

SECOND SESSION  
THIRTY-FIRST LEGISLATURE

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ASSEMBLÉE NATIONALE DU QUÉBEC

**Bill 73**

**An Act respecting municipal and  
intermunicipal transit corporations**

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First reading

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M. LUCIEN LESSARD

Ministre des transports

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CHARLES-HENRI DUBÉ, ÉDITEUR OFFICIEL DU QUÉBEC

1977

## Bill 73

An Act respecting municipal and  
intermunicipal transit corporations

HER MAJESTY, with the advice and consent of the Assemblée  
nationale du Québec, enacts as follows:

### CHAPTER I

#### DEFINITIONS

**1.** In this act, unless the context indicates otherwise,

(a) “bus” means any motor vehicle equipped for the transportation of at least eight persons at one time, including a minibus or any similar vehicle determined by government regulation;

(b) “Commission” means the Commission des transports du Québec;

(c) “corporation” means a municipal transit corporation or an intermunicipal transit corporation incorporated under this act;

(d) “municipal transit corporation” means a corporation having jurisdiction over the territory of one municipality alone;

(e) “intermunicipal transit corporation” means a corporation having jurisdiction over the territory of several municipalities;

(f) “Minister” means the Ministre des transports;

(g) “municipality” means any municipal corporation created by law or under an act of the Legislature, except a municipality the territory of which is under the jurisdiction of a transit commission on (*insert here the date of the tabling of Bill 73*);

(h) “public transit permit” means a permit that is valid and in force, issued by the Régie des transports du Québec before 15 February 1973, bearing the words “public transport” or “autobus

## EXPLANATORY NOTES

*This bill allows the municipalities of Québec, except those whose territory is under the jurisdiction of a transport commission, to apply to the Ministre des transports for a study on the advisability of establishing a municipal transit corporation or, as the case may be, an intermunicipal transit corporation in their territory. Such corporations will be established by an order of the Government which, in every case, will indicate the name of the corporation and the territory over which it is to have jurisdiction. Each municipal or intermunicipal transit corporation will be administered by a board of directors composed of members of the council of the municipality or of each municipality in the territory under the jurisdiction of the corporation. The object of such a corporation is the operation of a passenger-bus transit system within the territory under its jurisdiction, and outside such territory in the cases provided for in this act.*

*Chapter I deals with definitions.*

*Chapter II provides for the constitution of the municipal and intermunicipal transit corporations and states their general powers.*

*Chapter III deals with the various services that may be provided by such corporations and specifies the conditions governing their operation.*

*Chapter IV provides for the establishment of a complaints bureau.*

*Chapter V deals with financial provisions.*

*Chapter VI deals with offences and penalties.*

*Chapter VII contains transitional and final provisions.*

service”; it also means a permit that is valid and in force issued by the Commission authorizing its holder to provide a bus transport service for passengers, and their baggage, where such is the case, for direct or indirect remuneration, on a regular route and on a fixed time-schedule;

(i) “passenger transit system” means the aggregate of passenger-bus transport services provided by a corporation to the public in the territory over which it has jurisdiction.

## CHAPTER II

### MUNICIPAL AND INTERMUNICIPAL TRANSIT CORPORATIONS

#### DIVISION I

#### INCORPORATION

**2.** Any municipality, by resolution addressed to the Minister, may request that the Government order the making of a study, by such local representatives as the Government may designate, in collaboration with such of its civil servants as the Minister may designate, respecting the advisability of establishing a municipal transit corporation or an intermunicipal transit corporation, as the case may be.

These persons must report their findings to the Minister within the time limit he indicates.

**3.** Upon the advice of the Minister, the Government may order the incorporation of a municipal transit corporation or an intermunicipal transit corporation, as the case may be, indicating, in each case, the name of the corporation and the territory over which it will have jurisdiction.

Notice of this order shall be published in the *Gazette officielle du Québec*.

The Government may change the name or the territory of a municipal or intermunicipal transit corporation, following the procedure set down in the preceding paragraphs.

**4.** A corporation incorporated in accordance with section 3 is a corporation within the meaning of the Civil Code, and has the general powers of such a corporation, as well as the special powers conferred on it by this act.

Its object is the operation of a passenger transit system in the territory subject to its jurisdiction, and outside that territory in the cases provided for by this act.

**5.** The corporation shall have its corporate seat in the territory subject to its jurisdiction, at such place as it determines by by-law, notice of which shall be published in the *Gazette officielle du Québec*; it may also, in the same manner, transfer it to any other place in that territory.

**6.** If the corporation is dissolved, its property, after payment of its debts, shall be vested in the municipality or municipalities, as the case may be, over whose territory it has jurisdiction and, in the latter case, as the Government may determine.

**7.** A municipal transit corporation shall be represented, and its affairs administered, by a board of directors consisting of three members of the council of the municipality over whose territory it has jurisdiction.

The council of the municipality shall designate these directors by resolution.

**8.** An intermunicipal transit corporation shall be represented, and its affairs administered, by a board of directors consisting of two members of the municipal council of each municipality in the territory subject to its jurisdiction.

Notwithstanding the first paragraph, an intermunicipal transit corporation covering ten or more municipalities shall be represented, and its affairs administered, by a board of directors consisting of one member of the municipal council of each municipality in the territory subject to its jurisdiction.

The council of each of such municipalities shall designate its representatives or representative by resolution.

**9.** Within fifteen days of the appointment of the secretary to the corporation, every councillor designated for membership on the board of directors of the corporation shall advise the secretary in writing of the address to which all official communications to him from the corporation should be sent. He may give a new address for that purpose in the same manner.

**10.** Within thirty days after publication of its order of incorporation, the corporation shall hold a meeting, chaired by the Minister or a person designated by him, to elect a chairman from among its members and to appoint a secretary and fix his salary.

**11.** Within ninety days after publication of its order of incorporation, the corporation shall hold a meeting to designate a general manager and to fix his salary, by resolution approved by a two-thirds majority of the members.

**12.** The general manager shall devote himself to the work of the corporation and his duties of office. He has a voice in discussions of the board of directors of the corporation but not the right to vote.

**13.** The office of general manager of the corporation is incompatible with that of member of the municipal council of a municipality in the territory under the jurisdiction of the corporation.

**14.** A member of the board of directors of a corporation ceases to be such on ceasing to be a member of the municipal council that designated him.

Such a person shall not cease to hold office on the expiry of his term as member of the council, however, provided he is a candidate at the ensuing election and is re-elected.

**15.** A member of the board of directors of the corporation may resign as such by filing a written notice of his intention with the secretary. His position becomes vacant upon the corporation's acceptance of his resignation.

**16.** Any vacancy on the board of directors of the corporation must be filled within thirty days.

If the municipality concerned fails to fill the vacancy, the Government may do so in its stead.

**17.** The secretary and the general manager shall not be appointed to terms of over four years. Their terms may be renewed, however.

**18.** Before taking office, the secretary and the general manager shall make oath before the chairman to carry out their duties of office well and faithfully.

**19.** Sections 69 to 69b of the Cities and Towns Act (Revised Statutes, 1964, chapter 193) apply, *mutatis mutandis*, to the secretary and the general manager throughout their terms of office.

**20.** The chairman shall preside at meetings. He shall maintain order and decorum at meetings, and he may have any person who disturbs the order of a meeting expelled.

The meetings of the board of directors shall be public.

Two-thirds of the members of the board of directors are a quorum.

**21.** The chairman may vote as a member of the board of directors of the corporation, and has a casting vote in the case of a tie-vote. If the chairman is absent, his casting-vote is exercised by the chairman designated in accordance with section 22.

**22.** If the chairman is absent or unable to act, the meetings shall be presided by such member of the board of directors as the meeting designates by resolution; the secretary shall preside the meeting until that designation is made.

**23.** The procedure for the calling of meetings of the board of directors is determined by government regulation.

The board of directors of the corporation shall meet at such times as it may determine by resolution.

It must meet, however, at the request of the chairman, at the written request of one-third of its members, at the written request of fifty users of its service, or at the request of the complaints office.

**24.** Each member of the board of directors of a municipal transit corporation has one vote.

**25.** Each member of the board of directors of an inter-municipal transit corporation has one vote for each thousand inhabitants of the municipality he represents.

**26.** Every member of the board of directors of the corporation attending a meeting is bound to vote on a division.

**27.** No member of the board of directors of a corporation may, under pain of forfeiture of office, have any direct or indirect interest in an undertaking causing his personal interest to conflict with that of the corporation.

**28.** The Government shall fix the remuneration of the members of the board of directors of the corporation, and the corporation shall pay such remuneration.

**29.** Subject to the second paragraph of section 47, decisions of the corporation shall be taken by the majority vote of the members present. However, where an intermunicipal transit corporation covers four or more municipalities, that majority must include at least fifty per cent of the votes of the representatives of the municipalities other than the one having the greatest population who are present at the meeting.

**30.** The minutes of the votes and proceedings of the board of directors of the corporation shall be entered in a minute-book by the secretary; on being read and approved at the next meeting, they shall be signed by the chairman and the secretary. They must be sent free of charge to every municipal council concerned.

**31.** Copies and extracts, certified by the secretary, of or from the books, registers, records, documents and papers preserved in the office of the corporation make proof of their contents.

To be authentic, the original of a document referred to in the preceding paragraph must be signed by the chairman and the secretary.

**32.** The registers and documents in the possession of the secretary and forming part of the records of the corporation may be inspected and examined during office hours by every person having an interest therein.

**33.** The secretary of the corporation must send, on demand and free of charge, a copy of any document forming part of the records of the corporation to any municipality in the territory under the jurisdiction of the corporation.

**34.** No by-law, resolution or order of the board of directors may be repealed or amended except by another by-law, resolution or order.

**35.** Every by-law, resolution and order of the board of directors of the corporation comes into force on being published by posting up in the office of the corporation, unless authorization is required.

**36.** A copy of every by-law, resolution and order passed by the board of directors of the corporation must be forwarded to the Minister without delay.

## DIVISION II

## GENERAL POWERS

**37.** The corporation may

- (a) have a seal which it may alter at will;
- (b) establish and maintain or assist in the establishment or maintenance of relief or retirement funds or pension plans for its officers and employees, or their relatives and dependants, and pay premiums for them, the whole subject to the Supplemental Pension Plans Act (1965, 1st session, chapter 25);
- (c) make by-laws for its internal management and the conduct of its affairs;
- (d) carry out such studies as it deems useful for the exercise of its jurisdiction, whether such studies deal with the territory subject to its jurisdiction or with any other territory.

**38.** The corporation may also

- (a) lease, on its property, space for any business it may determine and regulate the use of showcases and display windows in such establishments and lease advertising space on its property and in its vehicles;
- (b) acquire, possess and operate by itself any business at the places described in paragraph *a*;
- (c) make by-laws respecting the conduct of persons on its property or in its vehicles or respecting its collection of fares;
- (d) with the approval of the Minister, perform such work as it deems necessary for the better operation of its services, such as the construction, possession, and operation of parking lots or parking garages, loading and unloading platforms, and any other works it considers necessary or useful for the efficient operation of its services;
- (e) at auction, by public tenders or in any other manner authorized by the Minister, alienate any moveable or immoveable property valued at not over \$10,000.

Notwithstanding the authority provided by subparagraph *e*, the corporation shall not, without permission from the Minister, alienate any piece of equipment or any building specifically for which it has received a grant.

**39.** The corporation may acquire by agreement, with the authorization of the Minister, or by expropriation, any immoveable, part of an immoveable or real right that it requires for the

attainment of its objects, within or outside the limits of the territory subject to its jurisdiction.

**40.** Unless it involves an expenditure of less than \$25,000, no contract for the performance of work or the supply of equipment or materials or the furnishing of services other than professional services may be awarded by the corporation except after a call for public tenders by advertisement in a daily newspaper circulating in its territory.

The delay for the receipt of tenders shall not be less than eight days. Tenders shall not be called for nor shall the contracts resulting therefrom be awarded except on one or the other of the following bases:

- (a) for a fixed price;
- (b) at unit prices.

All tenders must be opened publicly in the presence of at least two witnesses, on the day and at the time and place mentioned in the call for tenders. All those who have tendered may be present at the opening of the tenders. The names of the tenderers and their respective prices must be mentioned aloud at the opening of the tenders.

The corporation shall not, without the prior authorization of the Minister, award the contract to any person other than the person who submitted the lowest tender within the prescribed delay. If, however, to comply with the conditions for the making of a government grant, it is necessary that the contract be awarded to any person except the one who made the lowest tender within the prescribed delay, the corporation may, without the authorization of the Minister, award the contract to the person whose tender is the lowest among the persons fulfilling those conditions, if that tender was made within the prescribed delay.

If there is only one tenderer, the corporation shall not award such contract without the approval of the Minister.

**41.** The awarding of a contract for one of the objects mentioned in the first paragraph of section 40, involving an expenditure of over \$5,000 and less than \$25,000, must be preceded by a call for tenders made by inviting at least two contractors or, as the case may be, two suppliers having a place of business in the territory subject to the jurisdiction of the corporation, to tender.

**42.** With the permission of the Minister, the corporation may lease the equipment necessary for the attainment of its objects, and rolling stock in particular, on condition in the latter case that it is leased from a person holding a permit for that purpose, where

a permit is required, and that it is witnessed by a contract in writing, a copy of which must be sent to the Minister.

**43.** The corporation may, without a permit, lease its vehicles to any person or body requesting it.

**44.** The corporation may

(a) alienate any vehicle valued at not over \$5,000 or any other moveable property valued at not over \$500;

(b) with the permission of the Minister, alienate any part situated outside its territory of a public transport undertaking which it has acquired, and the related permits.

Notwithstanding its authority under subparagraph *a*, the corporation shall not, without the permission of the Minister, alienate any bus or any other piece of equipment specifically for which it has received a grant.

**45.** Whether it operates the system itself or it entrusts its operation in accordance with the second paragraph of section 49, the corporation may cause moveable effects found in its vehicles or on its property, and not claimed within two months, to be sold at auction.

The sale shall not take place less than ten days after the publication in a daily newspaper of a notice of sale mentioning the nature of the effects and indicating the place, date and time of the sale.

The corporation shall then not be liable to the owner except for the proceeds of the sale, less the costs of preservation and sale.

The corporation may give perishable effects found in such places and not claimed within twelve hours to charitable institutions or undertakings.

It may also give to charitable institutions or undertakings any effects which have remained unsold at an auction.

In the case of the two preceding paragraphs, the corporation shall be free of any liability towards the owners of the effects concerned.

## CHAPTER III

### OPERATION OF PASSENGER TRANSIT SYSTEMS

**46.** As soon as it is established and before exercising the power to operate a passenger transit system, the corporation shall

prepare the plans and specifications of the transit system describing the services it intends to provide to its users.

**47.** To establish the plans and specifications of its transit system, the corporation must consult the groups or associations of persons it considers representative in the territory under its jurisdiction.

Notwithstanding section 29, the plans and specifications of the transit system must be approved by two-thirds of the members of the board of directors of the corporation present at the meeting.

**48.** The plans and specifications of the transit system established by the corporation must conform to the directives provided to that effect by the Minister.

They must be transmitted, without delay, to the Minister, who approves them as received or after amendment.

**49.** The corporation must itself operate the passenger transit system described in the plans and specifications approved by the Minister.

However, with the authorization of the Government, it may make a contract for the operation of a passenger transit system with a transport contractor in accordance with the terms and conditions provided for by this act.

**50.** Before commencing the operation of its passenger transit system or entrusting its operation in accordance with the second paragraph of section 49, the corporation shall acquire, either by agreement with the authorization of the Minister, or by expropriation, the capital stock or the moveable and immoveable property of any undertaking holding a public transport permit operated in whole or for the greater part within the territory under the jurisdiction of the corporation.

**51.** Any acquisition by agreement or by expropriation made by the corporation pursuant to section 50 shall prevent the renewal of the public transport permit of the undertaking so acquired.

Furthermore, such a permit becomes void by the mere fact of the acquisition.

**52.** The Transport Act (1972, chapter 55), any regulation made thereunder, as well as the orders referred to in the second paragraph of section 167 of the said act which are in lieu of regulations within the meaning of the Transport Act, apply to the corporation except with regard to the establishment of routes and schedules, the transfer of assets or shares, the obligation to hold a permit and the establishment of the first tariff of fares.

However, the Government may, by regulation, exempt the corporation from the obligation to conform to one or more of the provisions of any regulation or order contemplated in the preceding paragraph.

**53.** The corporation is deemed to hold a public transport permit from the Commission for the purposes of the application of General Order number 17 (1969) concerning special or charter trips passed by the Régie des transports du Québec, 19 March 1970, of section 475 of the Education Act (Revised Statutes, 1964, chapter 235) and for the purposes of the application of regulation 19 concerning the seasonal transport of persons, passed by order in council 1286-74, dated 3 April 1974.

**54.** The corporation may acquire, either by agreement with the authorization of the Minister or by expropriation, the capital stock or the moveable and immoveable property of any public transport undertaking part of which is operated within the territory under the jurisdiction of the corporation.

**55.** Every acquisition by expropriation by the corporation is governed by the Expropriation Act (1973, chapter 38).

**56.** As soon as the corporation acquires all the capital stock of a public transport undertaking, the functions of the directors of the undertaking then in office cease and the members of the board of directors of the corporation become the sole directors of such undertaking, without additional remuneration, and without personally being shareholders of such undertaking, notwithstanding any inconsistent provision of any law, charter or by-law.

The members of the board of directors of the corporation are not liable for acts done previously by the directors of the undertaking so acquired.

**57.** Every issue of shares or bonds made by a public transport undertaking after the date of the resolution of the corporation ordering the expropriation of the capital stock of such undertaking is null and void.

**58.** Notwithstanding any law, agreement, deed of trust or other provision, none of the provisions of this act nor the exercise of any of the powers which it assigns to the corporation, nor any of the acts which it authorizes may have the effect of putting a public transport undertaking in default under the terms of the agreements or trust deeds relating to bonds, or of making payment exigible before maturity, or of enabling the creditors or the trustees or the representatives of the creditors to exercise the powers and

recourses contemplated in the case of default by the public transport undertaking with regard to such bonds, except where payment of the debt has not been assumed by the corporation.

**59.** The assumption by the corporation of the obligations of a public transport undertaking shall be in lieu of all hypothecs and guarantees relating thereto and encumbering the property of such undertaking, and such hypothecs and guarantees shall be extinguished.

The cancellation of the registration of such hypothecs and guarantees is effected by the presentation and deposit, for the purposes of cancellation, in the office of the registration division concerned, of a requisition therefor signed by the chairman and by the secretary of the corporation, attesting that it has acquired the ownership and final possession of the pertinent moveable and immoveable property, designating the immoveable property affected by such registration and specifying the registration numbers of the hypothecs and guarantees to be cancelled. Such requisition makes *prima facie* proof of its contents without its being necessary to prove the authority of the signatories.

**60.** In the case of acquisition by agreement or expropriation of the capital stock of a public transport undertaking, all the property, rights and obligations of such undertaking shall devolve to the corporation, and the Government, whenever the total amount of the price or indemnity payable for the shares has been paid to those entitled thereto or deposited in accordance with the law, may cancel the charter of the public transport undertaking by order in council. Notice of the passing of such order in council shall be published in the *Gazette officielle du Québec* and the cancellation shall take effect from the date fixed by the order in council. If there then remain any claims or judicial proceedings pending between such undertaking and third parties, the corporation, from the cancellation of the charter of such undertaking, shall be in the rights and obligations of such undertaking; upon such cancellation, the corporation, in all pending cases, shall be substituted for the undertaking, of right, and without proceedings in continuance of suit, and the judgments obtained shall be executory by or against the corporation, as the case may be.

**61.** The corporation, on its own authority and without any further approval, may, by resolution, establish, change or cancel lines, replace bus lines by lines of other means of public transport and change their routes.

For any such purpose, it may use any public street which it deems expedient in the territory under its jurisdiction.

The secretary shall send forthwith to the interested municipalities and cause to be published without delay in a daily newspaper circulating in the territory, a certified copy of the resolution of the corporation.

Any decision contemplated in the first paragraph relating to the establishment or change of a line shall take effect only from the expiration of a delay of eight days following the sending of a notice to that effect to the municipality concerned.

Where the corporation makes a contract pursuant to the second paragraph of section 49 and exercises the power provided for in this section, it may make such amendments to the contract as are rendered necessary for the exercise of such power.

**62.** The corporation may, by resolution, establish the first tariffs of fares of the various services of the passenger transit system it operates or causes to be operated in accordance with this act. It may also establish different first tariffs of fares according to the types of services or the classes of users.

Any increase of the tariffs of fares contemplated in the first paragraph must be approved by the Commission.

The secretary shall send forthwith to the municipalities of the territory under the jurisdiction of the corporation a certified copy of the resolution contemplated in this section, and cause it to be published without delay in a newspaper circulating in the territory.

The corporation shall put the tariffs of fares contemplated in the first paragraph into force only at the expiration of a delay of at least thirty days following the adoption of the resolution.

**63.** The corporation may operate a means of transport or a transport system within the meaning of the Transport Act outside its territory.

The corporation is then subject to the jurisdiction of the Commission except within the scope of a system operated pursuant to section 67.

**64.** No permit may be granted by the Commission to any carrier for the making of special or charter trips by bus from one point to another within the territory under the jurisdiction of the corporation unless the applicant files, together with his application for the permit, the consent of the chairman of the corporation or of another member specially authorized for such purpose by resolution, unless the Commission is of opinion that the corporation or the transport contractor to whom it has awarded a contract, as the case may be, is not in a position to provide the service covered in the application for the permit.

The preceding paragraph applies in the same manner to any application for a permit for the seasonal transport of persons.

**65.** No permit shall be granted to any carrier by the Commission for the operation of a sightseeing bus service within the territory under the jurisdiction of the corporation unless the Commission, after calling upon the corporation or, as the case may be, the transport contractor to whom it has awarded a contract, to submit to it the representations which it deems proper, is of opinion that the latter does not operate and is not about to operate or cause to be operated such a sightseeing service which adequately meets the needs referred to in the application for the permit.

The corporation or the transport contractor contemplated in the first paragraph shall, before providing the services contemplated, submit the tariffs of fares for such services to the Commission for approval.

**66.** Every regional school board whose territory covers all or part of the territory under the jurisdiction of the corporation shall, at the request of the Minister, conform to subsection 5 of section 475 of the Education Act (Revised Statutes, 1964, chapter 235) and exercise, with regard to such corporation, the powers provided for therein.

For the purposes of this section, the contract must be made with the corporation even where the corporation has entrusted the operation of a passenger transit system to a transport contractor by means of a contract made pursuant to this act.

**67.** The corporation may, without a permit, provide a public transport service or cause it to be provided by a transport contractor with whom it is bound by a contract made in accordance with this act, outside the territory under its jurisdiction, on a route formerly serviced by the holder of a public transport permit whose undertaking it has acquired by agreement or by expropriation.

The corporation may provide the public transport service contemplated in the first paragraph, or cause it to be provided, after agreement with the municipality or municipalities concerned for the purpose of establishing the fraction of the deficit attributable to the service so provided. Such agreement must be approved by the Commission municipale du Québec.

Any dispute that may arise from the carrying out of the agreement contemplated in the preceding paragraph is governed *mutatis mutandis* by section 23a of the Municipal Commission Act (Revised Statutes, 1964, chapter 170).

**68.** No public transport permit shall be issued to a carrier by the Commission in respect of any route contemplated in section 67 unless the Commission, after calling upon the corporation to submit to it the representations it deems proper, is of opinion that the latter does not operate such a public transport service, does not cause it to be operated by a transport contractor with whom it is bound by a contract made in accordance with this act, or is not about to operate such a service or to cause it to be operated.

**69.** If, during its first year of existence, the corporation is granted the permission to make a contract in accordance with the second paragraph of section 49, it must call for public tenders from any person having his principal place of business in Québec.

**70.** Tenders are made in accordance with the procedure determined by regulation of the Government.

**71.** The corporation is not required to retain any of the tenders.

However, if it decides to retain one tender, it must, subject to the following paragraph, retain the lowest.

In selecting a tenderer, the corporation shall give preference to the person who is already the holder of a permit for passenger transport by bus or the person whose public transport undertaking was acquired pursuant to this act, provided that such person's tender is within 5% of the lowest tender submitted by any other tenderer.

**72.** The corporation must decide on its selection not later than twenty-one days of the opening of the tenders and all the tenderers must be informed of such selection within the ensuing three days.

**73.** Any contract made following a call for public tenders, between the selected tenderer and the corporation, must be for a term of three years and it must be approved by the Minister. At the expiry of the term, such contract may be renewed, with the same approval, for the same term, as often as the corporation deems it necessary.

**74.** The corporation must require the transport contractor to make a deposit or post a performance bond, for each year, in the amount and form prescribed by regulation of the Government.

**75.** Sections 52 and 53 apply *mutatis mutandis* to the transport contractor contemplated in section 74.

**76.** Even after awarding a contract in accordance with this chapter, the corporation, with the permission of the Minister, may terminate such contract or not renew it and itself operate the passenger transit system.

**77.** The corporation remains solely responsible for the management of its affairs even if it has made a contract for the operation of its passenger transit system, without prejudice to any recourse it may exercise against the transport contractor operating the said system.

## CHAPTER IV

### COMPLAINTS BUREAU

**78.** The corporation must establish a bureau for the examination of complaints within the territory under its jurisdiction whether the transit system is operated by the corporation or whether it is operated by a contractor according to the second paragraph of section 49.

**79.** Any user who wishes to submit a complaint relating to the transport services of the corporation must address himself in writing to the secretary of the corporation. The secretary must transmit the complaint to the bureau.

**80.** The bureau must examine the complaint, make any investigation it deems proper, and hear the complainant and any person it believes capable of providing information.

The bureau then makes to the corporation any recommendation it deems proper; it may also take the same action with respect to any agency involved in the operation of the corporation.

**81.** The Government, by regulation,

(a) shall appoint at least three and at most seven members, as well as a secretary, to the bureau;

(b) shall prescribe the mode of nomination of members to the bureau and designate the persons competent to make nominations;

(c) shall establish the qualifications of the persons competent to become members of the bureau;

(d) shall prescribe the rules to determine the frequency of the meetings of the bureau and the quality of the premises and services put at the disposal of the bureau;

(e) shall fix the mode and amount of the remuneration of the members and the secretary of the bureau.

## CHAPTER V

## FINANCIAL PROVISIONS

**82.** The fiscal year of the corporation begins on 1 January and ends on 31 December.

**83.** All sums collected or received by the corporation shall be used to discharge its obligations and to operate, maintain and improve the passenger transit system it operates or causes to be operated.

**84.** The payment of the municipal transit corporation's operating deficits, if any, including those resulting from the payment of interest on and amortization of its loans, shall be charged to the municipality whose territory is subject to the jurisdiction of the corporation.

**85.** The payment of the intermunicipal transit corporation's operating deficits, if any, including those resulting from the payment of interest on and amortization of its loans, shall be charged to the municipality whose territory is subject to the jurisdiction of the corporation.

Such deficits shall be apportioned among the municipalities concerned in proportion to the number of miles covered in the territory of each during the preceding fiscal year, or to the total number of hours during which each vehicle of the corporation circulated in the territory of each during the preceding fiscal year, or to their population, or to the total uniform valuation of the taxable immoveables situated in each of such municipalities, or according to several of such criteria taken together.

The number of miles covered and hours spent by the corporation's vehicles within the territory of each municipality may be determined by verification.

The corporation shall not be required to apportion the operating deficits, if any, connected with the various means of public transport or the operating deficits, if any, connected with various lines of a single means of public transport, among the same municipalities or according to the same criteria.

**86.** Any surplus or deficit, if any, of a fiscal year shall be entered in the revenues or expenditures of the budget of the following fiscal year.

**87.** The corporation shall prepare its budget each year for the ensuing fiscal year and send it before 1 August to the clerk or the secretary-treasurer of each municipality whose territory is

subject to its jurisdiction, for adoption by by-law by each municipal council concerned.

The intermunicipal transit corporation shall at the same time indicate to each municipality whose territory is subject to its jurisdiction the amount it must pay following the apportionment provided for in section 85.

The corporation must send a copy of such budget to the Minister and to the Commission municipale du Québec.

The budget of the corporation is presented to the council of each municipality whose territory is subject to its jurisdiction not later than 1 September at a special meeting called for such purpose.

If all the municipalities the territories of which are subject to the jurisdiction of the corporation so decide, they may amend the budget of the corporation. The budget so amended must be adopted, by by-law, by all the municipalities concerned before 15 October and a copy of it must be sent to the Minister.

If, on 15 October, the budget of the corporation has not been adopted, with or without amendment, by the council of each municipality whose territory is subject to its jurisdiction, or if the corporation disagrees with the budget as amended, an appeal shall lie to the Commission municipale du Québec.

**88.** Every municipality concerned or the corporation may appeal, by motion served on the corporation, or, if such is the case, on all the municipalities whose territory is subject to its jurisdiction, and filed with the Commission municipale du Québec, before the ensuing 1 November, to have the budget prepared by the corporation amended in whole or in part or to have the budget, as amended by the municipalities, confirmed.

After hearing the corporation and the municipality in appeal, the Commission municipale du Québec must render its decision before the ensuing 1 December and inform all the interested parties of it.

It may confirm or amend the budget prepared by the corporation. Nevertheless, it shall not amend the budget unless it is convinced that such budget entails serious prejudice to the ratepayers.

It may confirm or reject the budget as amended by the municipalities.

It may order the losing party to pay such amount as it considers equitable to meet the expenses incurred for such appeal; the order for such purpose shall be homologated upon a motion to the Provincial Court or the Superior Court according to their respective jurisdictions; the order so homologated shall be executory in the same manner as a judgment of such a court.

It may also make any interlocutory order to safeguard the rights of the interested parties during the suit.

**89.** During a fiscal year, the corporation may prepare any supplementary budget it deems necessary.

It must send a copy of such supplementary budget to the Minister and to the Commission municipale du Québec.

The secretary of the corporation must send a copy of such budget to the clerk or the secretary-treasurer of every municipality whose territory is subject to the jurisdiction of the corporation, for adoption, by by-law, by each municipal council concerned.

The supplementary budget of the corporation is presented to the municipal council of each municipality whose territory is subject to the jurisdiction of the corporation at a special meeting called for such purpose.

If all the municipalities whose territory is subject to the jurisdiction of the corporation so decide, they may amend the supplementary budget of the corporation. Such budget as so amended must be adopted, by by-law, by all the municipalities concerned and a copy of it must be sent to the Minister.

If, after thirty days, the supplementary budget of the corporation has not been adopted, with or without amendment, by the council of every municipality whose territory is subject to the jurisdiction of the corporation, or if the corporation disagrees with the budget as amended, an appeal shall lie to the Commission municipale du Québec.

Every municipality concerned or, as the case may be, the corporation, may appeal.

Section 88 applies *mutatis mutandis* to such appeal.

**90.** The funds appropriated by way of a budget for specified work during a fiscal year shall remain available during the ensuing fiscal year for the carrying out of such work whether such work is begun or not.

**91.** Any transfer of funds must be authorized by the Minister.

**92.** Each municipality shall, before 1 April, pay to the corporation the amount owed by the municipality in accordance with the budget of the corporation.

If the municipality fails to pay within the allotted delay, the Commission may, upon application of the corporation, file a motion to have such municipality declared in default in accordance with Division v of the Municipal Commission Act.

**93.** The corporation shall, not later than 30 September each year, adopt for the next three fiscal years the programme of its capital expenditures. Such programme shall be adopted by the by-law of the corporation of which it is a part. It must be approved by by-law by the council of each municipality whose territory is subject to its jurisdiction.

Such programme shall be divided into annual phases. It shall describe, in respect of the period coincident therewith, the object, the cost and the mode of financing of the capital expenditures that the corporation plans to incur for which the financing period exceeds twelve months.

Every by-law adopted under this section must be transmitted to the Ministre des affaires municipales and to the Commission municipale du Québec during the month of November following its adoption. Upon sufficient proof that the corporation has been actually unable to have such programme approved by the municipal council of each municipality whose territory is subject to its jurisdiction or to transmit it within the prescribed delay, the Ministre des affaires municipales may grant it any additional delay he may fix.

The Ministre des affaires municipales may order that such programme be transmitted by means of the form furnished by him for that purpose. He may also require, through such form or in any other manner, that the corporation provide him with any information relating to such programme, even in the case where such information is not provided for in this section.

To come into force, the by-law contemplated in the first paragraph requires only the approval of the Government, with or without amendment.

No loan or pledge of credit intended to finance capital expenditures may be validly ordered if the loan or pledge of credit does not comply with the programme of capital expenditures in force. However, the loan or pledge of credit indorsed with the approvals required is deemed to have been ordered in conformity with that programme.

To the extent that they are consistent with this section, the provisions applicable to the procedure prior to the adoption of the budget of the corporation apply, *mutatis mutandis*, to the procedure prior to the adoption of the programme of capital expenditures.

**94.** With the authorization of the Commission municipale du Québec and the Ministre des affaires municipales, the corporation may contract loans by notes, bonds or other securities, at such rate of interest and on such other conditions as are approved. The term of such loans shall in no case exceed fifty years.

Every loan relating to an expenditure not provided for in the budget or supplementary budget of the corporation must be adopted by by-law by the council of each municipality whose territory is subject to its jurisdiction. The third, fourth, fifth, sixth, seventh and eighth paragraphs of section 89 apply, *mutatis mutandis*, to such loan.

The corporation must send to the Ministre des Affaires municipales and to the Commission municipale du Québec a copy of the by-law contemplated in the preceding paragraph.

**95.** The loans of the corporation shall be ordered by by-law, except in the case of loans by note the term for repayment of which does not exceed one year; in the latter case, a mere resolution approved by the Commission municipale du Québec shall be sufficient.

However, where a loan is ordered by by-law, the corporation may make any temporary loan with the approval of the Commission municipale du Québec, for the term and on the conditions it considers expedient while awaiting conclusion of the permanent loan.

**96.** The corporation may fix the interest rates on these loans and the dates on which they become due, determine the other conditions of the bonds, debentures, registered stock, treasury bills or other negotiable securities issued or to be issued, designate any place inside or outside the country where a register may be kept for the registration or transfer of the securities hereinabove mentioned and the persons authorized to keep such register, and determine the conditions of their issue and sale.

**97.** Section 7 and Divisions v to x of the Municipal and School Debt and Loan Act (Revised Statutes, 1964, chapter 171) apply to the corporation.

**98.** The bonds, notes and other securities issued by the corporation are authorized investments within the meaning of paragraph *a* of article 9810 of the Civil Code.

**99.** The municipalities under the jurisdiction of an inter-municipal transit corporation are jointly and severally liable toward the holders of bonds, notes and other securities issued by such corporation for the repayment of such bonds, notes and other securities, in principal, interest and other accessories, and for all other obligations contracted by the corporation towards such holders.

The preceding paragraph applies, *mutatis mutandis*, to every municipality under the jurisdiction of a municipal transit corporation.

**100.** The bonds, notes and other securities of the corporation shall be signed by the president or the secretary or, if the secretary is absent or unable to act, by the person designated for such purpose by by-law of the corporation.

**101.** The facsimile of the signature of the president may be engraved, lithographed or printed on the bonds and such facsimile has the same effect as if the signature itself had been affixed thereto.

The facsimile of the signatures of the president and of the secretary of the corporation may be engraved, lithographed or printed on the bond coupons issued by the corporation and such facsimile has the same effect as if the signatures themselves had been affixed thereto.

If a person whose signature or a facsimile of whose signature is affixed to a bond, note or other security of the corporation or on a coupon, as president or secretary of the corporation, ceases to act as such before such bond, note, other security or coupon is issued and delivered, that signature is nevertheless valid and binds the corporation as if such person had continued to act in that capacity on the date of such issue and delivery and the signature or facsimile of the signature of any person acting in that capacity on the date when such signature or facsimile of the signature is affixed to a bond, note, coupon or other security of the corporation binds it although on the date of such bond, coupon, note or other security, such person was not acting in that capacity.

The president or any other person authorized by resolution of the corporation shall sign the cheques it issues. The facsimile of the signature of the president or the authorized person may be engraved, lithographed or printed on the cheques with the same effect as if the signature itself had been affixed thereto.

**102.** On or before 1 February each year the corporation shall appoint one or more auditors for the current fiscal year. Such auditor or auditors shall report to it and to the Commission municipale du Québec within ninety days following the expiry of the fiscal year. The Commission municipale du Québec may order the appointment of any other auditor it deems necessary and require a report.

The corporation must send a copy of the report contemplated in the preceding paragraph to the clerk or the secretary-treasurer of each municipality whose territory is subject to its jurisdiction.

**103.** For the purposes of the Real Estate Assessment Act (1972, chapter 50), the corporation is deemed a transit commission.

**104.** The corporation shall send to the Commission municipale du Québec any and all documents or information the latter may require relating to the budget of its passenger transit system.

**105.** The corporation shall also send a quarterly report of its activities to the clerk or the secretary-treasurer of each municipality whose territory is subject to its jurisdiction.

## CHAPTER VI

### OFFENCES AND PENALTIES

**106.** Whoever, without the authorization of the corporation, uses, in any manner whatsoever, the name of the corporation, its crest or its graphic symbol is guilty of an offence.

**107.** Whoever contravenes any provision of this act or of the regulations hereunder or any by-law, resolution or order of the corporation is guilty of an offence and is liable, in addition to the payment of the costs:

(a) for every offence, to a fine of not more than \$100; and

(b) for a second offence within two years, to a fine not exceeding \$500.

**108.** Proceedings under this act are prescribed by six months from the commission of the offence.

**109.** Proceedings for contraventions to this act shall be instituted before any municipal court having jurisdiction over the territory under the jurisdiction of the corporation.

In the absence of such a court, proceedings shall be instituted in accordance with the Summary Convictions Act (Revised Statutes, 1964, chapter 35).

The fine shall belong to the prosecuting corporation and the costs shall belong to the municipality whose court had jurisdiction and rendered the judgment.

Only the corporation has the authority to institute an action.

## CHAPTER VII

## TRANSITIONAL AND FINAL PROVISIONS

**110.** From such time as a corporation is created, the Commission shall neither issue nor renew any permit relating to any passenger-bus transportation service in the territory of that corporation, except for transportation by taxi-cab.

**111.** Every government regulation made under this act comes into force on the date of its publication in the *Gazette officielle du Québec* or on any later date fixed therein.

**112.** For the purposes of section 3, the Minister may found his advice on studies undertaken before (*insert here the date of coming into force of this section*).

**113.** Any delay given to the corporation by this act for the adoption of any measure or the performance of any act may, at the request of the corporation, be extended by the Government for a period of not over one year by order in council published in the *Gazette officielle du Québec*.

**114.** If an appointment provided for in this act is not made within the allotted time, the Government may make the appointment itself, or allow the persons having that duty to make it despite such lapse.

**115.** If a corporation fails to pass a by-law or a resolution within the delay allotted by this act, that by-law or resolution may be passed by the Government and it is then binding on the corporation as if it had been passed by the corporation.

No by-law or resolution so passed by the Government may be repealed or amended except with the Government's approval.

**116.** The Municipal Code is amended by inserting, after article 697, the following article:

**“697a.** Any local corporation on the territory of which a municipal or intermunicipal transit corporation has jurisdiction pursuant to the Act respecting municipal and intermunicipal transit corporations (1977, chapter *insert here the chapter number of Bill 73*) may, for the purpose of payment of the sums owed by it to such corporation, impose a general or special tax based on the taxable real estate valuation.”

**117.** The Cities and Towns Act (Revised Statutes, 1964, chapter 193) is amended by inserting, after section 522, the following section:

**“522a.** Any municipality on the territory of which a municipal or intermunicipal transit corporation has jurisdiction pursuant to the Act respecting municipal and intermunicipal transit corporation (1977, chapter *insert here chapter number of Bill 73*) may, for the purpose of payment of the sums owed by it to such corporation, impose a general or special tax based on the taxable real estate valuation.”

**118.** Section 16 of the Act to amend the Act respecting certain municipalities of the Outaouais and Haut-Saguenay and the Outaouais Regional Community Act (1975, chapter 89), amended by section 27 of chapter 45 of the statutes of 1975 and by section 1 of chapter 36 of the statutes of 1976, is again amended by adding, at the end, the following:

“Such agreement shall remain in force until such time as a corporation established under the Act respecting municipal and intermunicipal transit corporations (1977, chapter *insert here chapter number of Bill 73*) begins the operation, in accordance with the said act, of a passenger transit system in the territory forming the object of the agreement.”

**119.** The agreement authorized by by-laws Nos 602 of the city of Lauzon, C-469 of the city of Saint-Romuald-d’Etchemin, V-189 of the town of Charny, 1096 of the city of Lévis and 246 of the town of Saint-David-de-l’Auberivière, approved by the Ministère des affaires municipales on 10 March 1975 and by the Commission municipale du Québec on 14 March 1975, is renewed until such time as a corporation established pursuant to the Act respecting municipal and intermunicipal transit corporations (1977, chapter number *insert here chapter number of Bill 73*) begins the operation, in accordance with the said act, of a passenger transit system in the territory forming the object of the agreement.

**120.** Every municipal or intermunicipal transit corporation is deemed listed in the Schedule to the Charter of the French language.

**121.** The provisions of this act shall prevail over any contrary or inconsistent provision contained in the Charter of the city of Trois-Rivières.

**122.** The Minister is responsible for the application of this act.

**123.** This act shall come into force on the date to be fixed by proclamation of the Government, except the sections excluded by such proclamation, which shall come into force on any later date to be fixed by proclamation of the Government.