives royal assent, then on the later of the coming into force of section 107 of the other Act and the coming into force of section 42 of this Act, section 206.1 of the *Canada Labour Code* is replaced by the following:

Entitlement to
leave

206.1 (1) Subject to subsections (2) and (3), every employee who has completed six consecutive months of continuous employment with an employer is entitled to and shall be granted a leave of absence from employment of up to thirty-seven weeks to care for

(a) a new-born child of the employee;

(b) a child who is in the care of the employee for the purpose of adoption under the laws governing adoption in the province in which the employee resides; or

(c) a child with respect to whom the employee meets the requirements of paragraph 23(1)(c) of the *Employment Insurance Act*.

Period in which
leave may be
taken

(2) The leave of absence may only be taken during the fifty-two week period beginning on the day on which

(a) the child is born or comes into the care of the employee, in the case of paragraph (1)(a) or (b); or

(b) the requirements referred to in paragraph (1)(c) are met, in the case of a situation described in that paragraph.

Aggregate leave
- two employees

(3) The aggregate amount of leave that may be taken by two employees under this section in respect of the same event, as described in paragraphs (1)(a) to (c), shall not exceed thirty-seven weeks.

Coming into
force

44. Section 42 comes into force on December 31, 2000.

R.S., c. C-8

Canada Pension Plan

45. Section 110 of the *Canada Pension Plan* is amended by adding the following after subsection (6.3):

Redemption at
request of
province

(6.4) Despite subsections (6.2) and (6.3), the Minister of Finance shall redeem a security in whole or in part before maturity if

(a) the Minister of Finance is requested to do so, in writing, by the appropriate provincial Minister of a province at least 30 days before the proposed redemption date; and

(b) the appropriate provincial Minister has agreed to pay on the redemption date

(i) any payments of principal or interest due on or before the redemption date but not yet paid,

(ii) interest on the principal amount being redeemed accrued to the date of redemption, and

(iii) an amount equal to the present value of the remaining instalments of principal being redeemed and interest on that principal.

Calculation of
present value

(6.5) For the purposes of subparagraph (6.4)(b)(iii), the present value shall be calculated by discounting the instalments of principal being redeemed and interest on that principal using an interest rate fixed by the Minister of Finance. In fixing that rate, the Minister of Finance shall choose a rate that

(a) if the security to be redeemed was issued before January 1, 1998, is substantially the same as the rate the Government of Canada would be required to pay if it were to borrow the principal amount being redeemed for a term equal to the remaining term of the security to be redeemed through the issuance of a security on the public capital market; or

(b) if the security to be redeemed was issued after January 1, 1998, is substantially the same as the rate the province would be required to pay if it were to borrow the principal amount being redeemed for a term equal to the remaining term of the security to be redeemed through the issuance of a security on the public market.

Subsection
114(2) does not
apply

46. (1) Subsection 114(2) of the *Canada Pension Plan* does not apply in respect of the amendments to that Act contained in this Act.

Coming into
force

(2) Section 45 comes into force, in accordance with subsection 114(4) of the *Canada Pension Plan*, on a day to be fixed by order of the Governor in Council.

R.S., c. S-15

Special Import Measures Act

47. The *Special Import Measures Act* is amended by adding the following after section 97:

ORDERS

Orders
suspending
application

98. (1) The Governor in Council may, for the purpose of ensuring that this Act complies with the Subsidies Agreement, by order, modify or suspend the application of any provision, in whole or in part, of this Act with respect to any country.

Period of order

(2) Unless revoked, an order made under subsection (1) has effect for the period specified in the order.

SCHEDULE
(*Subsection 24(1) and section 29*)

TAX ON SPECIFIC SUPPLIES

1. The Cowichan Band, also known as the Cowichan Tribes
2. The Westbank First Nation
3. The Kamloops Band
4. The Sliammon Band
5. The Osoyoos Band
6. The Adams Lake Band
7. The Tsawout First Nation
8. The Chemainus First Nation
9. The Dakota Tipi Band, also known as Dakota Tipi First Nation
10. The Waywayseecappo First Nation Treaty Four – 1874
11. The Opaskwayak Cree Nation
12. The Buffalo Point First Nation
13. The Tobique Band, also known as the Maliseet Nation at Tobique