GOVERNMENT OF NEWFOUNDLAND AND LABRADOR

Department of Government Services
Annual Report 2002 - 03
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Departmental Overview

Government Services and Lands’ mission is to provide responsive, accessible services to protect public health and safety, ensure wise stewardship of the Province's land resource, safeguard consumer interests, and preserve vital event and commercial transaction records.

The Department is comprised of three Branches (see organizational chart, next page):

| Consumer and Commercial Affairs Branch | Provides protection for consumers and the public, while facilitating commerce in the Province. |
| Government Services Branch | Provides accessible, efficient one-stop services to the public and business community in the areas of public health and safety, highway safety, driver and vehicle registrations, building accessibility, vital statistics, controlled use of land, and environmental issues. |
| Lands Branch | Administers and manages the Province's Crown land resource; investigates and determines land claims against the Crown; develops geomatic products and services; and, distributes land-related information. |

We administer more than 85 acts and our staff of 500 provides a wide range of service in over 40 communities throughout the province. Our core functions include:

- Information and Education
- Inspection and Enforcement
- Land Tenure and Resource Management
- Licensing and Permitting
- Mediation and Conflict Resolution
- Registration
Government Services and Lands is also responsible for the following 16 agencies, boards, and commissions (hence forth referred to as public bodies):

- Boiler Pressure Vessel Advisory Board
- Boiler Pressure Vessel Appeal Tribunal
- Building Accessibility Advisory Board
- Building Accessibility Appeal Tribunal
- Consumer Protection Fund for Prepaid Funerals
- Credit Union Deposit Guarantee Corporation
- Driver’s Licence Medical Advisory Board
- Driver’s Licence Suspension Review Board
- Embalmers and Funeral Directors Board
- Insurance Adjusters, Agents and Brokers Appeal Board
- Newfoundland and Labrador Geographical Names Board
- Petroleum Products Pricing Commission
- Public Accountants Licensing Board
- Real Estate Advisory Board
- Real Estate Foundation
- Securities Commission

Pursuant to the Accountability Framework, as developed by Treasury Board Secretariat, each
public body is placed into one of three categories, which establishes their reporting requirements. With the exception of the Petroleum Products Pricing Commission and the Credit Union Deposit Guarantee Corporation, all other public bodies must submit to this department an annual activity letter within 3 months of the end of their fiscal year, which is then tabled in the House of Assembly. With the exception of the annual activity letters of the Public Accountants Licensing Board, the Consumer Protection Fund for Prepaid Funeral Services, and the Securities Commission, these letters are available in Appendix B.

Pursuant to section 23 of the Public Accountancy Act, the accounts of the Board must be audited annually by the auditor general of the province. Therefore, the Boards audited financial statements and annual activity letter are combined in a separate document for tabling in the House of Assembly (see Public Accountants Licensing Board Annual Report 2002-2003).

In Fiscal Year 2001-2002 the Auditor General’s office reviewed the Prepaid Funeral Services program and therefore has directed this Department to table separately the activity letter for the Consumer Compensation Fund for Prepaid Funeral Services (see Consumer Protection Fund for Prepaid Funeral Services Annual Report 2002-2003).

Given that the Securities Commission is a division within the Department of Government Services and Lands, their annual reporting requirements are fulfilled in the body of this document.

The Petroleum Products Pricing Commission and the Credit Union Deposit Guarantee Corporation are both category 1 public bodies. As such, Treasury Board Secretariat has advised departments that the annual reports of these public bodies must be tabled in the House of Assembly through independent documents.

The Department’s approved estimated expenditure in 2002-2003 totaled $27,760,900 and our estimated contribution to general revenue was $81,260,000 (source: Estimates 2003). Actual expenses of the Department totaled $27,693,566 and general revenue contribution was $87,913,397 (source: Public Accounts 2003). Further information is provided in the Financial Statements section of this report.
Estimate versus Actual Revenues
2002-2003

Note: Projected and actual revenue includes related revenue and current account revenue.

Estimate versus Actual Expenditures
2002-2003

Note: Projected and actual revenue includes related revenue and current account revenue.
Shared Commitments

In fulfilling its mandate, Government Services and Lands collaborates with other departments/agencies, industry, and federal/provincial/territorial (F/P/T) governments and regulatory agencies. Our ability to address our strategic issues is directly impacted by the strength of our collaborative relationships with our partners and key external stakeholders.

Consumer and Commercial Affairs Branch

In its role to protect consumers and facilitate commerce in the province, the Consumer and Commercial Affairs Branch collaborates with a number of industry associations and F/P/T governments and regulatory agencies. In some instances, this involves direct membership of a departmental representative, while in other instances, ongoing consultation is involved.

<table>
<thead>
<tr>
<th>Consumer and Commercial Affairs Stakeholders</th>
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<tr>
<td><strong>Departments/Agencies</strong></td>
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<tr>
<td>• Department of Tourism, Culture and Recreation</td>
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<td><strong>Industry</strong></td>
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<td>• Association of Newfoundland Land Surveyors</td>
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<td>• Association of Professional Engineers and Geoscientists</td>
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<td>• Canadian Institute of Mortgage Brokers and Lenders</td>
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<td>• Canadian Life and Health Insurance Association</td>
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<td>• Canadian Motor Vehicle Arbitration Plan</td>
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<td>• Certified General Accountants Association of Newfoundland</td>
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<td>• Certified Public Accountants Association of Newfoundland</td>
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<td>• Embalmers and Funeral Directors Board</td>
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<td>• Institute of Chartered Accountants of Newfoundland</td>
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<td>• Insurance Brokers Association of Newfoundland</td>
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<td>• Insurance Bureau of Canada</td>
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<td>• Law Society of Newfoundland</td>
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<td>• Newfoundland and Labrador Funeral Services Association</td>
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<td><strong>Industry (Continued)</strong></td>
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<td>• Newfoundland Association of Architects</td>
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<td>• Newfoundland Automobile Dealers Association</td>
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<td>• Newfoundland Real Estate Association</td>
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<td>• Newfoundland Security Guards and Private Investigators Agencies Association Limited</td>
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<td>• Public Accountants Licencing Board</td>
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<td>• Real Estate Foundation Board</td>
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<td>• Society of Management Accountants of Newfoundland</td>
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**F/P/T Governments and Regulatory Agencies**

• Canadian Association of Pension Supervisory Authorities
• Canadian Association of Real Estate Licencing Law Officials
• Canadian Council of Insurance Regulators
• Canadian Gaming Regulators Association
• Canadian Insurance Self Regulatory Organization
• Canadian Securities Administrators
• Consumer Measures Committee
• Joint Forum of Financial Market Regulators
Government Services Branch

Departments/Agencies

The Government Service Centres (GSCs) are responsible for delivering inspection, licensing, and enforcement services on behalf of other departments/agencies in which the partners retain legislative and policy responsibility.

The Vital Statistics Division performs certain functions related to adoptions on behalf of the Department of Health and Community Services and also has information sharing arrangements with a number of federal and provincial departments and agencies. These arrangements are in compliance with applicable provincial legislation.

Industry

As part of its legislated mandate, Government Service Centres must work closely with industry to fulfill the Department’s responsibilities and ensure regulatory practices in public health and safety fields are current and consistent with other jurisdictions.

The Motor Registration Division liaises with commercial transportation firms, associations, and individual drivers to develop and maintain harmonized standards among jurisdictions.

Federal/Provincial/Territorial Governments and Regulatory Agencies

The Government Service Centres participate on national committees to standardize various codes and technical requirements (i.e., fire, electrical, and boilers) across jurisdictions.

The Vital Statistics Division is involved in several federal/provincial/territorial committees dealing with security issues. The Vital Statistics Council of Canada Security Subcommittee has recommended implementing minimum security level standards across all jurisdictions. The F/P/T Council on Identity is developing a framework for common definitions of identity.

The Motor Registration Division is a member of the Canadian Council of Motor Transport Administrators, which is assisting in the harmonization of legislation and regulations concerning highway safety across Canada under the concepts embodied in the National Safety Code. Atlantic Provinces also are working towards harmonizing regulations (e.g., vehicle weights and dimensions in the commercial trucking industry) for the four provinces.
The Commercial Vehicle Safety Alliance (CVSA), with government and industry involvement across North America, has developed a standardized approach to commercial vehicle inspection which the Motor Registration Division applies, as do other jurisdictions.

**Lands Branch**

**Departments/Agencies**

The Interdepartmental Land Use Committee (ILUC), chaired by the Land Management Division, functions as a provincial referral and land use conflict identification/resolution mechanism between various provincial government departments for projects and legislation involving the use of Crown land.

The Surveys and Mapping Division (SMD) provides consultation and support services in geomatics to other departments and agencies. SMD has ongoing projects with the Department of Forest Resources and Agrifoods, the Department of Municipal and Provincial Affairs, the Department of Works, Services and Transportation, and others. The Geomatics Technical Committee was reinstated as subcommittee to the Geomatics Steering Committee.

**Industry**

The Lands Branch works closely with the Association of Newfoundland Land Surveyors regarding matters related to land surveying and the broader topic of geomatics.

The Geomatics Steering Committee is co-chaired by the Lands Branch and the Newfoundland Association of Technical Industries (NATI) and includes representatives from government and industry. The Committee is mandated to implement the Provincial Geomatics Strategy, which involves connecting and sharing geospatial data within the province. The geomatics strategy shares the vision of GeoConnections (see next section).

Crown Lands Administration consults with private industry organizations who have land-related holdings (e.g., mining companies with secondary mining rights to Crown land) to ensure that proposed development does not conflict with existing land use.
Federal/Provincial/Territorial Governments and Regulatory Agencies

The Lands Branch represents Government on national committees related to land administration, land management, geomatics, and geographic names. This representation ensures that the Province has a voice on national issues, has access to other provinces’ data, and complies with national standards.

Ministers of Government Services and Lands and Intergovernmental Affairs signed the Canadian Geomatics Accord as an “umbrella” agreement to inter-government partnerships towards: building the Canadian Geospatial Data Infrastructure (CGDI); data production; integration and sharing; data distribution and licensing; policy and standards; and, applications development. The objective of the agreement is to link spatial data throughout Canada and make it available to the public.
Statistical Highlights

Consumer and Commercial Affairs Branch

• As at March 31, 2003, 226 insurance companies were licensed, and 214 corporate agents and brokers and 2,361 individuals were licensed to sell insurance. The Branch received 122 written complaints and 1,060 telephone complaints and enquiries concerning insurance.

• As at March 31, 2003, there were 166 registered pension plans with approximately $4.5 billion in assets and 74,250 plan members. During the reporting period, four new pension plans were approved, four pension plans terminated, and three pension plans merged.

• During the report year, 51,257 conveyances and mortgages were filed in the Registry of Deeds, 3,154 companies incorporated or amalgamated, and 101,979 registrations and searches were recorded on the Personal Property Registry.

• Among the 179 companies provincially registered as Investment Dealers, there are 2,446 Investment Advisors registered to operate in the Province. The Securities Commission receipted in excess of 2,700 prospectuses, 1,360 prospectus amendments, and 3,292 financial statements. The Commission also issued 572 orders exempting certain market participants from components of the Securities Act.

• During the report year, the Residential Tenancies Division received 531 claim applications and handled 14,700 telephone and walk-in inquiries. Residential Tenancies conducted 319 hearings and facilitated 52 mediations.

Government Services Branch

• A total of 1,503,474 transactions, which included 259,023 vehicle registration renewals, were processed at the Motor Registration Division in calendar year 2002. Seven percent (7%) of people renewing their vehicle registration did so over the Internet.

• There were 1,874 photo identification cards issued in calendar year 2002, an increase of 79% over 2001. There was also a significant increase (38%) in birth certificates issued during 2002. The increases are directly attributed to new ID requirements following the tragic events of September 11, 2001.
• The number of Commercial Vehicle Safety Alliance (CVSA) inspections conducted in 2002-03 (1,361) almost doubled from the previous fiscal year (702).

• A total of 26,832 public water supply samples were taken in 2002-03, an increase of 29% over the previous fiscal year.

**Lands Branch**

• The Lands Branch handled 12,800 referrals to government departments and industry.

• 1,923 Crown Titles were issued, consisting of 555 Grants, 342 Leases, 983 Licences to Occupy, and 43 Federal Provincial Transfers for a total of 3,283 acres.

• Five (5) cottage plans were developed, consisting of 61 cottage lots, for an overall value of $448,580.

• A significant portion of the Surveys and Mapping Division contract funding was used to obtain approximately 10,000 square kilometres of aerial photography to generate resource mapping products. The Division also continued work on revising community mapping. Seventy-seven (77) new maps were completed in the report year to replace 25-year-old map sheets.
Government Services and Lands has identified seven strategic issues which the organization must manage to realize its mission and goals:

- Client-Centred Service Delivery
- Service Accessibility and Decentralized Decision Making
- Consolidated Service Delivery and Function Integration
- Optimal Use of Land Resource
- Effective Regulation and Protection
- Harmonization Balanced with Protection of Provincial Interests
- Managing Human Resources

Strategies and strategic goals have been established to address these issues.

For 2002-03, the Department placed an emphasis on water testing, automobile insurance, and providing regional offices with the information they need to make local decisions. The key milestones of the reporting period were:

- Meeting Canadian Drinking Water Guidelines
- Impaired Driving Initiatives
- Cell Phone Legislation
- New Life Licence Qualification Program
- Consumer Advocate for Automobile Insurance Rate Hearings
- Integration of Land-Related Information
<Strategic Issue: Client-Centred Service Delivery

Government Services and Lands has adopted a client-centred service delivery philosophy as the guiding framework for departmental programs and services. Increased client expectations and the broadening of its mandate continually challenge the Department to become a client-centred service delivery organization.

Key Achievements

Public Water Sampling
Government continued to implement its action plan to improve drinking water quality. To meet Canadian Drinking Water Guidelines, Government Services and Lands hired an additional seven Environmental Health Officers throughout the province. The Department is now achieving the testing frequency recommended by the Guidelines.

Municipal Infrastructure Management System (MIMS) Database
The MIMS database is a central repository for all public water information in the province (e.g., water systems, water testing results) and allows for the ongoing tracking of water testing. The database is shared among the Department of Municipal and Provincial Affairs, the Department of Environment, the Department of Government Services and Lands, the Department of Health and Community Services, and regional health boards.

Consolidation of Lands Inquiries
All lands inquiries are now consolidated within the Lands Branch regional offices to enhance services to clients.

<Strategic Issue: Service Accessibility and Decentralized Decision Making

The Department is challenged to meet public expectations of accessible, effective, and consistently-delivered government services, and of prompt decision making at the local level, given its resources.

Strategies
< Optimize regional service delivery and decision making
< Establish processes and mechanisms at the operational level to regularly consult with our government service partners
Key Achievements

More Decentralized Decision Making Authority
Regional offices have a more enhanced role in decision making. The electronic integration of land-related information has enabled regional lands offices to respond quicker to client demands. Some services have been decentralized, such as plan reviews which can now be conducted in Central Newfoundland as well as in St. John’s and Corner Brook.

Processing Crown Land Applications
The Registration of Applications and Crown Titles System (TRACTS) provides real-time access to all Regional Lands Offices and Head Office for the processing of Crown land applications and the management of Crown titles. The implementation of TRACTS has streamlined processes, eliminated duplication, and resulted in more informed decisions. In addition, work has been ongoing on an electronic referral system for Crown land applications in TRACTS, which will further streamline Crown land application processes. These electronic referrals will be linked to the digital geographic database and Crown land application information.

Crown Titles
The Lands Branch contracted with a private information technology firm to scan Crown land titles. The scanning of the documents provides electronic access to the documents and preserves historical paper records. Thirty percent (30%) of issued Crown land titles have been scanned and will be made available to the Department via an Intranet. The ultimate goal is to provide Internet access to the general public.

<Strategic Issue: Consolidated Service Delivery and Function Integration

When the Government Service Centres were created, diverse responsibilities and functions were integrated to provide consolidated services, avoid duplication, and streamline processes. The Department must determine the optimal point at which services and functions can be integrated without negatively affecting service quality.

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<th>Strategies</th>
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<td>Evaluation of integration initiatives to ensure quality service delivery</td>
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<td>Development of human resource training and strategies to support the integration of duties</td>
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<tr>
<td>Identification of individuals in Government Service Centres with specialized knowledge in program areas who can act as resource persons for departmental staff</td>
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Key Achievements

**GSC Review**
A comprehensive evaluation of our GSC operations is ongoing. The evaluation involved extensive consultations with internal and external stakeholders. Several key recommendations have already been implemented.

**Training Initiatives** (see Managing Human Resources - Key Achievements)

<**Strategic Issue: Optimal Use of Land Resource**

The Lands Branch aims to achieve optimal use of the land resource. The Lands Branch is challenged to proactively coordinate land use while minimizing land use conflicts, due to competing demands for the land resource.

**Key Achievements**

**Crown Lands Geographic Information System (GIS)**
The Crown Lands Division is in the process of developing a new GIS to replace the current system. The new real-time system will create an interface with TRACTS and will be completely digital, allowing for easy plotting of Crown land applications. The system will provide regional offices and Departments greater access to information with the goal to make the information accessible to the general public. The Land Use Atlas is part of this project (see next achievement).

**Land Use Atlas**
Provincial land use designations established under legislation or the Interdepartmental Land Use Committee (ILUC) authority are recorded as layers on digital maps in the Land Use Atlas which functions as the central registry of such information for government. Long term plans are to make the Atlas available online to all users. The Land Use Atlas has been fully digitized and is a component of the departmental GIS. Regional Lands Offices can access the Land Use Atlas by Intranet and the Lands Use Atlas is available in Compact Disc format throughout government and to the general public. Ongoing work will result in the Land Use Atlas being available in real time which will enable regions to respond promptly to clients’ information and decision requests.

**Strategies**
- Continue development of the Provincial Geomatics Strategy
- Refine the Provincial Land Allocations Referral Process
- Continue the work of the Interdepartmental Land Use Committee
Sharing Geospatial Information
The Surveys and Mapping Division concluded two cost-shared data-integration projects under the federal GeoConnections program. These projects demonstrate the value of sharing common digital base mapping, and access of current information from the source agency, to ensure data integrity. This work conforms well to the ideals of the Provincial Geomatics Strategy.

The first project (Administrative Boundaries) facilitated the standardization of, and access to, boundary shapes and information for town limits and planning areas, federal and provincial parks, ecological reserves, federal and provincial electoral districts, the provincial economic zones, and Indian reserves. Administrative boundaries are one of the many thematic data layers that can be overlaid on the base mapping.

The second project (Connecting and Sharing Geospatial Data in Newfoundland and Labrador) provides for searchable inventories to mapping and data services. The project also provides direct access to current and complete information compiled and shared by the agency that is responsible for the data layer and associated information. Currently, direct access is limited to government intranet users, however, initial work has been completed to providing data viewing services to the public over the Internet. These viewing services will be OGC compliant, meaning they will adhere to OpenGIS® standards and specifications. It is understood that a successor project will be proposed to continue the work and expand the interconnection of data and services.

Base Mapping and a Central Data Store
All 1:50,000 and 1:250,000 scale maps are now in digital format in a central data store and can be accessed by provincial government departments through the Intranet. This data store can also respond to requests over the Internet to generate images of map segments by layers. Work is continuing on digitizing the 1:2,500 and 1:5,000 scale community maps.

Seventy-seven (77) new community base maps at 1:2,500 scale were completed in Conception Bay South, Paradise and Portugal Cove-St. Philips by cost-sharing with the towns.

New ortho photo mapping coverage, at 1:10,000 (nominal) scale, is being created as cost-shared funds become available. The Canadian Hydrographic Service and Newfoundland and Labrador Hydro cost-shared in the project in the report year. New photography was acquired for 11,500 sq-km in the Notre Dame Bay area and mapping was completed for 1,336 sq-km.
The Surveys and Mapping Division has managed route-mapping projects for the Highways Design Division of the Department of Works, Services and Transportation since 1995. In the report year, aerial photography and partial route mapping was completed for the new Labrador Highway from Happy Valley-Goose Bay to Paradise River.

<Strategic Issue: Effective Regulation and Protection>

Our mandate includes protecting consumers and the public in areas such as commercial and financial services, environmental health, public health and safety, and highway safety. Changes in industry practices, standards, and technologies challenge the department to meet its responsibilities with its current resources.

Key Achievements

Impaired Driving Initiatives
The following measures were implemented to combat impaired driving through changes to the Highway Traffic Act:
• In response to changes to the Criminal Code of Canada in 1999, which increased prohibition periods for drivers convicted of an offence, amendments were made to the Highway Traffic Act to increase suspension periods for those drivers.
• The Motor Registration Division can now impound the vehicle of a person with a suspended licence.
• The Motor Registration Division can now suspend the licence of a person who fails a breathalyser even before a conviction is made.
• A person with a suspended licence can have their licence renewed if they agree to installing an ignition interlock system in their car.

Cell Phone Legislation
In December 2002, the House of Assembly passed legislation banning the use of hand-held cell phones by drivers while driving. The legislation, which took effect on April 1, 2003, promotes safe driving and helps reduce injuries, costs, and insurance rates.

Strategies
< Implement measures for prevention, early intervention, enforcement, and education in regulatory and monitoring functions
< Implement risk management strategies in carrying out regulatory functions, in collaboration with our government and industry partners
< Work collaboratively with government departments/agencies and industry associations to promote public protection and safety
Consumer Advocate for Automobile Insurance Rate Hearings
As a result of the *Act to Amend the Automobile Insurance Act*, a consumer advocate now attends the Public Utilities Board (PUB) Automobile Insurance Rate Hearings. In recent hearings, input from the consumer advocate has been beneficial to the PUB in determining an appropriate rate for the Facility Association, a non-profit entity which provides insurance to high-risk drivers.

New Life Licence Qualification Program
A new comprehensive education program has been developed for life insurance agents across Canada. All provinces and territories (with the exception of Quebec) have adopted the program and licensing requirements are now the same all across Canada. The program greatly enhances the knowledge of individuals entering the life insurance industry.

Risk-Based Inspection Program for Boiler and Pressure Vessels
Development is continuing on a risk-based inspection program for boiler and pressure vessels. This is a joint initiative of the Department of Government Services and Lands and the North Atlantic Refining Limited (NARL). Once the program is developed, NARL will be responsible for implementing the inspection regime and Government Services and Lands will audit NARL on a regular basis.

Securities’ National Registration Database
An on-line registration system has been developed for securities dealers and brokers, mutual funds salespersons, and real estate fund salespersons across Canada. The system has increased efficiencies for industry and government and reduced workload.

"Planning for Your Financial Future" Project
Newfoundland and Labrador was targeted as the pilot jurisdiction by the North American Securities Administrators Association (NASAA) Affinity Based Outreach Project Group for the "Planning for Your Financial Future" project. The project was developed to assist church groups with the financial planning section of their Marriage Preparation Courses. The program is designed to introduce basic concepts of financial planning, investing, and debt management to young couples.
Strategic Issue: Harmonization Balanced with Protection of Provincial Interests

Harmonization of legislation, regulations, and standards between jurisdictions must be balanced with the protection of the Province's interests where they differ in significant ways from national or collective interests.

Key Achievements

Draft Model Pension Law
The Canadian Association of Pension Supervisory Authorities drafted a Model Pension Law which provides a reference for governments when they are considering changes to their pension legislation. Consultations with interested stakeholders to discuss the draft harmonized regulatory framework will be conducted in 2003-04.

Capital Accumulation Plans (CAPs)
The Joint Forum Committee on Capital Accumulation Plans was formed in response to questions and concerns raised by the industry and regulators regarding the roles and responsibilities of providers, sponsors, and members of CAPs. The Committee is comprised of pension, insurance, and securities regulators from across Canada. The Committee has developed a draft harmonized model for regulation of all Capital Accumulation Plans, which was released for public consultation in April 2003.

Atlantic Insurance Legislation Harmonization Project
The Atlantic premiers announced the establishment of an industry/government committee to pursue the harmonization of legislation, policies, and procedures governing the insurance industry in each Atlantic Province. The four Atlantic ministers responsible for insurance regulation agreed to ask their respective Cabinets to authorize legislative counsels to prepare an act based on the draft harmonized document. Except for the automobile insurance sections, the draft act is ready for consideration by legislative counsel.

Transportation of Dangerous Goods
In August 2002, the Department adopted the federal Transportation of Dangerous Goods (TDG) regulations by reference into Newfoundland and Labrador regulation. Except for minor individual jurisdictional additions and deletions, our regulations are quite similar to most other Canadian jurisdictions. The National TDG task force and the Atlantic TDG group met twice last year to further work on harmonization of regulatory and enforcement initiatives.
**Hours of Service for Commercial Vehicle Drivers**
The hours of service regime for commercial vehicle drivers has long been characterized as too complex, difficult to enforce, and founded on little scientific evidence. Over the past several years, Newfoundland and Labrador has worked with other Canadian jurisdictions and the Federal Government on the creation of the new Federal Hours of Service Regulations. The planned implementation date of the new regulations is currently set for July 2004. The Department plans to adopt these regulations by reference into Newfoundland and Labrador regulation.

**Truck Harmonization Committee**
The use of the flashing lights at weigh scales has been harmonized with the process used in the Maritimes. Other harmonization efforts continue on over-dimension and overweight vehicles.

<Strategic Issue: Managing Human Resources>

The Department will continue to address the human resource issues of recruitment, retention, training, and adequacy of human resources.

**Key Achievements**

**Human Resource Plan**
Government Services and Lands developed a Human Resource (HR) Plan in October 2002 as part of a Government-wide initiative to identify and address systemic barriers to Government retaining, developing, and managing employees. The HR Plan identified five critical human resource issues facing the Department and recommended strategies and actions to address these issues. A Training and Development Plan formed part of the report (see next achievement).
Training Initiatives
As part of the HR planning process, the Department developed a comprehensive Training and Development Plan outlining training priorities for the Department for the next two years. Training activities were largely based on legislative requirements (e.g., certification for Boiler Pressure Vessel Inspectors) or needs required to ensure knowledgeable and efficient service. The Training and Development Plan assists the Department in achieving its mission and goals set out in the Strategic Plan. Training initiatives undertaken in 2002-03 included:

- Systems training (GIS, TRACTS, AMANDA, Securities’ National Registration Database)
- Training in commercial fuel tank storage installation above/under ground applications
- National certification for Boiler Pressure Vessel Inspectors
- Contaminated site remediation training
- Environmental site assessment training
- National Building Code - Part 3 (Fire/Life Safety) training
- Mandatory Occupational Health and Safety training
- Commercial Vehicle Safety Alliance (CVSA) Certification
- Driver examinations re-certification training
- Driver examinations medical assessment training

Employee Recognition Program
An Employee Recognition Program was implemented throughout the Department in June 2002. The program is designed to increase employee morale, motivation, and commitment; and, to foster innovation and leadership at all levels of the organization.

Participation in Program:
- 2 submissions were received under the Great Ideas Strategy
- 9 employees were presented with a Certificate of Recognition under the High Performers and Teams Strategy
- 3 employees were recognized under the Letters of Recognition from the Public Strategy
- 72 employees were recognized under the Peer Recognition Thank You Card Strategy
- 2 teams and 8 individuals were nominated for the 2002 Public Service Award of Excellence
Opportunities and Challenges Ahead

Consumer and Commercial Affairs Branch

Automobile Insurance Reform
Due to the rising cost of automobile insurance and the desire to provide a fair and open system to consumers, automobile insurance has been a priority for the Department since its formation in 1996. In August 2003, Government prepared a Draft Bill to reduce costs of automobile insurance and make it more fair and transparent to consumers. The Bill was not presented in the House of Assembly, the issue will now be re-examined in 2004.

Streamlining Securities Regulations in Canada
Canada is the only G7 country that does not have a national securities regulator. Current provincial regulations are costly, inefficient, and time consuming. The federal government has established the Wisepersons Committee to investigate streamlining regulations across Canada, who has recommended a single national regulator. At the provincial level, the ministers responsible for securities have also formed their own committee to address the issue. Currently, they are proposing a Passport system of regulation which will delegate authorities to a primary jurisdiction.

Utilizing Technology in the Licensing and Registration Process
There is a proposal to replace the current Automated Licensing and Enforcement Registration Tracking (ALERT) System with an on-line registration system for companies and individuals licensed by the Consumer and Commercial Affairs Branch. This will streamline processes, allow on-line access to users, and be less time consuming, thereby enabling staff to focus more on enforcement and education.

Cost of Credit Disclosure Act
Cabinet has given the Department the authority to draft a new Cost of Credit Disclosure Act, based on a harmonization template developed by the Consumer Measures Committee (a Federal/Provincial/Territorial committee committed to developing harmonized approaches to consumer protection issues). This new piece of legislation will harmonize lender’s disclosure requirements to consumers across Canada and thus provide more information so that consumers can make better informed borrowing decisions.

Proposed Amendments to Accounting Legislation
Consumer and Commercial Affairs finalized consultations on proposed amendments to accounting legislation. The proposed new legislation will enable accountants to operate in corporate form or as limited liability partnerships. These options will lessen the degree of personal liability risk for partners. Partners will not be held personally responsible for the negligence, wrongful acts, or misconduct of another partner, but will remain personally liable for the debts and obligations they incur themselves and those incurred by employees they directly supervise. It does not limit the liability of accounting firms, or affect creditors’ rights to the
firm’s assets or insurance coverage. It will also provide more flexibility in how they set up their businesses for tax purposes.

Registry of Deeds and Companies Computer System
The Department obtained Cabinet approval to implement a new computer system for the Registry of Deeds and Companies. The new system will permit the on-line registration of companies and will replace the current outdated technology.

Self-Occupational Regulation
The Department is currently working toward the implementation of new requirements for self-regulating occupations. These requirements were developed by an interdepartmental committee and addresses such things as mandatory malpractice insurance, annual reporting requirements, lay representation on governing bodies, and a harmonized disciplinary process. Consultations are on-going and the Department plans to have draft bills ready for tabling in the House of Assembly within the next year.

Government Services Branch

Developing Closer Ties With Business to Enhance Public Health and Safety
The Department, as regulator, can be more effective with increased involvement of industry and the business community in monitoring and enhancing public health and safety issues.

Balancing Effective Client Service With Security Concerns
Both the Motor Registration Division and the Vital Statistics Registry provide service to thousands of citizens through the provision of birth certificates, driver’s licences and photo IDs. The increased awareness of security issues and the need to safeguard personal information will require the Department to increase its security measures respecting these documents. The challenge will be to effect this without compromising timely and efficient client service.

Lands Branch

Connecting and Sharing Land-Related Information
There is an opportunity for the Lands Branch to build on the achievements of connecting and sharing government data. It is time to implement applications that utilize on-line access to data which is maintained by source agencies to enhance the decision making process. While the implementation of GIS in several resource departments was of great value, it is now possible to make the data and systems inter-operative.

The Surveys and Mapping Division will seek an extension to the “Connecting and Sharing Geospatial Data” project and other cost-shared projects to address the following challenges: add more data to the central data store; improve and implement public access to the data; improve an inventory of available data; encourage new users to implement inter-operative applications; enhance and maintain the existing road center-line dataset, in collaboration with Highways and Forestry and the federal mapping agency, as a foundation geomatics data layer to many
applications; and, extend and enhance the mapping base by cost-sharing.

**Land Use Planning**  
Work is continuing on coordinating land use policies between provincial government departments. Land Use Plans that identify competing needs and resolve significant land use conflicts between Departments would streamline decision making while providing clear indications of how land may be utilized.

**Partnerships**  
The Surveys and Mapping Division (SMD) has been involved with cost-shared projects with the federal mapping agency since 1989. Since 1995, SMD has been cost-sharing with municipal governments, utilities, and other federal agencies. Future opportunities are seen as (potential partners are shown in brackets):

- Connecting and Sharing Geospatial Data (GeoConnections, NRCan)
- Road Network Data (Geomatics Canada, NRCan / Highways Division, WST / Forestry Branch, FRA)
- Integration of Fed/Prov Hydrographic Data (GeoConnections, NRCan)
- Shoreline Mapping - Northern Labrador (Canadian Hydrographic Service)
- Ortho Photo Mapping - Notre Dame Bay (Forestry Branch, FRA / Forest Training Association)
- Community Mapping (Northeast Avalon Cities and Towns)
- Ortho Photo Mapping - Province Wide (Sir Wilfred Grenfell College - ACOA Proposal)
## Statement of Expenditure and Related Revenues
for the Year Ended March 31, 2003

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Estimates</th>
<th></th>
<th></th>
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<td>$</td>
<td>Amended</td>
<td>Original</td>
<td></td>
<td></td>
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<tr>
<td><strong>1.1.01. Minister’s Office</strong></td>
<td>261,680</td>
<td>277,500</td>
<td>307,500</td>
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<tr>
<td><strong>1.2.01. Executive Support</strong></td>
<td>931,905</td>
<td>939,100</td>
<td>765,300</td>
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<td><strong>CONSUMER AND COMMERCIAL AFFAIRS</strong></td>
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<td></td>
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<td></td>
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<tr>
<td><strong>2.1.01. Trade Practices and Licensing</strong></td>
<td>750,199</td>
<td>154,650</td>
<td>834,000</td>
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<td></td>
</tr>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>2.1.03. Residential Tenancies</strong></td>
<td>460,703</td>
<td>492,600</td>
<td>462,800</td>
<td></td>
<td></td>
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<td>Less Revenue</td>
<td>(9,321)</td>
<td>(6,500)</td>
<td>(6,500)</td>
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<tr>
<td><strong>2.1.04. Insurance and Pensions</strong></td>
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<td>669,040</td>
<td>637,300</td>
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<td><strong>2.1.05. Commercial Registrations</strong></td>
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<td>1,514,100</td>
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<td><strong>2.1.06. Securities Administration</strong></td>
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<td>334,900</td>
<td>425,000</td>
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<td><strong>GOVERNMENT SERVICES</strong></td>
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<td><strong>3.1.01. Motor Vehicle Registration</strong></td>
<td>8,417,845</td>
<td>8,471,879</td>
<td>8,144,200</td>
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<td>(342,300)</td>
<td>(342,300)</td>
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<td><strong>3.2.01. Permitting and Inspection Services</strong></td>
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<td>(1,852,000)</td>
<td>(1,852,000)</td>
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<td>567,173</td>
<td>431,300</td>
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<td>Less Revenue</td>
<td>(6,013)</td>
<td>(9,200)</td>
<td>(9,200)</td>
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<td>16,016,552</td>
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### LANDS

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<th>Amended</th>
<th>Original</th>
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<td>Crown Land</td>
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<td>Surveying and Mapping</td>
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<td>$(90,000)</td>
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<td>Less Revenue</td>
<td>$(164,076)</td>
<td>$(240,000)</td>
<td>$(240,000)</td>
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<td>4.1.05</td>
<td>Land Development</td>
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<td>$207,100</td>
<td>$274,100</td>
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<tr>
<td></td>
<td>Less Revenue</td>
<td>$(1,315,682)</td>
<td>$(1,250,000)</td>
<td>$(1,250,000)</td>
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<tr>
<td><strong>TOTAL:</strong> LANDS</td>
<td></td>
<td>$3,053,879</td>
<td>$3,045,333</td>
<td>$3,092,900</td>
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### TOTAL: DEPARTMENT OF GOVERNMENT SERVICES AND LANDS

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<thead>
<tr>
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<th>Estimates</th>
</tr>
</thead>
<tbody>
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<td>Actual</td>
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<tr>
<td></td>
<td>Amended</td>
</tr>
<tr>
<td></td>
<td>Original</td>
</tr>
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<td><strong>TOTAL:</strong></td>
<td>$23,945,203</td>
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<tr>
<td></td>
<td>$23,944,435</td>
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<td>$23,820,900</td>
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### Summary of Cash Payments and Receipts

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<th>Payments</th>
<th>Receipts</th>
<th>Net</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Current Account</strong></td>
<td>27,490,604</td>
<td>2,432,681</td>
<td>25,057,923</td>
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<td><strong>Capital Account</strong></td>
<td>202,962</td>
<td>1,315,682</td>
<td>(1,112,720)</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td>27,693,566</td>
<td>3,748,363</td>
<td>23,945,203</td>
</tr>
</tbody>
</table>

Please refer to Volume III of the 2003 Public Accountants for detailed financial information.
Appendices

Appendix A: Other Information Sources
Appendix B: Annual Activity Letters
Appendix A
Other Information Sources

Web Sites
- Department of Government Services and Lands: http://www.gov.nl.ca/gsl
- Government of Newfoundland and Labrador: http://www.gov.nl.ca
- Statutes and Regulations: http://www.gov.nl.ca/hoa/sr
- Consumer Protection Fund for Prepaid Funeral Services Annual Report 2002-2003
Appendix B
Annual Activity Letters

B1. Boiler Pressure Vessel Advisory Board and Boiler Pressure Vessel Appeal Tribunal

B2. Building Accessibility Advisory Board

B3. Building Accessibility Appeal Tribunal

B4. Driver’s Licence Medical Advisory Board

B5. Driver’s Licence Suspension Review Board

B6. Embalmers and Funeral Directors Board

B7. Insurance Adjusters, Agents and Brokers Appeal Board

B8. Newfoundland and Labrador Geographical Names Board

B9. Real Estate Advisory Board

B10. Real Estate Foundation
Appendix B1

Boiler Pressure Vessel Advisory Board
and
Boiler Pressure Vessel Appeal Tribunal

Annual Activity Letter
September 2, 2003

Honourable George Sweeney
Minister
Department of Government Services and Lands

Re: Accountability Framework for Boiler Pressure Vessel Advisory Board & Appeal Board

The Boiler Pressure Vessel Advisory Board, under Section 29 of the Public Safety Act, has not been active for a few years and has no current members. It did not meet in 2002-03.

The Boiler Pressure Vessel Appeal Board, under Section 25 of the Public Safety Act, is constituted when necessary to consider appeals from a decision of the Department or the Chief Inspector. There were no such appeals in 2002-03.

William MacKenzie
Assistant Deputy Minister

cc Ms. Gail Boland
    Ms. Brenda Kelleher-Flight
Appendix B2

Building Accessibility Advisory Board
Annual Activity Letter
The Buildings Accessibility Advisory Board (Board) was re-activated (after a hiatus since August 1997) in March 2000 by the Minister of Government Services and Lands to conduct a review of the existing Buildings Accessibility Act and its Regulations and make recommendations for any revisions and/or changes that may be necessary. Very little activity ensued during 2000 and early 2001 due to some start up difficulties within the department. However, a very active and dedicated board has been operating on a regular basis since September 2001 with seventeen full board meetings since that time. Three in 2001, eight in 2002 and six in 2003 to date. The attendance of departmental technical staff at meetings has provided the board members with greater insight into the day to day challenges that arise in the implementation of the Act and Regulations.

It has been over twenty years since the Buildings Accessibility Act and its accompanying Buildings Accessibility Regulations were first introduced as legislation in the province. While there have been several re-shaping and adjustment of some sections over the years, there had not been any major review until now. The Board has completed a comprehensive evaluation of the existing act by carrying out a line by line review of both the Act and the Regulations.

The review included comparison of our existing legislation with that of other regions of Canada. Where possible, we researched the origin and rationale for the inclusion of every section contained within our existing legislation. Another key element in the review process was the solicitation of comments from various interest groups who may be impacted by the legislation.

A draft report of the board’s recommendations to the minister is scheduled for completion in early October this year. The report will include recommendations for revision to definitions and language along with other recommended legislative changes that we feel will more accurately reflect the changing needs of persons with disabilities in the 21st Century. Several outstanding issues remain which will require further study before definitive recommendations can be made.

Buildings Accessibility Advisory Board

W. Robert Osmond, P. Eng. - Chair
Ms. Marie White
Mr. Brian Winsor
Mr. Leon Mills

Mr. Rick Turner
Ms. Cecilia Carroll
Mr. Guy Perry

Note: The board would like to acknowledge and thank Michele Craig, P. Eng. for her invaluable assistance as the departmental technical resource person in the work of the board.

Respectfully submitted,

W. Robert Osmond, P. Eng.
Chair
Appendix B3

Building Accessibility Appeal Tribunal
Annual Activity Letter
To: Minister of Government Services and Lands

Accountability Framework: Buildings Accessibility Appeal Tribunal

The Buildings Accessibility Appeal Tribunal is established under Section 20 of the Buildings Accessibility Act. The Tribunal’s sole purpose is to hear appeals of decisions respecting the application of the Buildings Accessibility Act and Regulations.

As no appeals were filed in 2002-03, the Tribunal did not meet in that year.

William MacKenzie
Assistant Deputy Minister
Appendix B4

Driver’s Licence Medical Advisory Board
Annual Activity Letter
General Overview:

Newfoundland and Labrador has a system of medical requirements for both drivers of larger specialized vehicles and private vehicles whereby they are required to file medical examination report(s) on a periodic basis. To date, governing medical standards are based on the medical standard of the Canadian Council of Motor Transport Administrators. All medicals are screened by the staff of Motor Registration Division with questionable reports being reviewed by the Medicals Review Officer and when necessary the Medical Advisor to the Registrar. Recommendations are then made to the Registrar of Motor Vehicles.

Due to the complexity of some of these required medicals, the Driver Medical Advisory Board was established, as per MC 858-’87. This purpose of this Board is to review driver’s medical files and advise the Registrar of Motor Vehicles as to the driver suitability or otherwise to operate specified class/es of motor vehicles. This review is generally done on an individual basis but may be done collectively if deemed necessary. The Driver Medical Advisory Board is purely advisory and the decision as to what action should be taken on the recommendations rests with the Registrar.

The Driver Medical Advisory Board is comprised of the following specialists:

- Dr. Eric Stone, Cardiologist
- Dr. Christopher Simon Kovacs, Endocrinologist
- Dr. Norman Lush, Neurologist
- Dr. Derek Dunphy, Ophthalmologist
- Psychiatrist (Vacant)
- Dr. Roy Lilly, Medical Advisor to the Registrar, who serves as Chair
- Secretary, who is appointed by the Chair

Highlights/Accomplishments

The use of these Specialists enables the Medical Advisor to have the best medical advice available to assist in his review of complex medical files and to subsequently make the best possible recommendation to the Registrar in the interest of highway safety.

Activities:

The Driver Medical Advisory Board was consulted on 6 occasions during 2002-03. Not all Specialists were consulted.
Opportunities and Challenges Ahead:

The ongoing challenge to balance a reasonable level of road safety for the general motoring public and the issues of individual driver independence and freedom in the context of medical conditions which may adversely impact on driver safety and ability is always a difficult decision. There is a greater need for evidence based research to objectively determine an individual’s fitness to drive. This research evidence has been lacking in the past, however, programs such as CAN DRIVE have a mandate and funding to research and provide future direction on these important matters regarding medical ailments, driving abilities and risks.

Financial Statements:

The Chair of the Drive Medical Advisory Board as well as the medical specialist representatives of the Board are remunerated at a rate of $150.00 per hour of service as approved by Treasury Board.

Prepared by: Dr. Lilly, Medical Advisor to the Registrar of Motor Vehicles, and David Norman, Registrar of Motor Vehicles.
Appendix B5

Driver’s Licence Suspension Review Board
Annual Activity Letter
Background
The Drivers’ Licence Suspension Review Board has been in existence since the 1970’s. Its’ mandate is outlined in Section 91 of the *Highway Traffic Act*. Essentially, the DLSRB is mandated to hear appeals of suspensions and cancellations affecting driver’s licences, vehicle registrations, etc. made by the Registrar of Motor Vehicles. In addition, the DLSRB can hear applications where a policy has been cancelled or terminated by an insurer or the application for a policy has been refused by an insurer.

The DLSRB has the authority to revoke a suspension or cancellation in whole or in part; direct the permit or licence to be issued; or direct the insurer to issue a policy to the applicant. It is noted that the DLSRB is not allowed to exercise this authority, in a case of suspension or cancellation, unless it is satisfied that undue hardship will result if the suspension or cancellation remains in effect and the remission or cancellation is not contrary to the public interest.

The decisions of the DLSRB can be appealed to the Trial Division of the Supreme Court of Newfoundland within 30 days of the decision.

In 2002-03, the Board was comprised of Judge David Riche as Chairperson, Beverley Marks as Vice-Chair and members Melvin Roberts, Dr. Peter Roberts and Ed Delaney. Mr. Delaney’s appointment expired in November 2002 and he was replaced by Florence Spurrell.

Activities
The Board heard nine applications in 2002-03. It dismissed six applications and varied or restored three other applications. The Board meets when there are sufficient applications to warrant a hearing.

Financial Considerations
The costs of the DLSRB are covered by MRD’s budget. In 2002-03, remuneration to Board members was $4,819. Travel expenses totalled $2,214.24.

Prepared by David Norman, Registrar of Motor Vehicles
Prepared on November 15, 2003
Appendix B6

Embalmers and Funeral Directors Board
Annual Activity Letter
Embalmers and Funeral Directors Board
Activity Report for Fiscal Year Ending December 31, 2002

Public Body Overview:

The Embalmers and Funeral Directors Board of Newfoundland and Labrador is a Government appointed, self-regulating, Category Three Board. It is established pursuant to section 3 of the Embalmers and Funeral Directors Act. The Board consists of seven members, appointed by the Minister and consists of the following:

- Two Embalmers
- Two Funeral Directors
- Two Public Lay Representatives, neither of whom shall be a funeral director or embalmer
- One Government Official

Members are appointed for a three-year term and can be reappointed, but cannot serve for a continuous period exceeding nine years.

Each newly appointed Board must elect from its members:

- Chairperson
- Vice-Chairperson
- Registrar
- Deputy Registrar

The roles and responsibilities of the Board include:

- Establishing licensing requirements for Funeral Directors and Embalmers,
- Reviewing licensing applications to determine if requirements are satisfied for a license
- Disciplinary action
- Continuing education of licensees
The following people served on the Embalmers and Funeral Directors Board for fiscal year 2002:

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<thead>
<tr>
<th>Member</th>
<th>Elected Position</th>
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</thead>
<tbody>
<tr>
<td>Paul Hoskins</td>
<td>Chairperson</td>
</tr>
<tr>
<td>Embalmer</td>
<td></td>
</tr>
<tr>
<td>Francis Coombs</td>
<td>Vice-chairperson</td>
</tr>
<tr>
<td>Funeral Director</td>
<td></td>
</tr>
<tr>
<td>Bert Twyne</td>
<td>Registrar</td>
</tr>
<tr>
<td>Public Representative</td>
<td></td>
</tr>
<tr>
<td>Mike Vickers</td>
<td>Non applicable</td>
</tr>
<tr>
<td>Public Representative</td>
<td></td>
</tr>
<tr>
<td>Keith Fillatre</td>
<td>Non applicable</td>
</tr>
<tr>
<td>Embalmer</td>
<td></td>
</tr>
<tr>
<td>Bruce Warren</td>
<td>Deputy Registrar</td>
</tr>
<tr>
<td>Funeral Director</td>
<td></td>
</tr>
<tr>
<td>Gerard Burke</td>
<td>Non applicable</td>
</tr>
<tr>
<td>Government Representative</td>
<td></td>
</tr>
</tbody>
</table>

The number of licensees as of December 31, 2002 were as follows:
- Embalmers 117
- Funeral Directors 82
- Funeral Homes 90

**Highlights and Accomplishments:**

An Education and Information Seminar for all licenced members was held on April 5 and 6, 2002. Fifty-six members attended. Presentations were made by Robert Woolfrey, Board Education Co-Ordinator and Inspector, Ronald Phillips, Kingstec College and other presenters relative to the funeral industry. There was positive feedback from the membership.

After a long and positive partnership with Kingstec College in Nova Scotia, we embarked on a new approach to education for student embalmers. A long-distance education alternative, with The Western School of Funeral Services, was offered to students. It is a twenty-four month course offered on-line under the sponsorship of a licensed funeral home, director and embalmer.
Two representatives from the Board attended the Funeral Services of Canada Conference and the National Regulators meeting in Montreal. Labour mobility and co-operation between National Boards were the main topics covered at these sessions.

Activities:

In fiscal year 2002, the Board met four times in St. John’s.

February 27, 2002:
• Discussion relative to educational seminar to be held April 5 and 6, 2002

April 4, 2002:
• Discussion relative to revised program for Kingstec College.
• Discussion relative to distance education.

September 25, 2002:
• Discussion on FSAC meeting in Montreal attended by two board representatives.

December 5, 2002:
• Discussion on National Exam. Our Board is interested in working with the other provinces to develop a National Exam.

Opportunities and Challenges Ahead:

• The number one challenge of the current Board is to initiate changes to the current Act and Regulations.

Financial Statements: See attached.
Embalmers and Funeral Directors Board of Newfoundland and Labrador
Financial Statements
December 31, 2002
## Contents

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<th></th>
<th>Page</th>
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</thead>
<tbody>
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<td>Auditors' Report</td>
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</tr>
<tr>
<td>Statements of Revenue, Expenditure and Surplus</td>
<td>2</td>
</tr>
<tr>
<td>Balance Sheet</td>
<td>3</td>
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<td>Statement of Cash Flows</td>
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</tr>
<tr>
<td>Note to the Financial Statements</td>
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</table>
Auditors’ Report

To the Directors of
Embalmers and Funeral Directors Board
of Newfoundland and Labrador

We have audited the balance sheet of the Embalmers and Funeral Directors Board of Newfoundland and Labrador as at December 31, 2002, and the statements revenue, expenditure and surplus and cash flows for the year then ended. These financial statements are the responsibility of the Board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Board as at December 31, 2002 and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Grand Falls-Windsor, Newfoundland
February 4, 2003

Grant Thornton LLP
Chartered Accountants
## Embalmers and Funeral Directors Board of Newfoundland and Labrador
### Statements of Revenue, Expenditure and Surplus

**Year Ended December 31, 2002**

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<th>Revenue</th>
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<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fees</td>
<td>$ 40,955</td>
<td>$ 39,941</td>
</tr>
<tr>
<td>Interest</td>
<td>936</td>
<td>1,777</td>
</tr>
<tr>
<td>Other revenue</td>
<td>5,700</td>
<td>2,103</td>
</tr>
<tr>
<td>Tuition fees</td>
<td>38,700</td>
<td>44,900</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>86,291</strong></td>
<td><strong>88,721</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses</th>
<th>2002</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank charges</td>
<td>57</td>
<td>59</td>
</tr>
<tr>
<td>Board meetings</td>
<td>17,604</td>
<td>6,684</td>
</tr>
<tr>
<td>Education</td>
<td>2,810</td>
<td>728</td>
</tr>
<tr>
<td>Education – tuition</td>
<td>38,700</td>
<td>44,900</td>
</tr>
<tr>
<td>Honorariums</td>
<td>2,400</td>
<td>2,400</td>
</tr>
<tr>
<td>Inspections</td>
<td>3,166</td>
<td>2,952</td>
</tr>
<tr>
<td>Insurance</td>
<td>1,271</td>
<td>1,419</td>
</tr>
<tr>
<td>Office</td>
<td>3,819</td>
<td>6,855</td>
</tr>
<tr>
<td>Professional fees</td>
<td>3,319</td>
<td>13,031</td>
</tr>
<tr>
<td>Telephone</td>
<td>458</td>
<td>208</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>73,604</strong></td>
<td><strong>79,236</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Excess of revenue over expenditures</th>
<th>2002</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>$ 12,687</strong></td>
<td><strong>$ 9,485</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Surplus, beginning of year</th>
<th>2002</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$ 116,094</td>
<td>$ 106,609</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Excess of revenue over expenditures</th>
<th>2002</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>$ 12,687</strong></td>
<td><strong>$ 9,485</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Surplus, end of year</th>
<th>2002</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>$ 128,781</strong></td>
<td><strong>$ 116,094</strong></td>
</tr>
</tbody>
</table>

See accompanying note to the financial statements.

---

Grant Thornton

2
Embalmers and Funeral Directors Board of Newfoundland and Labrador

Balance Sheet

December 31

<table>
<thead>
<tr>
<th></th>
<th>2002</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$160,874</td>
<td>$137,613</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>48,527</td>
<td>28,100</td>
</tr>
<tr>
<td>Prepaids</td>
<td>1,358</td>
<td>926</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>$210,759</td>
<td>$166,639</td>
</tr>
</tbody>
</table>

| **Liabilities** |          |          |
| Current        |          |          |
| Accrued liabilities | $40,778  | $9,345   |
| Deferred revenue   | 41,200   | 41,200   |
| **Total Liabilities** | 81,978   | 50,545   |

| **Members' Surplus** |          |          |
| Surplus              | 128,781  | 116,094  |
| **Total**            | $210,759 | $166,639 |

On behalf of the Board

_________________________  ___________________________
Director                    Director

See accompanying note to the financial statements.
## Embalmers and Funeral Directors Board of Newfoundland and Labrador
### Statement of Cash Flows

<table>
<thead>
<tr>
<th>December 31</th>
<th>2002</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash and cash equivalents derived from (applied to)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Operating</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess of revenue over expenditure</td>
<td>$12,687</td>
<td>$9,485</td>
</tr>
<tr>
<td><strong>Change in non-cash operating working capital</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receivables</td>
<td>(20,427)</td>
<td>(6,459)</td>
</tr>
<tr>
<td>Prepaids</td>
<td>(432)</td>
<td>-</td>
</tr>
<tr>
<td>Payables</td>
<td>31,433</td>
<td>8,017</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>-</td>
<td>1,300</td>
</tr>
<tr>
<td><strong>Net increase in cash and cash equivalents</strong></td>
<td>$23,261</td>
<td>$12,343</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beginning of year</td>
<td>$137,613</td>
<td>$125,270</td>
</tr>
<tr>
<td>End of year</td>
<td>$160,874</td>
<td>$137,613</td>
</tr>
</tbody>
</table>

See accompanying note to the financial statements.
1. Significant accounting policy

Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks and short term deposits with original maturities of three months or less. Bank borrowings are considered to be financing activities.

<table>
<thead>
<tr>
<th>Cash and cash equivalents consists of:</th>
<th>2002</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$ 103,062</td>
<td>$ 80,737</td>
</tr>
<tr>
<td>Term deposits</td>
<td>57,812</td>
<td>56,876</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 160,874</strong></td>
<td><strong>$ 137,613</strong></td>
</tr>
</tbody>
</table>
Appendix B7

Insurance Adjusters, Agents and Brokers Appeal Board
Annual Activity Letter
September 23, 2003

Honourable George Sweeney
Minister of Government Services and Lands
Second Floor, West Block, Confederation Building
St. John’s, NL, A1B 4J6

Dear Minister Sweeney:

Re: 2002-03 Activity Letter
Insurance Adjusters, Agents and Brokers Appeal Board

In compliance with the Accountability Framework for Boards and Agencies I have the pleasure of presenting to you the 2002-03 Activity Report for the Insurance Adjusters, Agents and Brokers Appeal Board.

Yours truly,

Douglas J. Connolly, C.G.A.
Director of Insurance and Pensions

c. Ms. Brenda Kelleher-Flight
Overview

This board is established pursuant to Section 18 of the Insurance Adjusters, Agents and Brokers Act, Chapter I-9, RSN 1990. It consists of three members appointed by the Lieutenant-Governor in Council. Current appointments are for a three year term. In carrying out their duties the members have the powers of a commissioner appointed under the Public Inquiries Act.

Individuals, partnerships and corporations wishing to conduct insurance activities on behalf of an insurance company must be licensed to do so under the Insurance Adjusters, Agents and Brokers Act. Where the Superintendent of Insurance refuses to issue a licence to a person, that person may appeal the Superintendent’s decision to this board. Also, where the Superintendent of Insurance, after an investigation into the practices of a licensee, suspends or cancels a licence, or places conditions on a licence, the licensee may appeal the Superintendent’s decision to this board.

The role of the board is to investigate a matter referred to it, hear the person who has appealed and report to the Superintendent of Insurance whether in its opinion the licence should be issued or refused, whether the licence should be suspended or cancelled or conditions placed on it.

The decision of the board is binding on the Superintendent of Insurance. A decision of the board can be appealed to the Trial Division.

Activities

During the 2002-03 fiscal year, one decision by the Superintendent of Insurance to suspend a licence was appealed to the board. This appeal was made in December 2002 and has not been heard to date.

Challenges

An investigator was hired effective April 1, 2002, to enhance the capacity of the Superintendent of Insurance’s office to carry out investigations of consumer complaints about the conduct of licensees. This is anticipated to result in more disciplinary decisions and appeals. Currently the board depends on government resources for their administrative needs. The challenge to the board will be to ensure its role is carried out efficiently and effectively.

Financial Statements

No costs were incurred during the 2002-03 fiscal year for the operations of this board.
Appendix B8

Newfoundland and Labrador Geographical Names Board
Annual Activity Letter
October 23, 2003

Minister
Department of Government Services and Lands
Government of Newfoundland and Labrador
Confederation Building
P.O. Box 8700
St. John’s, NL
A1B 4J6


Dear Minister:

In accordance with the directive concerning the implementation of accountability reports for Public Bodies as established by Treasury Board, I hereby submit a report for the Geographical Names Board of Newfoundland and Labrador for the year 2002-3. As you will see in the Report, this Board did not become active until late in the period concerned.

I trust you will find it acceptable.

Sincerely

W. Gordon Handcock
Chair
Newfoundland and Labrador Geographical Names Board
12 Burrage Avenue
Mount Pearl, NL
A1N 1V1

cc: K. Gail Boland, Accountability Coordinator
    Brenda Kelleher-Flight, Treasury Board
Newfoundland and Labrador Geographical Names Board

Accountability Report 2003

General Overview

The Newfoundland and Labrador Geographical Names Board (the Board) is appointed by the Minister of the Department of Government Services and Lands and is overseen by the Director of Surveys and Mapping. The work of the Board is supported by a Toponymic Information Officer of the Surveys and Mapping Division.

The main responsibility of the Board is to administer the *Geographical Names Act* (CHAPTER G-3; 1991 c29 s2). This involves

- the collection and recording of information on the names of places and geographical features;
- consultation with government and agencies on the selection of place names, or the renaming of places and features;
- considering and making changes to existing names;
- collaboration with the Geographical Names Board of Canada (formerly the Canada Permanent Committee on Geographical Names) on naming standards, practices and principles;
- holding public meetings or inviting submissions where disputes arise over names and naming practices; and
- recommending to the Minister for approval of the official names of places and geographical features.

The Act also empowers the Board as the final authority on the spelling and pronunciation of place names and geographical features in the province.

The Board consists of a provincial secretary and five (5) members appointed by the Minister. Members are appointed for a term of three (3) years. The present Board consists of:

- Mr. Randy Hawkins, Toponymic Information Officer, Survey and Mapping Division, Department of Government Services and Lands, and Provincial Secretary;
- Dr. W. Gordon Handcock, Professor Emeritus in Geography, Memorial University, Chair;
- Ms. Shelley Smith, Director of Provincial Archives, Department of Tourism, Culture and Recreation, Vice-chair;
- Mr. Stan Clinton, Director of Urban and Rural Planning Division, Department of Municipal and Provincial Affairs;
- Ms. Aileen O’Rafferty, Director of Constitutional and Francophone Affairs, Executive Council;
- Ms. Michele Wood, Senior Analyst, Program Coordination and Implementation, Department of Labrador and Aboriginal Affairs; and
- Mr. Neil MacNaughton, Director of Surveys and Mapping Division, Department
Highlights/Accomplishments 2003

The appointment of a new Board was the major highlight of this year. The term of the former Board expired in December 1993. The Board’s most immediate concern is to deal with outstanding requests and issues related to names left from the last Board and accumulated over the last ten years. The Board is also about to become involved in consultations with the Innu and Inuit of Labrador and the development of a policy related to geographical names and naming practices in land claims areas.

Activities 2003

During the fiscal year, which ended March 31, 2003, the Board held one meeting/working session at the Howley Building, St. John’s; January 23-24, 2003. This session was primarily a training and information session in which new members were briefed on the naming process and the function and role of naming authorities. The Board was also given presentations on the issue of geographical names in Aboriginal land claims, land claims negotiations in Labrador, and the use of digital maps in recording and presenting geographical names.

The Board reviewed the backlog of business, correspondence and submissions on names left from 1993 and accumulated over the last decade including requests for the adoption of new names and/or altered application of existing names in the areas of Salmonier-Holyrood, Bauline-Pouch Cove, Wesleyville-Pool’s Island, Change Islands-Little Fogo Island, Gambo-Hare Bay, Ramea, Hawkes Bay, Sop’s Arm and Roddickton. Most of these items were deferred for consideration at upcoming meetings in April and June 2003. The Board discussed policy issues related to naming tourist routes and trails, road signs, and features along the Labrador Highway and within National Parks. It was agreed that at the April meeting the Board would examine the draft of a policy on place naming within areas of Aboriginal land claims to be prepared by Ms. Cheryl Brown, Senior Analyst, Inuit Branch, Labrador and Aboriginal Affairs in consultation with Mr. Neil MacNaughton, Director of Surveys and Mapping.

The Board decided that the official spelling of the site of the recent nickel discovery in northern Labrador be Voisey’s Bay in accordance with both local usage and use in legal documents between the Provincial government and the nickel company (INCO). The former spelling Voisey Bay as recorded in the 1981 Gazetteer was rescinded.

Obstacles/Opportunities

Following a directive from Treasury Board, which was issued when the Newfoundland and Labrador Geographical Names Board was initially activated, the Board currently operates without an allocated budget. With the exception of the Board’s chairperson, all members are civil servants and therefore are not renumerated. Such expenses must therefore be absorbed by the Surveys and Mapping Division, which has not been allocated any new funding for this purpose.
All meetings are held within St. John’s, which eliminates the cost of travel for most Board members. The exception is a civil servant working in Labrador. Meetings are held when this individual is in St. John’s conducting other business for the Department of Labrador and Aboriginal Affairs. The Director of the Surveys and Mapping Division is planning to make a formal request to Treasury Board for the establishment of a budget so that remuneration expenses can be paid to the chairperson, the cost of travelling expenses for the Board member residing in Labrador can be shared, and to provide money for travelling expenses for all Board members to occasionally hold meetings outside St. John’s.

In that the Board operates without an allocated budget, it has little capacity to operate field research programs to collect and process names, to engage in educational activities related to geographical names, or to promote programs such as commemorative naming of unnamed features to honour war casualties - typical activities and programs which are carried out in other provinces and regions of Canada. Presently, the Board is an agency which primarily deals with requests from the public related to names, and relies upon individuals and concerned groups to collect names or recommend changes to existing toponomy (place-names).

The Board has been very fortunate in having Randy Hawkins, Toponymic Information Officer, who serves as a liaison with the general public and the Geographical Names Board of Canada, conducts background research on names submitted to the Board, and performs sundry technical tasks in handling and submitting names to the data base of official geographical names maintained for the province by the Geographical Names Board of Canada. In the absence of a Board, Randy’s work has helped to maintain an active interest in geographical names on behalf of the province over the last ten years.

The Board envisions new opportunities arising from the increased interest in Aboriginal place-names of the Labrador Inuit Association and the Innu Nation in relation to the land claims settlement areas, the development of a program to name features (record the locally used traditional names) along the new trans-Labrador highway, and in promoting and preserving geographical names as an important aspect of our history, culture and heritage.
Appendix B9

Real Estate Advisory Board
Annual Activity Letter
September 23, 2003

Honourable George Sweeney
Minister
Department of Government Services and Lands

Re: 2002-03 Annual Activity Letter
Real Estate Advisory Board

Dear Minister Sweeney:

As part of the Accountability Framework for boards and agencies, I am pleased to present you with the 2002-03 annual activity letter for the Real Estate Advisory Board (the Board).

The Board is appointed, on an as need basis, pursuant to Section 12 of the Real Estate Trading Act. The purpose of the Board is to hold hearings and make reports to the Superintendent of Real Estate with recommendations that it considers appropriate, concerning the granting or refusal of applications for the issue or renewal of licenses or the suspension or cancellation of a licence, or the reinstatement of a suspended or cancelled licence. Before making a decision respecting the licence, the Superintendent shall consider, but is not bound by those reports and recommendations.

The Board, when appointed, shall consist of 3 persons, and at least 1 of them shall be the holder of a valid real estate agent’s license. There are no permanent appointments to the Board for any specified time period.
For the fiscal year 2002-03 there were no hearings held by the Real Estate Advisory Board. When convened, the Board is remunerated by the Trade Practices and Licensing division, which has an annual budget of $1,000 for such hearings. If there are no hearings in any fiscal year, the budgeted funds are used for other operations within the division.

There is one key challenge in the administration of the Board in that hearings cost far in excess of budgeted funds. Any one hearing can have a serious detrimental effect on the efficient operation of the division, as any costs for a hearing have to be found within the existing budget.

Yours truly,

Gerry Burke
Superintendent of Real Estate

c.: Brenda Kelleher-Flight
Treasury Board
Appendix B10

Real Estate Foundation
Annual Activity Letter
January 5, 2004

Honourable Dianne Whalen
Minister of Government Services and Lands
2nd Floor, West Block, Confederation Bldg.
PO Box  8700
St. John’s, NL  A1B 4J6

Dear Ms. Whalen:

As the Superintendent of Real Estate for this province, I am writing you on behalf of the Real Estate Foundation to fulfill the reporting requirements as outlined by government’s Accountability Framework.

In August, 2003, the Chairperson of the Real Estate Foundation (the Foundation) was advised of these reporting requirements and asked to submit an activity letter by September 15, 2003. A letter was received from the Foundation on September 5, 2003 and reviewed by the department’s Accountability Co-ordinator, K. Gail Boland, who determined that it lacked some pertinent information. As such Ms. Boland wrote the Chairperson on September 23, 2003 and requested some additional information and followed up with telephone calls. To date this information has not been submitted. As such I am providing this information on their behalf so that the department can meet their reporting deadlines.

The enclosed report details the activities of the Real Estate Foundation for fiscal year ending October 31, 2002, pursuant to government’s Accountability Framework.

Sincerely,

Gerry Burke
Director of Trade Practices

C: Dorothy Woood
Chairperson
Real Estate Foundation
PUBLIC BODY OVERVIEW:

The Real Estate Foundation (the Foundation) is established pursuant to Section 53 of the Real Estate Trading Act and is administered by a board of governors. Membership is appointed by the Minister for a three-year term and includes the following:

- 1 member from the Department of Government Services and Lands
- 1 member representing the public interest
- 3 members who are licensed under the Real Estate Trading Act and are currently practicing real estate.

During the fiscal year ending October 31, 2002, the board of governors consisted of the following members:

- Gerard Burke Government Representative
- H.C. Penney Public Representative
- Christine Sheppard Licensed Representative
- Ruth legge Licensed Representative
- Dorothy Woodd Licensed Representative (Chairperson)

Membership to the board of governors will expire in February, 2003.

The objects of the foundation are to establish and maintain a fund and to use the proceeds of the fund for the following purposes:

- to promote continuing education among those engaged in real estate trading;
- to sponsor, support and promote research and to make recommendations affecting real estate trading; and
- to do other things that are, in the opinion of the foundation, incidental or conducive to the attainment of the objects set out above.
The fund of the foundation shall be composed of:

- the money paid to the foundation from interest accruing from interest bearing accounts maintained by agents;
- interest accruing from investments of the foundation;
- money received by the foundation by way of gift, bequest or devise; and
- money resulting from the use, disposal or investment of property of the foundation or received by the foundation from other sources.

HIGHLIGHTS/ACCOMPLISHMENTS: N/A

ACTIVITIES:

The board of governors met once on June 14, 2002. During this meeting the audited financial statements of the previous fiscal year were reviewed and approved for submission to the Minister of Government Services and Lands.

The board of governors also approved a $5000 contribution to the Canadian Real Estate Regulators Group for the establishment of a task force for the purpose of studying agency laws.

OPPORTUNITIES/CHALLENGES AHEAD:

The primary source of financial support for the fund of the foundation is the remittance of interest from interest-bearing accounts maintained by licensees. For fiscal year ending October 31, 2002 this source of funding decreased considerably. As such the board of governors sent a letter to licensees and financial institutions stressing the importance of remitting these funds on a regular basis. The board of governors plan to follow-up on this matter on a continuing basis.

FINANCIAL STATEMENTS: See attached.
REAL ESTATE FOUNDATION
Financial Statements
Year Ended October 31, 2002
REAL ESTATE FOUNDATION
Index to Financial Statements
Year Ended October 31, 2002

Page

AUDITOR'S REPORT 1

FINANCIAL STATEMENTS

Balance Sheet 2
Statement of Loss 3
Statement of Retained Earnings 4
Statement of Cash Flows 5
Notes to Financial Statements 6
AUDITOR'S REPORT

To the Board of Governors of Real Estate Foundation

I have audited the balance sheet of Real Estate Foundation as at October 31, 2002 and the statements of loss, retained earnings and cash flows for the year then ended. These financial statements are the responsibility of the foundation's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

The Real Estate Foundation derives revenue from interest on members' trust accounts, the completeness of which is not susceptible to audit verification. Accordingly, my verification of this revenue is limited to the amounts recorded in the accounts of the Real Estate Foundation and I was not able to determine whether any adjustments might be necessary to revenue, net loss, assets and retained earnings.

In my opinion, except for the effect of adjustments, if any, I might have determined to be necessary had I been able to satisfy myself concerning the completeness of revenue referred to in the previous paragraph, these financial statements present fairly, in all material respects, the financial position of the foundation as at October 31, 2002 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Conception Bay South, NF
May 15, 2003

Chartered Accountant
REAL ESTATE FOUNDATION
Balance Sheet
October 31, 2002

<table>
<thead>
<tr>
<th></th>
<th>2002</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CURRENT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>$70,804</td>
<td>$72,503</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>$1,107</td>
<td>$2,408</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>$71,911</td>
<td>$74,911</td>
</tr>
<tr>
<td><strong>LIABILITIES AND MEMBERS’ EQUITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CURRENT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payables and accruals</td>
<td>$8,755</td>
<td>$2,698</td>
</tr>
<tr>
<td>RETAINED EARNINGS</td>
<td>$63,156</td>
<td>$72,213</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>$71,911</td>
<td>$74,911</td>
</tr>
</tbody>
</table>

ON BEHALF OF THE BOARD

__________________________  Director
__________________________  Director

See accompanying notes to the financial statements

William J. Dawe
REAL ESTATE FOUNDATION
Statement of Loss
Year Ended October 31, 2002

<table>
<thead>
<tr>
<th></th>
<th>2002</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest on Agents' accounts</td>
<td>$2,731</td>
<td>$10,610</td>
</tr>
<tr>
<td>Interest income</td>
<td>$837</td>
<td>$2,500</td>
</tr>
<tr>
<td><strong>EXPENSES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Meetings and travel</td>
<td>2,109</td>
<td>4,963</td>
</tr>
<tr>
<td>Education</td>
<td>3,721</td>
<td>4,548</td>
</tr>
<tr>
<td>Administrative services</td>
<td>4,396</td>
<td>3,250</td>
</tr>
<tr>
<td>Professional fees</td>
<td>1,409</td>
<td>1,380</td>
</tr>
<tr>
<td>Rent</td>
<td>615</td>
<td>690</td>
</tr>
<tr>
<td>Interest and bank charges</td>
<td>50</td>
<td>63</td>
</tr>
<tr>
<td>General and administrative expenses</td>
<td>326</td>
<td>-</td>
</tr>
<tr>
<td><strong>NET LOSS</strong></td>
<td>$(9,057)</td>
<td>$(1,784)</td>
</tr>
</tbody>
</table>

See accompanying notes to the financial statements

William J. Dawe
REAL ESTATE FOUNDATION
Statement of Retained Earnings
Year Ended October 31, 2002

<table>
<thead>
<tr>
<th></th>
<th>2002</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>RETAINED EARNINGS - BEGINNING OF YEAR</td>
<td>$72,213</td>
<td>$73,997</td>
</tr>
<tr>
<td>NET LOSS FOR THE YEAR</td>
<td>(9,057)</td>
<td>(1,784)</td>
</tr>
<tr>
<td>RETAINED EARNINGS - END OF YEAR</td>
<td>$63,156</td>
<td>$72,213</td>
</tr>
</tbody>
</table>

See accompanying notes to the financial statements
# REAL ESTATE FOUNDATION

## Statement of Cash Flows

**Year Ended October 31, 2002**

<table>
<thead>
<tr>
<th></th>
<th>2002</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OPERATING ACTIVITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net loss</td>
<td>$(9,057)</td>
<td>$(1,784)</td>
</tr>
<tr>
<td>Changes in non-cash working capital:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>1,301</td>
<td>3,365</td>
</tr>
<tr>
<td>Payables and accruals</td>
<td>6,057</td>
<td>1,023</td>
</tr>
<tr>
<td></td>
<td>7,358</td>
<td>4,388</td>
</tr>
<tr>
<td>Cash flow from (used by) operating activities</td>
<td>$(1,699)</td>
<td>2,604</td>
</tr>
<tr>
<td><strong>INCREASE (DECREASE) IN CASH FLOW</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(1,699)</td>
<td>2,604</td>
</tr>
<tr>
<td>CASH - Beginning of year</td>
<td>72,503</td>
<td>69,899</td>
</tr>
<tr>
<td><strong>CASH - End of year</strong></td>
<td>$ 70,804</td>
<td>$ 72,503</td>
</tr>
</tbody>
</table>

See accompanying notes to the financial statements
REAL ESTATE FOUNDATION
Notes to Financial Statements
Year Ended October 31, 2002

1. DESCRIPTION OF OPERATIONS

The foundation is incorporated under the laws of the Province of Newfoundland and Labrador. It was incorporated by the Province effective January 1, 1987 under the Real Estate Trading Act to maintain a fund to be used for the designated purposes outlined in the Act.