

Legislative
Assembly
of Ontario



Assemblée
législative
de l'Ontario

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Bill 36

(Chapter 23 of the Statutes of Ontario, 2022)

An Act to implement Budget measures and to enact and amend various statutes

The Hon. P. Bethlenfalvy
Minister of Finance

1st Reading	November 14, 2022
2nd Reading	November 17, 2022
3rd Reading	December 6, 2022
Royal Assent	December 8, 2022



EXPLANATORY NOTE

*This Explanatory Note was written as a reader's aid to Bill 36 and does not form part of the law.
Bill 36 has been enacted as Chapter 23 of the Statutes of Ontario, 2022.*

SCHEDULE 1 ELECTRICITY ACT, 1998

The Schedule adds a new Part II.1 to the *Electricity Act, 1998*, respecting the transfer of clean energy credits, as defined in the Part. The Part establishes a framework for the recognition of environmental attributes, as defined in the Part, as clean energy credits on a clean energy credit registry that is established or designated by the Independent Electricity System Operator (IESO). Clean energy credits can only be transferred to specified electricity consumers if the credits are recognized on the clean energy credit registry and other specified transfer requirements are met. The Part also sets out requirements and restrictions respecting the retirement of clean energy credits on the clean energy credit registry.

The Part requires the IESO, Ontario Power Generation Inc. and other persons or entities that the regulations made by the Minister under the Part may specify to make certain environmental attributes available for transfer. It also creates authority for regulations that may restrict persons or entities from making environmental attributes available for transfer.

Any person or entity that makes environmental attributes available for transfer (transferors), and any consumer who intends to purchase or acquire a clean energy credit (transferees), must register with the clean energy credit registry.

In addition to requiring the IESO to establish or designate a clean energy credit registry for the purposes of the Part, the IESO is authorized to create registry rules in relation to the use of the registry. The IESO is also subject to related annual reporting requirements.

The IESO and Ontario Power Generation Inc. are required to apply their proceeds from the transfer of their clean energy credits as directed by the regulations made by the Minister of Energy under the Part.

Complementary amendments are made to other provisions of the Act, and to the *Ontario Energy Board Act, 1998*.

SCHEDULE 2 FUEL TAX ACT

Subsection 2 (1.1) of the *Fuel Tax Act* currently provides for a reduction of the tax payable by purchasers of clear fuel if the tax is payable during the period beginning on July 1, 2022 and ending on December 31, 2022. The subsection is amended to provide that the period ends on December 31, 2023.

SCHEDULE 3 GASOLINE TAX ACT

Subsection 2 (1.1) of the *Gasoline Tax Act* currently provides for a reduction of the tax payable by purchasers of gasoline if the tax is payable during the period beginning on July 1, 2022 and ending on December 31, 2022. The subsection is amended to provide that the period ends on December 31, 2023.

SCHEDULE 4 INTERIM APPROPRIATION FOR 2023-2024 ACT, 2022

The Schedule enacts the *Interim Appropriation for 2023-2024 Act, 2022*, which authorizes expenditures pending the voting of supply for the fiscal year ending on March 31, 2024 up to specified maximum amounts. All expenditures made or recognized under the Act must be charged to the proper appropriation following the voting of supply for the fiscal year ending on March 31, 2024.

SCHEDULE 5 LEGISLATIVE ASSEMBLY ACT

The *Legislative Assembly Act* is amended to repeal subsection 61 (1.3). The subsection would end the salary freeze for members of the Legislative Assembly in the second fiscal year after the Province's total revenues exceed or equal its total expenses.

A consequential amendment is made to section 3 of the *Executive Council Act* to provide that, for the purposes of that section, the salaries of members of the Assembly are to be calculated in accordance with the rules set out in section 61 of the *Legislative Assembly Act*.

SCHEDULE 6 ONTARIO GUARANTEED ANNUAL INCOME ACT

The *Ontario Guaranteed Annual Income Act* is amended to provide that for the period beginning on January 1, 2023 and ending on December 31, 2023, the amount payable to an eligible recipient under the Act is double what the Act otherwise provides for.

**SCHEDULE 7
PENSION BENEFITS ACT**

Section 10 of the *Pension Benefits Act* governs the contents of a pension plan.

The Schedule amends section 10 to set out the circumstances in which a collective agreement is included as a document that creates and supports a pension plan.

The Schedule also amends section 10 to require that the documents that create and support a pension plan must set out the pension plan's funding policy and its governance policy. Initially this requirement applies with respect to pension plans that provide any target benefits (see subsection 1 (2) of the Schedule). The Schedule provides for this requirement to be amended so that it applies with respect to all pension plans (see subsection 1 (3) of the Schedule). These requirements each come into force on a day to be named by proclamation, and transitional matters are provided for in each case.

A not-yet-in-force amendment to section 10 is repealed.

**SCHEDULE 8
SECURITIES ACT**

Section 143 of the *Securities Act* is amended with respect to the rules made by the Ontario Securities Commission. Under the new provisions, the rules may authorize or require that a document that is to be delivered, forwarded, distributed or sent to a person or company under specified provisions of the Act be made available to the person or company in another way instead. If a document is made available in such a manner, it is deemed to have been received on the day and at the time, if any, determined under the rules.

**SCHEDULE 9
SUPPLEMENTARY INTERIM APPROPRIATION FOR 2022-2023 ACT, 2022**

The Schedule enacts the *Supplementary Interim Appropriation for 2022-2023 Act, 2022*, which authorizes expenditures pending the voting of supply for the fiscal year ending on March 31, 2023 up to specified maximum amounts. The expenditures authorized are in addition to those authorized under the *Interim Appropriation for 2022-2023 Act, 2021*. All expenditures made or recognized under the *Interim Appropriation for 2022-2023 Act, 2021* and this Act must be charged to the proper appropriation following the voting of supply for the fiscal year ending on March 31, 2023.

**SCHEDULE 10
TAXATION ACT, 2007**

The Schedule amends section 92 of the *Taxation Act, 2007*, which currently provides for the Ontario production services tax credit. In particular, subsection 92 (5.7) of the Act sets out conditions that an expenditure must meet for the expenditure to be considered an eligible tangible property expenditure in respect of a qualifying corporation's tax year. Section 92 is amended to provide for different conditions that apply to expenditures for the lease of real property in specific circumstances. These conditions apply to such expenditures incurred after November 14, 2022. In addition, amendments are made to limit the total amount of such expenditures that can be used to determine the qualifying corporation's eligible tangible property expenditure for a taxation year.

An Act to implement Budget measures and to enact and amend various statutes**CONTENTS**

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His Majesty, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

Contents of this Act

1 This Act consists of this section, sections 2 and 3 and the Schedules to this Act.

Commencement

2 (1) Except as otherwise provided in this section, this Act comes into force on the day it receives Royal Assent.

(2) The Schedules to this Act come into force as provided in each Schedule.

(3) If a Schedule to this Act provides that any provisions are to come into force on a day to be named by proclamation of the Lieutenant Governor, a proclamation may apply to one or more of those provisions, and proclamations may be issued at different times with respect to any of those provisions.

Short title

3 The short title of this Act is the *Progress on the Plan to Build Act (Budget Measures), 2022*.

**SCHEDULE 1
ELECTRICITY ACT, 1998**

1 The definition of “Minister” in subsection 2 (1) of the *Electricity Act, 1998* is amended by striking out “Energy, Northern Development and Mines” and substituting “Energy”.

2 Subsection 9 (4) of the Act is amended by adding the following paragraph:

3. Registry rules made under Part II.1.

3 The Act is amended by adding the following Part:

**PART II.1
CLEAN ENERGY CREDITS**

Interpretation

25.11 In this Part,

“clean energy credit” means environmental attributes associated with the generation of one megawatt-hour of electricity that are recognized in the clean energy credit registry as a clean energy credit, following the submission of information to the registry in accordance with section 25.15; (“crédit pour l’énergie propre”)

“clean energy credit registry” means the registry established or designated, as the case may be, under section 25.22; (“registre des crédits pour l’énergie propre”)

“environmental attributes” means attributes or characteristics relating to the environmental benefits associated with electricity generated in Ontario from an energy source specified by the regulations, that,

- (a) unless otherwise specified by the regulations, are subject to transfer on their own without the electricity to which they are associated, and
- (b) meet any requirements specified by the regulations; (“attributs environnementaux”)

“registry rules” means the rules made under section 25.23; (“règles du registre”)

“regulations” means the regulations made under this Part, despite the definition of “regulations” in subsection 2 (1); (“règlements”)

“transfer” includes a transfer of ownership, with or without consideration; (“transfert”)

“transferee” means a person or entity who intends to purchase or acquire a clean energy credit; (“destinataire du transfert”)

“transferor” means a person or entity that makes environmental attributes available for transfer. (“auteur du transfert”)

Requirement to make environmental attributes available for transfer

25.12 The following persons and entities shall make such environmental attributes as are specified by the regulations available for transfer in the time and manner specified by the regulations:

1. The IESO.
2. Ontario Power Generation Inc.
3. Any generator or other person or entity specified by the regulations.

Restrictions on making environmental attributes available for transfer

25.13 If the regulations so provide, a generator or other person or entity specified by the regulations shall not make environmental attributes available for transfer except as provided for by the regulations.

Registration

Transferors

25.14 (1) A transferor shall register with the clean energy credit registry in accordance with the registry rules.

Transferees

(2) A transferee shall register with the clean energy credit registry in accordance with the registry rules.

Information re environmental attributes to be submitted to registry

25.15 (1) A transferor that intends to transfer environmental attributes shall submit to the clean energy credit registry such information respecting the environmental attributes as is specified by the registry rules.

Same

(2) The information referred to in subsection (1) shall be submitted in the time and manner specified by the registry rules.

Restriction

(3) Information respecting any given environmental attributes may only be submitted to the clean energy credit registry once.

Same

(4) Subsection (3) does not prevent the submission of information respecting environmental attributes in order to correct an error, add missing information, address a technical issue connected to the clean energy credit registry or otherwise ensure the correctness of the information submitted to the registry in respect of the environmental attributes.

Restrictions on transfer

25.16 (1) A transferor shall not transfer environmental attributes unless,

- (a) the environmental attributes are recognized in the clean energy credit registry as a clean energy credit, following the submission of information to the registry in accordance with section 25.15; and
- (b) the following conditions are met:
 - (i) the environmental attributes associated with the clean energy credit were generated within the period specified by the regulations,
 - (ii) the clean energy credit is to be transferred to a transferee who has an account with the IESO or a distributor with respect to the transferee's consumption of electricity, and who meets any other requirements specified by the regulations,
 - (iii) the clean energy credit is to be credited against electricity that was consumed by the transferee in Ontario within the period specified by the regulations,
 - (iv) the clean energy credit has not been previously transferred or retired, and
 - (v) any other conditions provided for by the regulations.

Same

(2) The transfer shall be completed within the time and in the manner specified by the registry rules.

Retirement of clean energy credits**Transferee**

25.17 (1) The transferee to whom a clean energy credit is transferred in accordance with section 25.16, or a person or entity acting on the transferee's behalf, shall indicate on the clean energy credit registry, in the time and manner specified by the registry rules, that the credit has been retired.

Transferor

(2) If a transferor's clean energy credit is not transferred within the time described in subsection 25.16 (2) or otherwise in accordance with section 25.16, the transferor may indicate on the clean energy credit registry, in the time and manner specified by the registry rules, that the credit has been retired.

Unauthorized retirement

(3) No person or entity shall indicate on the clean energy credit registry that a clean energy credit has been retired, except in accordance with subsection (1) or (2).

Provision of information

25.18 Transferors, transferees and any other persons or entities specified in the regulations shall provide to the IESO or the Minister such information as the IESO or Minister specifies for the purposes of this Part, in the time and manner specified by the IESO or Minister.

Proceeds of transfer**IESO**

25.19 (1) The IESO shall apply its proceeds from the transfer of its clean energy credits in the time and manner specified by the regulations.

Ontario Power Generation Inc.

(2) Ontario Power Generation Inc. shall apply its proceeds from the transfer of its clean energy credits in the time and manner specified by the regulations.

Application to partial credits

25.20 This Part applies with necessary modifications with respect to the transfer and retirement of a partial clean energy credit.

Transition

25.21 (1) This Part applies with respect to the transfer of environmental attributes generated on or after the day section 3 of Schedule 1 to the *Progress on the Plan to Build Act (Budget Measures), 2022* comes into force, even if the transfer is the subject of a contract that was entered into before that day.

Same

(2) If the regulations so provide, this Part applies with respect to the transfer of environmental attributes generated before the day section 3 of Schedule 1 to the *Progress on the Plan to Build Act (Budget Measures), 2022* came into force, to the extent and with any changes specified by the regulations.

Registry

25.22 (1) The IESO shall, in accordance with the regulations if any, establish and maintain or designate a registry for the purposes of this Part that meets any requirements specified by the regulations and that is capable of,

- (a) accepting and displaying the registration of transferors and transferees;
- (b) accepting and displaying information respecting environmental attributes, and recognizing environmental attributes as clean energy credits;
- (c) accepting and displaying information respecting the transfer of clean energy credits, including information respecting the credits that are available for transfer;
- (d) accepting and displaying information respecting the retirement of clean energy credits; and
- (e) any other function specified by the regulations.

Direction re registry

(2) If the regulations direct the IESO to do so, the IESO shall, in accordance with any timing or other requirements specified by the regulations, establish and maintain or designate, as specified by the regulations, a registry that meets the requirements of subsection (1) that is to be used for the purposes of this Part instead of the registry established or designated under that subsection.

Same

(3) Subsection (2) applies, with necessary modifications, with respect to a registry established or designated in accordance with regulations made for the purposes of that subsection.

Registry rules

25.23 (1) The IESO may, subject to any regulations made under clause 25.25 (1) (b), make rules,

- (a) governing the operation of any clean energy credit registry established by the IESO;
- (b) governing the participation of transferors and transferees in the clean energy credit registry for the purposes of this Part, including requiring the submission of specified information to the registry and specifying the time and manner of meeting the requirements;
- (c) requiring the payment of fees connected to the use of the clean energy credit registry, specifying their amounts, and specifying the time and manner of making the payments;
- (d) governing any other matter required or permitted in this Part or the regulations made under subsection 25.25 (1) to be provided for by the registry rules; and
- (e) respecting any matter that the IESO considers necessary or advisable in connection with the clean energy credit registry.

Subdelegation

(2) A registry rule may authorize a person or entity to require, authorize or otherwise determine any matter that may be required, authorized or otherwise determined by the IESO under subsection (1).

Incorporation by reference

(3) A registry rule may incorporate by reference another document, in whole or in part and with such changes as the IESO considers necessary, and may provide that the reference to the document include amendments made to the document from time to time.

General or particular

(4) A registry rule may be general or particular in its application.

Publication and inspection of registry rules

(5) The IESO shall make the registry rules available for public inspection on its website.

Reporting requirements

25.24 (1) The IESO shall, within the time specified by the regulations after the end of every calendar year, submit to the Minister a report that contains the following information respecting that year:

1. The total volume of electricity generated in the year by all generators directly connected to the IESO-controlled grid or a distributor's distribution system, broken down by energy source.
2. The total number of clean energy credits transferred in the year in accordance with section 25.16, broken down by energy source.
3. Any other information specified by the regulations.

Publication

(2) The IESO shall publish on its public website every report submitted to the Minister under subsection (1).

Duty to provide information

(3) The IESO may require a distributor, transferor, transferee or any other person or entity specified by the regulations to give to the IESO, in the time and manner specified by the IESO, such information in relation to this Part as the IESO may specify for the purposes of preparing a report under this section.

Regulations

Minister

25.25 (1) The Minister may make regulations,

- (a) governing any matter required or permitted in this Part to be provided for by the regulations, other than in subsection (7);
- (b) governing the making of the registry rules, including specifying timing, criteria or methodology that must be included in or applied under the registry rules or specifying any other matters that must be included in the registry rules;
- (c) exempting any person or entity from subclause 25.16 (1) (b) (i), (iv) or (v), subject to such conditions or restrictions as may be specified by the regulations;
- (d) specifying or providing for methods for determining amounts that constitute all or any part of IESO's proceeds from the transfer of its clean energy credits for the purposes of clauses 25.33 (1) (c) and (2) (c);
- (e) defining, for the purposes of this Part, any word or expression used in this Part that is not defined in this Act or by regulations made under clause 114 (1) (n);
- (f) respecting any other matter that the Minister considers necessary or advisable in connection with this Part.

Same

(2) In specifying environmental attributes for the purposes of section 25.12, the regulations may specify the number and type of environmental attributes, set out a manner for determining the number or type, specify maximums or minimums or impose ranges.

Same

(3) Regulations made for the purposes of subsection 25.19 (1),

- (a) may require the IESO to transfer proceed amounts specified by or determined in accordance with the regulations to the Crown or any other person or entity; and
- (b) shall not include any amounts specified or provided for under clause (1) (d).

Same

(4) Regulations made for the purposes of subsection 25.22 (2) may, for greater certainty, name a specific registry that meets the requirements of subsection 25.22 (1) that must be designated, and may provide for any transitional matters that arise as a result of the transition from the use of one registry to another.

Same

(5) A regulation under subsection (1) may authorize a person or entity to require, authorize or otherwise determine any matter that may be required, authorized or otherwise determined by the Minister under that subsection.

Rolling incorporation by reference

(6) A regulation under subsection (1) that incorporates another document by reference may provide that the reference to the document include amendments made to the document from time to time.

Lieutenant Governor in Council, exemptions

(7) The Lieutenant Governor in Council may make regulations exempting any person or entity from any provision of this Part, other than a provision that may be the subject of a regulation made under clause (1) (c), subject to such conditions or restrictions as may be specified by the regulations.

General or particular

(8) A regulation made under this section may be general or particular in its application.

4 (1) Subsection 25.33 (1) of the Act is amended by striking out “and” at the end of clause (a), by adding “and” at the end of clause (b), and by adding the following clause:

- (c) the IESO clean energy credit proceed amounts determined by the regulations made by the Minister under clause 25.25 (1) (d).

(2) Subsection 25.33 (2) of the Act is amended by striking out “and” at the end of clause (a), by adding “and” at the end of clause (b), and by adding the following clause:

- (c) the IESO clean energy credit proceed amounts determined by the regulations made by the Minister under clause 25.25 (1) (d).

ONTARIO ENERGY BOARD ACT, 1998***Ontario Energy Board Act, 1998***

5 Section 78.1 of the *Ontario Energy Board Act, 1998* is amended by adding the following subsection:

Same

(3.2) A payment to Ontario Power Generation Inc. under this section shall not include any amounts that may be specified by the regulations relating to its activities under Part II.1 of the *Electricity Act, 1998*.

6 Subsection 88 (1) of the Act is amended by adding the following clause:

- (i.4) for the purposes of subsection 78.1 (3.2), specifying amounts relating to Ontario Power Generation Inc.’s activities under Part II.1 of the *Electricity Act, 1998* that shall not be included in a payment to it under section 78.1, including providing for methods for determining the amounts;

COMMENCEMENT**Commencement**

7 This Schedule comes into force on a day to be named by proclamation of the Lieutenant Governor.

**SCHEDULE 2
FUEL TAX ACT**

1 Clause 2 (1.1) (a) of the *Fuel Tax Act* is amended by striking out “December 31, 2022” and substituting “December 31, 2023”.

Commencement

2 This Schedule comes into force on the day the *Progress on the Plan to Build Act (Budget Measures), 2022* receives Royal Assent.

**SCHEDULE 3
GASOLINE TAX ACT**

1 Clause 2 (1.1) (a) of the *Gasoline Tax Act* is amended by striking out “December 31, 2022” and substituting “December 31, 2023”.

Commencement

2 This Schedule comes into force on the day the *Progress on the Plan to Build Act (Budget Measures), 2022* receives Royal Assent.

SCHEDULE 4
INTERIM APPROPRIATION FOR 2023-2024 ACT, 2022

Interpretation

1 Expressions used in this Act have the same meaning as in the *Financial Administration Act* unless the context requires otherwise.

Expenses of the public service

2 Pending the voting of supply for the fiscal year ending on March 31, 2024, amounts not exceeding a total of \$174,400,946,200 may be paid out of the Consolidated Revenue Fund or recognized as non-cash expenses to be applied to the expenses of the public service that are not otherwise provided for.

Investments of the public service

3 Pending the voting of supply for the fiscal year ending on March 31, 2024, amounts not exceeding a total of \$5,026,116,100 may be paid out of the Consolidated Revenue Fund or recognized as non-cash investments to be applied to the investments of the public service in capital assets, loans and other investments that are not otherwise provided for.

Expenses of the Legislative Offices

4 Pending the voting of supply for the fiscal year ending on March 31, 2024, amounts not exceeding a total of \$298,190,600 may be paid out of the Consolidated Revenue Fund to be applied to the expenses of the Legislative Offices that are not otherwise provided for.

Charge to proper appropriation

5 All expenditures made or recognized under this Act must be charged to the proper appropriation following the voting of supply for the fiscal year ending on March 31, 2024.

Commencement

6 The Act set out in this Schedule comes into force on April 1, 2023.

Short title

7 The short title of the Act set out in this Schedule is the *Interim Appropriation for 2023-2024 Act, 2022*.

**SCHEDULE 5
LEGISLATIVE ASSEMBLY ACT**

1 (1) Subsection 61 (1.2) of the *Legislative Assembly Act* is amended by striking out “but subject to subsection (1.3)”.

(2) Subsection 61 (1.3) of the Act is repealed.

Executive Council Act

2 Subsections 3 (4.1) and (4.2) of the *Executive Council Act* are repealed and the following substituted:

Interpretation

(4.1) For the purposes of this section, the annual salary of a member of the Assembly is the amount determined in accordance with section 61 of the *Legislative Assembly Act*.

Commencement

3 This Schedule comes into force on the day the *Progress on the Plan to Build Act (Budget Measures), 2022* receives Royal Assent.

SCHEDULE 6
ONTARIO GUARANTEED ANNUAL INCOME ACT

1 Section 5.1 of the *Ontario Guaranteed Annual Income Act* is repealed and the following substituted:

Payment, January 1, 2023 to December 31, 2023

5.1 The amount of an increment payment to an eligible person for the period beginning on January 1, 2023 and ending on December 31, 2023 is the amount payable under section 2 multiplied by 2.

Commencement

2 This Schedule comes into force on the day the *Progress on the Plan to Build Act (Budget Measures), 2022* receives Royal Assent.

**SCHEDULE 7
PENSION BENEFITS ACT**

1 (1) Section 10 of the *Pension Benefits Act* is amended by adding the following subsection:

Collective agreements

(1.0.1) For greater certainty, the documents that create and support a pension plan include a collective agreement if,

- (a) the plan is established pursuant to the collective agreement;
- (b) the collective agreement incorporates the plan by reference in whole or in part; or
- (c) the terms of the plan are set out in whole or in part in the collective agreement.

(2) Section 10 of the Act is amended by adding the following subsections:

Plans that provide target benefits — funding and governance policies

(5) The documents that create and support a pension plan that provides any target benefits shall set out the pension plan's funding policy and its governance policy.

Conversions of existing pension plans

(6) If some or all of the benefits provided by a multi-employer pension plan that was registered before the day subsection 1 (2) of Schedule 7 to the *Progress on the Plan to Build Act (Budget Measures), 2022* comes into force are converted to target benefits, the administrator of the pension plan shall, within the prescribed time, file with the Chief Executive Officer the pension plan's funding policy and its governance policy.

Other conversions

(7) If some or all of the benefits provided by a multi-employer pension plan that is registered on or after the day subsection 1 (2) of Schedule 7 to the *Progress on the Plan to Build Act (Budget Measures), 2022* comes into force are converted to target benefits, the administrator of the pension plan shall, within the prescribed time, file with the Chief Executive Officer the pension plan's funding policy and its governance policy.

Requirements

(8) A pension plan's funding policy and its governance policy must satisfy such requirements and contain such information as may be prescribed, and must be reviewed in accordance with the regulations.

(3) Subsections 10 (5) to (7) of the Act, as enacted by subsection (2), are repealed and the following substituted:

Funding and governance policies

(5) The documents that create and support a pension plan shall set out the pension plan's funding policy and its governance policy.

Same, existing pension plans

(6) The administrator of a pension plan that applied for registration before the day subsection 1 (3) of Schedule 7 to the *Progress on the Plan to Build Act (Budget Measures), 2022* comes into force shall, within the prescribed time, file with the Chief Executive Officer the pension plan's funding policy and its governance policy.

Stronger, Fairer Ontario Act (Budget Measures), 2017

2 Subsection 2 (4) of Schedule 33 to the *Stronger, Fairer Ontario Act (Budget Measures), 2017* is repealed.

Commencement

3 (1) Except as otherwise provided in this section, this Schedule comes into force on the day the *Progress on the Plan to Build Act (Budget Measures), 2022* receives Royal Assent.

(2) Section 1 comes into force on a day to be named by proclamation of the Lieutenant Governor.

**SCHEDULE 8
SECURITIES ACT**

1 (1) Paragraph 49 of subsection 143 (1) of the *Securities Act* is amended by striking out “filing or delivery” and substituting “filing, delivery, distribution or making available”.

(2) Section 143 of the Act is amended by adding the following subsections:

Variation of Act — delivery, etc., of prospectus, financial statement

(1.2) The rules may authorize or require that a document that is to be delivered, forwarded, distributed or sent to a person or company under Part XV or XVI or under section 79 be made available to the person or company in another way instead.

Same, deemed receipt

(1.3) A document that is made available in accordance with subsection (1.2) is deemed to have been received on the day and at the time, if any, determined under the rules.

Commencement

2 This Schedule comes into force on the day the *Progress on the Plan to Build Act (Budget Measures), 2022* receives Royal Assent.

SCHEDULE 9
SUPPLEMENTARY INTERIM APPROPRIATION FOR 2022-2023 ACT, 2022

Interpretation

1 Expressions used in this Act have the same meaning as in the *Financial Administration Act* unless the context requires otherwise.

Additional amounts to be paid or recognized

2 All amounts authorized under sections 3 and 4 to be paid out of the Consolidated Revenue Fund or recognized as non-cash expenses or non-cash investments are in addition to the amounts authorized to be paid out of the Consolidated Revenue Fund or recognized as non-cash expenses or non-cash investments under sections 2 and 4 of the *Interim Appropriation for 2022-2023 Act, 2021*.

Expenses of the public service

3 Pending the voting of supply for the fiscal year ending on March 31, 2023, amounts not exceeding a total of \$10,947,774,700 may be paid out of the Consolidated Revenue Fund or recognized as non-cash expenses to be applied to the expenses of the public service that are not otherwise provided for.

Expenses of the Legislative Offices

4 Pending the voting of supply for the fiscal year ending on March 31, 2023, amounts not exceeding a total of \$13,833,800 may be paid out of the Consolidated Revenue Fund to be applied to the expenses of the Legislative Offices that are not otherwise provided for.

Charge to proper appropriation

5 All expenditures made or recognized under this Act must be charged to the proper appropriation following the voting of supply for the fiscal year ending on March 31, 2023.

Commencement

6 The Act set out in this Schedule is deemed to have come into force on April 1, 2022.

Short title

7 The short title of the Act set out in this Schedule is the *Supplementary Interim Appropriation for 2022-2023 Act, 2022*.

**SCHEDULE 10
TAXATION ACT, 2007**

1 (1) Paragraph 2 of subsection 92 (5.6) of the Act is amended by adding “subject to subsection (5.7.1)” at the end.

(2) Subsection 92 (5.7) of the Act is amended by striking out “all of” in the portion before paragraph 1.

(3) Paragraph 6 of subsection 92 (5.7) of the Act is repealed and the following substituted:

6. In the case of an expenditure incurred on or before November 14, 2022 in respect of any kind of tangible property or an expenditure incurred after November 14, 2022 in respect of tangible property other than the type of leased real property described in paragraph 6.1, the expenditure is paid to a person or partnership,
- i. that is ordinarily engaged in the business of selling or leasing tangible property of the type of tangible property acquired or leased by the qualifying corporation,
 - ii. that carries on business through a permanent establishment in Ontario,
 - iii. that is a taxable Canadian corporation or an Ontario-based individual at the time the amount is paid or a partnership comprised entirely of members that are taxable Canadian corporations or Ontario-based individuals at the time the amount is paid,
 - iv. in the case of an individual, who is not an employee of the qualifying corporation, and
 - v. in the case of a partnership, whose members are not employees of the qualifying corporation.
- 6.1 In the case of an expenditure incurred after November 14, 2022 in respect of real property leased by the qualifying corporation from a person or partnership not ordinarily engaged in the business of leasing the type of real property in question, the expenditure is paid to a person or partnership,
- i. that deals at arm’s length with the qualifying corporation,
 - ii. in the case of an individual, who is not an employee of the qualifying corporation, and
 - iii. in the case of a partnership, whose members are not employees of the qualifying corporation.

(4) Section 92 of the Act is amended by adding the following subsection:

Limit on certain expenditures

(5.7.1) The total amount of expenditures described in paragraph 6.1 of subsection (5.7) that may be included in a qualifying corporation’s qualifying production expenditure under subsection (5.1) for a taxation year in respect of an eligible production is the lesser of,

- (a) the total amount determined in respect of those expenditures under paragraph 2 of subsection (5.6); and
- (b) the amount that is 5 per cent of the amount of the qualifying production expenditure that would be determined under subsection (5.1) if that amount were determined without reference to this subsection.

Commencement

2 This Schedule comes into force on the day the *Progress on the Plan to Build Act (Budget Measures), 2022* receives Royal Assent or, if the *Progress on the Plan to Build Act (Budget Measures), 2022* receives Royal Assent after November 14, 2022, this Schedule is deemed to have come into force on November 14, 2022.