Ministry of Consumer and Business Services

Title and Survey Services Office Registration Division 393 University Avenue, 3rd Floor Toronto ON M5G 1E6 Telephone: (416) 314 - 4881

Facsimile: (416) 314 - 4878

Ministère des Services aux consommateurs et aux entreprises

Bureau de l'arpentage et des droits immobiliers Division de l'enregistrement 393, av. University, 3e étage Toronto ON M5G 1E6

Téléphone: (416) 314 - 4881 Télécopieur: (416) 314 - 4878



12 December 2002

MEMO EM 200201

TO: Land Registrars

Title and Survey Services Office Business Improvement Team

FROM: Kate Murray

Director of Titles

RE: GOVERNMENT EFFICIENCY ACT, 2002 – Bill 179

The Government Efficiency Act, 2002 received Royal Assent on November 26th, 2002 and some of the highlights are as follows:

Land Registration Reform Act

• Subsection 5(1) of the Act is amended to allow for filing of standard terms of agreements. Procedures will be developed and a date of proclamation will be announced in the near future.

Land Titles Act

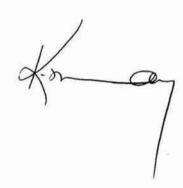
- Section 38 of the Act is amended to provide for the registration of an application for a leasehold parcel by registering either the lease, a notarial copy of the lease, or a notice setting out the details of the lease.
- Sections 54 and 56 of the Act are amended to amalgamate the Land Titles Assurance Fund and the Land Titles Survey Fund to be known as the Land Titles Assurance Fund. The rights previously available under both Funds continue.
- Subsection 111(6) of the Act is amended to provide for the registration of a notice of interest in lease by either a notice setting out the particulars of the interest, a notice accompanied by the original document creating the interest or a notarial copy of the document creating the interest.
- Section 158 of the Act is amended to provide for the registration of a Land Registrar's caution where the Land Registrar becomes aware of a fraudulent transaction.

Registry Act

- Section 67(1) of the Act is amended by adding the following documents:
 - a) Notice of Lien under the Legal Services Act, 1998
 - b) Notice of Lien under the Ontario Works Act, 1997
 - c) Notice of Lien under the Ontario Disability Support Program
 - d) An instrument of a prescribed class.

There are several other minor housekeeping amendments but the above amendments are the ones that will affect the day to day registrations. All of the amendments with the exception of the new section dealing with filing Standard Terms of Agreement under the *Land Registration Reform Act* are effective as of November 26. The section dealing with Standard Terms of Agreement will be effective upon proclamation.

The sections of the Bill which relate to land registration statutes are are attached to this memo. Bill 179 in its entirety may be reviewed on the Ministry's website.



cc Lynn MacDonald Ian Veitch Regional Managers Legal Services Branch

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BILL 179 – LAND REGISTRATION STATUTES

Boundaries Act

2. Subsection 5 (2) of the *Boundaries Act*, as amended by the Statutes of Ontario, 1993, chapter 27, Schedule and 2000, chapter 26, Schedule B, section 2, is repealed and the following substituted:

Costs

(2) Where the Director initiates a proceeding under subsection (1), the costs of the proceeding, including incidental costs, may, on application to the Director, be paid out of The Land Titles Assurance Fund established under the *Land Titles Act*, and subsections 56 (2) to (5) of that Act apply to an application under this subsection.

Land Registration

Reform Act

5. (1) The Land Registration Reform Act is amended by adding the following sections:

Filing of standard terms of agreement

7.1 (1) A person may file with the Director a set of standard terms of agreement in the form and manner required by the Director.

Amendment of set of standard terms of agreement

(2) A set of standard terms of agreement filed under subsection (1) may be amended by filing a further set of standard terms of agreement under subsection (1).

Duties of Director

- (3) Where a set of standard terms of agreement is filed under subsection (1), the Director shall,
- (a) promptly assign a filing number to the set and advise the person who filed the set of its filing number; and
- (b) ensure that copies of the set, identified by its filing number, are provided to the land registry offices for the parts of Ontario designated under this Part within 30 days of the day on which the set was filed.

Public inspection

(4) Every set of standard terms of agreement filed under subsection (1) shall be made available in a manner determined by the Director and upon payment of the required fee for public inspection and copying in the land registry offices for the parts of Ontario designated under this Part on a day not later than 30 days after the day on which the set is filed with the Director.

Electronic filing

(5) The Director may require a person to file standard terms of agreement in an electronic format and may require that the terms of agreement be delivered by direct electronic transmission.

Effect of filing: incorporation by reference

7.2 (1) An agreement shall be deemed to include a set of standard terms of agreement filed under subsection 7.1 (1) if the set is referred to in the agreement by its filing number.

Amendment of standard terms of agreement in individual agreement

(2) A term deemed to be included in an agreement by subsection (1) may, in a schedule to the agreement, be expressly excluded or may be varied by setting out the term, appropriately amended.

Only one set to be incorporated by reference

(3) Where an agreement refers to more than one set of standard terms of agreement by their filing numbers, the agreement shall be deemed to include only the set that was filed last.

Express term governs

(4) Where there is a conflict between an express term in an agreement and a term deemed to be included in the agreement by subsection (1), the express term prevails.

When agreement may be registered

7.3 (1) An agreement that refers to a set of standard terms of agreement filed under subsection 7.1 (1) by the set's filing number shall not be registered before a copy of the set is available in the land registry office where the agreement is to be registered, as described in subsection 7.1 (4).

Saving

- (2) The fact that an agreement is registered in a manner that contravenes subsection (1) does not, in itself, invalidate the registered agreement.
- (2) Subsection 12 (1) of the Act is amended by striking out "in the prescribed form and manner" and substituting "in the form and manner required by the Director".
- (3) Clause 14 (1) (c) of the Act, as re-enacted by the Statutes of Ontario, 1998, chapter 18, Schedule E, section 97, is repealed.

Land Titles

Act

6. (1) Subsection 38 (2) of the *Land Titles Act* is repealed and the following substituted:

Deposit of lease

- (2) Every applicant for registration of leasehold land shall deposit with the land registrar,
- (a) the lease in respect of which the application is made;
- (b) a notarial copy of the lease; or
- (c) a notice that sets out the particulars of the lease in a manner specified by the Director of Titles.

Reference to "registered lease"

(2.1) A reference in this Act to a "registered lease" is a reference to a lease, copy or notice deposited under subsection (2).

(2) Section 42 of the Act is repealed and the following substituted:

Notice

42. A notice of an application for first registration is sufficiently served upon a person having an interest by virtue of a conveyance, mortgage, charge or assignment in land adjoining the land of or claimed by the applicant for first registration if it is sent by registered mail addressed to that person at the address appearing on the conveyance, mortgage, charge or assignment, or where no address for that person appears on the conveyance, mortgage, charge, or assignment, to the solicitor whose name appears on the conveyance, mortgage, charge or assignment registered under this Act, the *Registry Act* or the regulations.

(3) Subsection 54 (1) of the Act is repealed and the following substituted:

Land Titles Assurance Fund

- (1) The Land Titles Assurance Fund and The Land Titles Survey Fund are amalgamated and continued under the name The Land Titles Assurance Fund in English and the name Caisse d'assurance des droits immobiliers in French.
- (4) Section 56 of the Act, as amended by the Statutes of Ontario, 2000, chapter 26, Schedule B, section 12, is repealed and the following substituted:

Financial assistance for surveys

- **56.** (1) An application for financial assistance from The Land Titles Assurance Fund may be made to the Director of Titles by,
- (a) a registered owner in respect of the costs of a survey of the owner's land;
- (b) an applicant for first registration under this Act in respect of the costs of a survey of the applicant's land;
- (c) the council of a municipality in respect of the costs of and incidental to an application under section 31:
- (d) an applicant under the *Boundaries Act* in respect of the costs of and incidental to an application under that Act, including survey costs.

Direction for payment

(2) The Director of Titles may direct that all or a part of the costs mentioned in an application made under subsection (1) be paid out of The Land Titles Assurance Fund.

Payment re surveys for property mapping

(3) The Director of Titles may direct that all or part of the costs of a survey of land required to facilitate the inclusion of the land in a property map referred to in subsection 141 (3) be paid out of The Land Titles Assurance Fund.

Payment from Fund

(4) Upon receipt of a direction of the Director of Titles, the Accountant of the Ontario Court shall pay to the person or municipality named in the direction such sum or sums, at such time or times as are stipulated in the direction, out of The Land Titles Assurance Fund, so far as that Fund is sufficient for the purpose.

Determination final

- (5) The determination by the Director of Titles of the amount, if any, to be paid from The Land Titles Assurance Fund is not subject to appeal.
- (5) Subsection 64 (2) of the Act is amended by striking out "Bankruptcy Act" and substituting "Bankruptcy and Insolvency Act".
- (6) Section 111 of the Act, as amended by the Statutes of Ontario, 1998, chapter 18, Schedule E, section 142, is amended by adding the following subsection:

Documents to deliver

- (6.1) Where a notice of an interest may be registered under subsection (6), any of the following may be registered:
- 1. A notice setting out the particulars of the interest.
- 2. A notice accompanied by the original document creating the interest.
- 3. A notice accompanied by a notarial copy of the document creating the interest.
- (7) Subsection 126 (1) of the Act, as amended by the Statutes of Ontario, 1998, chapter 18, Schedule E, section 147, is amended by striking out "Minister of Revenue" and substituting "Minister of Finance".
- (8) Subsection 126 (2) of the Act is repealed and the following substituted:

Where consent of Minister not required

- (2) Despite subsection (1), the consent of the Minister of Finance is not required to be attached to or endorsed on the application for transmission of interest or application for entry in respect of any land, charge or interest that is prescribed by regulations made under *The Succession Duty Act*, being chapter 449 of the Revised Statutes of Ontario, 1970, to be land or a charge or interest that may be conveyed, transferred or assigned without the consent of the Minister.
- (9) Section 131 of the Act is amended by striking out "an affidavit in the prescribed form" and substituting "either an affidavit in the prescribed form or a statement in a form specified by the Director".

- (10) Subsection 136 (1) of the Act, as re-enacted by the Statutes of Ontario, 1998, chapter 18, Schedule E, section 152, is amended by striking out "and subsection 18 (4) of the *Legal Aid Act*" in the portion before clause (a).
- (11) Section 148 of the Act is repealed.
- (12) Section 158 of the Act, as amended by the Statutes of Ontario, 1998, chapter 18, Schedule E, section 156, is amended by adding the following subsections:

Caution in case of fraud

(1.1) If it appears to the land registrar that a registration may be fraudulent, the land registrar may of his or her own accord and without affidavit enter a caution to prevent dealing with the registered land.

Hearing

- (1.2) Where the land registrar has entered a caution under subsection (1) or (1.1), the land registrar may hold a hearing before making any correction under subsection (2), and section 10 applies to the hearing.
- (13) Subsection 163.1 (1) of the Act, as enacted by the Statutes of Ontario, 1998, chapter 18, Schedule E, section 157, is amended by adding the following paragraph:
- 23. governing the amalgamation of the Funds mentioned in section 54.

Registry Act

- 8. (1) Subsection 53 (3) of the *Registry Act* is amended by striking out "Minister of Revenue" in the portion after clause (c) and substituting "Minister of Finance".
- (2) Subsection 53 (4) of the Act is repealed and the following substituted:

Where consent of Minister not required

- (4) Despite subsection (3), the consent of the Minister of Finance is not required to be attached to or endorsed on any deed, grant, conveyance, mortgage, assignment of mortgage or other instrument purporting to convey, transfer or assign any property that is property prescribed by regulations made under *The Succession Duty Act*, being chapter 449 of the Revised Statutes of Ontario, 1970 to be property that may be conveyed, transferred or assigned without the consent of the Minister.
- (3) Subsection 53 (5) of the Act is amended by striking out "The Minister of Revenue" at the beginning and substituting "The Minister of Finance".
- (4) Clause 57 (c) of the Act, as amended by the Statutes of Ontario, 1993, chapter 27, Schedule and 1998, chapter 18, Schedule E, section 241, is repealed and the following substituted:
- (c) shall, if made upon or in consequence of marriage, annulment or dissolution of marriage, adoption or in any other way, be evidenced by a certificate issued under the *Change of Name Act* or other document specified by the Director of Titles, attached to the certificate of discharge.
- (5) Subsection 67 (1) of the Act, as amended by the Statutes of Ontario, 1993, chapter 27, Schedule and 1999, chapter 12, Schedule F, section 38, is amended by adding the following clauses:

- (h) a registered notice of a lien under the Legal Aid Services Act, 1998;
- (i) a registered notice of a lien under the Ontario Works Act, 1997;
- (i) a registered notice of a lien under the Ontario Disability Support Program Act, 1997;
- (k) an instrument of a prescribed class.
- (6) Subsection 100 (1) of the Act, as re-enacted by the Statutes of Ontario, 1998, chapter 18, Schedule E, section 255 and amended by 2000, chapter 26, Schedule B, section 17, is amended by adding striking out "56 (8) or" and substituting 56 (8), clause 57 (c) or subsection ".

Commencement

Commencement

11. (1) Subject to subsections (2) to (11), this Schedule comes into force on a day to be named by proclamation of the Lieutenant Governor.

Amendments to Boundaries Act

(2) Section 2 comes into force on the day the *Government Efficiency Act*, 2002 receives Royal Assent.

Amendments to

Land Registration Reform Act

(3) Subsections 5 (2) and (3) come into force on the day the *Government Efficiency Act*, 2002 receives Royal Assent.

Amendments to Land Titles Act

(4) Section 6 comes into force on the day the *Government Efficiency Act*, 2002 receives Royal Assent.

Amendments to Registry Act

(5) Section 8 comes into force on the day the *Government Efficiency Act*, 2002 receives Royal Assent.

Amendments to Vital Statistics Act

(6) Subsections 9 (1), (2) and (7) come into force on the day the *Government Efficiency Act*, 2002 receives Royal Assent.

Amendments to Statute Law Amendment Act (Government Management and Services), 1994

(7) Subsection 10 (1) comes into force immediately upon the coming into force of subsection 102 (5) of the Statute Law Amendment Act (Government Management and Services), 1994.

Same

(8) Subsection 10 (2) comes into force immediately upon the coming into force of subsection 102 (8) of the Statute Law Amendment Act (Government Management and Services), 1994.

Same

(9) Subsection 10 (3) comes into force immediately upon the coming into force of subsection 102 (13) of the Statute Law Amendment Act (Government Management and Services), 1994.

Same

(10) Subsection 10 (4) comes into force immediately upon the coming into force of subsection 102 (14) of the Statute Law Amendment Act (Government Management and Services), 1994.

Same

- (11) Subsection 10 (5) comes into force immediately upon the coming into force of subsection 102
- (15) of the Statute Law Amendment Act (Government Management and Services), 1994.