

Regulations and other acts

Gouvernement du Québec

O.C. 1169-2004, 15 December 2004

An Act respecting the Agence nationale d'encadrement du secteur financier (R.S.Q., c. A-7.03)

Amendment to Order in Council 45-2004 dated 21 January 2004

WHEREAS Order in Council 45-2004 dated 21 January 2004 fixes 1 January 2005 as the date of coming into force of sections 342, 343, 361, 378, 384, 390, 400, 403, 416, 418, 483, 484, 491, 727, 728 and 729 of the Act respecting the Agence nationale d'encadrement du secteur financier (R.S.Q., c. A-7.03);

WHEREAS it is expedient to postpone to 1 January 2006 the date of coming into force of those sections;

IT IS ORDERED, therefore, on the recommendation of the Minister of Finance:

THAT "1 January 2005" in the last paragraph of the operative part of Order in Council 45-2004 dated 21 January 2004 be replaced by "1 January 2006".

ANDRÉ DICAIRE,
Clerk of the Conseil exécutif

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Gouvernement du Québec

O.C. 1180-2004, 15 December 2004

An Act respecting lotteries, publicity contests and amusement machines (R.S.Q., c. L-6)

Bingo licences and bingo hall manager's licences — Suspension of the issue

CONCERNING the suspension of the issue of bingo licences and bingo hall manager's licences

WHEREAS, under section 138 of the Act respecting lotteries, publicity contests and amusement machines (R.S.Q., c. L-6), the Minister of Public Security is responsible for the administration of that Act;

WHEREAS, under section 2 of the Act respecting the Régie des alcools, des courses et des jeux (R.S.Q., c. R-6.1), the Régie des alcools, des courses et des jeux is responsible for the carrying out of the Act respecting lotteries, publicity contests and amusement machines;

WHEREAS, under section 23 of the Act respecting the Régie des alcools, des courses et des jeux and section 34 of the Act respecting lotteries, publicity contests and amusement machines, the board is the body responsible for issuing the licences necessary to conduct bingo as a lottery scheme, for establishing the conditions attached to the licences and monitoring their use, and for seeing to the protection and safety of the public;

WHEREAS, under the second paragraph of section 34 of the Act respecting lotteries, publicity contests and amusement machines, the Government may designate a local body as the body responsible for issuing bingo licences on a reserve or settlement determined by regulation where a Native community resides;

WHEREAS, under section 50.0.1 of the Act respecting lotteries, publicity contests and amusement machines, the board may, in plenary session, if the public interest so requires, suspend the issue of licences for all or part of the territory of Québec for the period, not exceeding one year, determined by the board;

WHEREAS, under the second paragraph of that section, a suspension measure may indicate the licence applications that are exempted from its application;

WHEREAS, under the third paragraph of that section, a suspension measure must be submitted to the Government for approval and shall take effect on the date of its publication in the *Gazette officielle du Québec* or on any later date mentioned therein;

WHEREAS the board in plenary session on 6 December 2004 decided, in the public interest, to suspend for a period of one hundred eighty days, calculated from the date on which the suspension measures become effective, the issue of:

(1) bingo licences for all of the territory of Québec, except certain parts of the territory, and to exempt certain types of licence applications from the application of that suspension measure; and

(2) bingo hall manager's licences for all of the territory of Québec, except certain parts of the territory, and to exempt certain types of licence applications from the application of that suspension measure;

WHEREAS the decision provides for both suspension measures to become effective on 23 December 2004 or on the date of their publication in the *Gazette officielle du Québec* if that date is later;

WHEREAS it is expedient to approve the suspension measures;

IT IS ORDERED, therefore, on the recommendation of the Minister of Public Security:

THAT the suspension measures concerning the issue of bingo licences and bingo hall manager's licences, taken by the Régie des alcools, des courses et des jeux on 6 December 2004 and attached to this Order in Council, be approved.

ANDRÉ DICAIRE,
Clerk of the Conseil exécutif

Decision No. 1

CONCERNING the suspension of the issue of bingo licences for the 2004-2005 period

WHEREAS, under section 50.0.1 of the Act respecting lotteries, publicity contests and amusement machines (R.S.Q., c. L-6), hereinafter called "the Act", the Régie des alcools, des courses et des jeux (the board) may, in plenary session, if the public interest so requires, suspend the issue of licences for all or part of the territory of Québec for the period, not exceeding one year, determined by the board;

WHEREAS a suspension measure taken under that section applies to licence applications filed before the measure becomes effective and in respect of which the board has not made a decision;

WHEREAS a suspension measure may indicate the licence applications that are exempted from its application;

WHEREAS a suspension measure must be submitted to the Government for approval and shall take effect on the date of its publication in the *Gazette officielle du Québec* or on any later date mentioned therein;

WHEREAS the board is the body responsible for issuing the licences necessary to conduct bingo as a lottery scheme, for establishing the conditions attached to the licences and monitoring their use, and for seeing to the protection and safety of the public;

WHEREAS in the last few years the bingo sector has been undergoing major reform aimed at providing a solution to the various problems faced by charitable and religious organizations;

WHEREAS the main problems encountered with this lottery scheme are deficiencies in control measures affecting the integrity of the game, the existence of tensions between the various stakeholders, and the saturation of the market, especially in some cities or regions of Québec, because of an excessive number of outstanding licences, which has had the effect of decreasing the percentage of profits going to the recipient organizations;

WHEREAS the reform was initiated in 1997 by the coming into force of the Act to amend the Act respecting lotteries, publicity contests and amusement machines (1997, c. 54), which among other things empowered the board to suspend the issue of bingo licences on certain conditions;

WHEREAS the power to suspend the issue of licences was maintained on the passage in December 2001 of the Act to amend the Act respecting lotteries, publicity contests and amusement machines and the Act respecting the Régie des alcools, des courses et des jeux (2001, c. 65), although the conditions for doing so were modified by that Act;

WHEREAS since 27 September 1997, the board has suspended the issue of bingo licences and, since 25 November 2000, the issue of bingo hall manager's licences, on the conditions prescribed by the applicable texts as they read at all material times, with a view to re-establishing an orderly development of the bingo industry in Québec;

WHEREAS in association with the taking of the suspension measures, the board consulted extensively in the spring of 1999, which resulted in the submission to the Minister of Public Security of a report entitled "Le Bingo au Québec, État de la question et pistes de solution", made public on 12 April 2000;

WHEREAS the report was an assessment of the bingo reform accomplished up to that date and identified the remaining problems associated with this area of activity;

WHEREAS the report proposed a plan of action aimed at pursuing the impetus given to bingo activities in Québec, particularly where bingo serves as a fund-raising mechanism for charitable and religious organizations;

WHEREAS the primary objective of the plan of action was to enable bingo to develop harmoniously as a lottery scheme, to enhance the integrity of the game and to maximize the financial benefits for the eligible charitable and religious organizations;

WHEREAS in December 2001, the Act to amend the Act respecting lotteries, publicity contests and amusement machines and the Act respecting the Régie des alcools, des courses et des jeux introduced new provisions;

WHEREAS section 57.0.1 of the Act established two consultative bodies in the bingo sector, namely the Forum des organismes de charité ou religieux titulaires de licence de bingo and the Secrétariat du bingo, each composed of partners in this field of activity, thereby creating exchange and coordination groups, with the additional objective of creating representative consultative bodies for dealings with the board;

WHEREAS an interim board of directors was named for each of the consultative bodies on 17 April 2002, following the appointment by the Minister of Public Security of members from the industry, although neither body has as yet elected its board of directors;

WHEREAS in order to implement the plan of action, the board has on occasion seen fit to maintain the application of the suspension measures pertaining to the issue of bingo licences and bingo hall manager's licences, the last two measures being effective from 23 December 2003 to 22 December 2004;

WHEREAS, despite several consultations with the stakeholders in the industry and the amendments to the Act, there continues to be disagreement as to how bingo should be developed;

WHEREAS the survival of bingo as a lottery scheme intended to be a fund-raising mechanism for charitable and religious organizations requires an in-depth rationalization of the market in order for a balance to be achieved;

WHEREAS enhanced integrity of the lottery scheme and improved relations among the various stakeholders are elements in the reform that remain to be accomplished;

WHEREAS accomplishing the reform undertaken requires maintaining the suspension measures in certain areas that have been especially affected by the different problems the reform is seeking to solve;

WHEREAS it is therefore essential to the fulfilment of the above-mentioned objectives that the board once again suspend the issue of bingo licences in part of the territory of Québec;

WHEREAS certain Native communities maintain their desire to assume greater autonomy as regards the issue of bingo licences on their reserve or in their settlement determined by regulation, as authorized by the second paragraph of section 34 of the Act;

WHEREAS there is no need to deprive all charitable or religious organizations of the attendant benefits from the issue of a bingo licence when circumstances allow for the presence of new bingo licences because of the satisfactory profitability of the licences already in operation;

WHEREAS the issue of recreational bingo licences under which the total maximum value of the prizes is \$200 or less has no significant impact on the profitability of the other bingo licences issued in the surrounding area;

THEREFORE, the board, meeting in plenary session on 6 December 2004, hereby decides to suspend the issue of bingo licences for a period of one hundred eighty days, calculated from the effective date of this suspension measure, for all of the territory of Québec, except:

(1) a territory where a Native community referred to in the second paragraph of section 34 of the Act resides and for which a local body is duly designated;

(2) the territory consisting of the territory of the following regional county municipalities:

Rimouski-Neigette, Charlevoix-Est, Charlevoix, L'Île d'Orléans, La Jacques-Cartier, La Nouvelle-Beauce, Robert-Cliche, L'Érable, Mékinac, Bécancour, Coaticook, Memphrémagog, La Haute-Yamaska, Maskinongé, Le Haut-Saint-Laurent, La Vallée-de-la-Gatineau, Témiscamingue, Sept-Rivières, Minganie;

(3) the territory consisting of the territory of the following local municipalities:

Les Îles-de-la-Madeleine, Ville de Shawinigan, Ville de Mirabel, Ville de Lévis, Côte-Nord-du-Golfe-du-Saint-Laurent, Gros-Mécatina, Saint-Augustin, Blanc-Sablon, Bonne-Espérance;

(4) the territory consisting of the territory of the Kativik Regional Government; and

(5) the territory consisting of the territory of the Reserve of La Romaine and the territory of the Native Settlement of Pakuashipi.

The suspension measure does not apply to an application for a recreational bingo licence under which the total maximum value of the prizes is \$200 or less.

The suspension measure applies to bingo licence applications received before or after the date on which the suspension measure becomes effective and in respect of which the board has not made a decision.

The suspension measure shall not prevent the board from modifying the operating conditions for a bingo licence in force on the date on which the suspension measure becomes effective, particularly with regard to the number of events, the hours, days and place of operation and the value of the prizes offered.

The suspension measure shall not prevent the board from issuing a bingo licence to a holder of a bingo licence in force on the date on which the suspension measure becomes effective.

Subject to its approval by the Government, this suspension measure becomes effective on 23 December 2004 or on the date of its publication in the *Gazette officielle du Québec* if that date is later.

Montréal/Québec, 6 December 2004

FRANÇOIS CÔTÉ,
Secretary of the board

Decision No. 2

CONCERNING the suspension of the issue of bingo hall manager's licences for the 2004-2005 period

WHEREAS, under section 50.0.1 of the Act respecting lotteries, publicity contests and amusement machines (R.S.Q., c. L-6), hereinafter called "the Act", the Régie des alcools, des courses et des jeux (the board) may, in plenary session, if the public interest so requires, suspend the issue of licences for all or part of the territory of Québec for the period, not exceeding one year, determined by the board;

WHEREAS a suspension measure taken under that section applies to licence applications filed before the measure becomes effective and in respect of which the board has not made a decision;

WHEREAS a suspension measure may indicate the licence applications that are exempted from its application;

WHEREAS a suspension measure must be submitted to the Government for approval and shall take effect on the date of its publication in the *Gazette officielle du Québec* or on any later date mentioned therein;

WHEREAS the board is the body responsible for issuing the licences necessary to conduct bingo as a lottery scheme, for establishing the conditions attached to the licences and monitoring their use, and for seeing to the protection and safety of the public;

WHEREAS in the last few years the bingo sector has been undergoing major reform aimed at providing a solution to the various problems faced by charitable and religious organizations;

WHEREAS the main problems encountered with this lottery scheme are deficiencies in control measures affecting the integrity of the game, the existence of tensions between the various stakeholders, and the saturation of the market, especially in some cities or regions of Québec, because of an excessive number of outstanding licences, which has had the effect of decreasing the percentage of profits going to the recipient organizations;

WHEREAS the reform was initiated in 1997 by the coming into force of the Act to amend the Act respecting lotteries, publicity contests and amusement machines (1997, c. 54), which among other things empowered the board to suspend the issue of bingo licences on certain conditions;

WHEREAS the power to suspend the issue of licences was maintained on the passage in December 2001 of the Act to amend the Act respecting lotteries, publicity contests and amusement machines and the Act respecting the Régie des alcools, des courses et des jeux (2001, c. 65), although the conditions for doing so were modified by that Act;

WHEREAS since 27 September 1997, the board has suspended the issue of bingo licences and, since 25 November 2000, the issue of bingo hall manager's licences, on the conditions prescribed by the applicable texts as they read at all material times, with a view to re-establishing an orderly development of the bingo industry in Québec;

WHEREAS in association with the taking of the suspension measures, the board consulted extensively in the spring of 1999, which resulted in the submission to the Minister of Public Security of a report entitled "Le Bingo au Québec, État de la question et pistes de solution", made public on 12 April 2000;

WHEREAS the report was an assessment of the bingo reform accomplished up to that date and identified the remaining problems associated with this area of activity;

WHEREAS the report proposed a plan of action aimed at pursuing the impetus given to bingo activities in Québec, particularly where bingo serves as a fund-raising mechanism for charitable and religious organizations;

WHEREAS the primary objective of the plan of action was to enable bingo to develop harmoniously as a lottery scheme, to enhance the integrity of the game and to maximize the financial benefits for the eligible charitable and religious organizations;

WHEREAS in December 2001, the Act to amend the Act respecting lotteries, publicity contests and amusement machines and the Act respecting the Régie des alcools, des courses et des jeux introduced new provisions;

WHEREAS section 57.0.1 of the Act established two consultative bodies in the bingo sector, namely the Forum des organismes de charité ou religieux titulaires de licence de bingo and the Secrétariat du bingo, each composed of partners in this field of activity, thereby creating exchange and coordination groups, with the additional objective of creating representative consultative bodies for dealings with the board;

WHEREAS an interim board of directors was named for each of the consultative bodies on 17 April 2002, following the appointment by the Minister of Public Security of members from the industry, although neither body has as yet elected its board of directors;

WHEREAS in order to implement the plan of action, the board has on occasion seen fit to maintain the application of the suspension measures pertaining to the issue of bingo licences and bingo hall manager's licences, the last two measures being effective from 23 December 2003 to 22 December 2004;

WHEREAS, despite several consultations with the stakeholders in the industry and the amendments to the Act, there continues to be disagreement as to how bingo should be developed;

WHEREAS the survival of bingo as a lottery scheme intended to be a fund-raising mechanism for charitable and religious organizations requires an in-depth rationalization of the market in order for a balance to be achieved;

WHEREAS enhanced integrity of the lottery scheme and improved relations among the various stakeholders are elements in the reform that remain to be accomplished;

WHEREAS accomplishing the reform undertaken requires maintaining the suspension measures in certain areas that have been especially affected by the different problems the reform is seeking to solve;

WHEREAS it is therefore essential to the fulfilment of the above-mentioned objectives that the board once again suspend the issue of bingo hall manager's licences in part of the territory of Québec;

THEREFORE, the board, meeting in plenary session on 6 December 2004, hereby decides to suspend the issue of bingo hall manager's licences for a period of one hundred eighty days, calculated from the effective date of this suspension measure, for all of the territory of Québec, except:

(1) a territory where a Native community referred to in the second paragraph of section 34 of the Act resides and for which a local body is duly designated;

(2) the territory consisting of the territory of the following regional county municipalities:

Rimouski-Neigette, Charlevoix-Est, Charlevoix, L'Île d'Orléans, La Jacques-Cartier, La Nouvelle-Beauce, Robert-Cliche, L'Érable, Mékinac, Bécancour, Coaticook, Memphrémagog, La Haute-Yamaska, Maskinongé, Le Haut-Saint-Laurent, La Vallée-de-la-Gatineau, Témiscamingue, Sept-Rivières, Minganie;

(3) the territory consisting of the territory of the following local municipalities:

Les Îles-de-la-Madeleine, Ville de Shawinigan, Ville de Mirabel, Ville de Lévis, Côte-Nord-du-Golfe-du-Saint-Laurent, Gros-Mécatina, Saint-Augustin, Blanc-Sablon, Bonne-Espérance;

(4) the territory consisting of the territory of the Kativik Regional Government; and

(5) the territory consisting of the territory of the Reserve of La Romaine and the territory of the Native Settlement of Pakuashipi.

The suspension measure applies to bingo hall manager's licence applications received before or after the date on which the suspension measure becomes effective and in respect of which the board has not made a decision.

The suspension measure shall not prevent the board from authorizing a change in the place of operation of a bingo hall manager's licence in force on the date on which the suspension measure becomes effective.

The suspension measure shall not prevent the board from issuing a bingo hall manager's licence to a holder of a bingo hall manager's licence in force on the date on which the suspension measure becomes effective.

The suspension measure shall not prevent the board from issuing a new bingo hall manager's licence on the condition that the issue of the licence does not operate to increase the number of bingo halls and is not contrary to the public interest, within the meaning of the Act itself, where the new licence application is made :

(1) by reason of the death of the holder of the licence, by the liquidator of the succession, the legatee by particular title or heir of the holder of the licence or a person designated by them ; or

(2) by a trustee, a liquidator, a sequestrator or a trustee in bankruptcy who is temporarily administering a bingo hall for which a licence has been issued ; or

(3) by any person where, following the cessation of operation of a bingo hall manager's licence, the holders of the bingo licence for that hall have no premises to operate the licence, as required by the regulation.

Subject to its approval by the Government, this suspension measure becomes effective on 23 December 2004 or on the date of its publication in the *Gazette officielle du Québec* if that date is later.

Montréal/Québec, 6 December 2004

FRANÇOIS CÔTÉ,
Secretary of the board

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M.O., 2004

Order of the Minister of Municipal Affairs, Sports and Recreation, dated 16 December 2004

Cities and Towns Act
(R.S.Q., c. C-19)

Municipal Code of Québec
(R.S.Q., c. C-27.1)

CONCERNING the general authorization given to all legal persons constituted under sections 465.1 to 465.7 of the Cities and Towns Act or articles 711.2 to 711.8 of the Municipal Code of Québec so that they may award reinsurance contracts without calling for tenders

WHEREAS according to section 573.3.1 of the Cities and Towns Act (R.S.Q., c. C-19) and article 938.1 of the Municipal Code of Québec (R.S.Q., c. C-27.1), the Minister of Municipal Affairs, Sports and Recreation may authorize a municipality to award a contract without calling for tenders and may, on his own initiative, exercise said power in respect of all municipalities or a category of them for a contract or a class of contracts ;

WHEREAS sections 465.1 to 465.7 of the Cities and Towns Act and articles 711.2 to 711.8 of the Municipal Code of Québec allow for the constitution of a legal person the object of which is to transact damage insurance business exclusively for municipalities, their mandatory bodies or persons that they may subsidize ;

WHEREAS section 465.10.1 of the Cities and Towns Act and article 711.11.1 of the Municipal Code of Québec declare applicable to such a legal person section 573.3.1 and article 938.1, respectively ;

WHEREAS according to the second paragraph of section 573.3.1 and of article 938.1, the minister may not exercise his power of authorization where calls for tenders are required to be public under an intergovernmental trade liberalisation agreement applicable to the municipalities ;

WHEREAS the Agreement on the Opening of Public Procurement for Ontario and Québec and the Agreement on Internal Trade do not apply to insurance contracts ;

WHEREAS reinsurance contracts constitute a form of insurance contracts generally attributed to multiple reinsurers who share the risks ;