

The Pre-judgment Interest Act

being

Chapter P-22.2 of the *Statutes of Saskatchewan, 1984-85-86* (effective January 1, 1986) as amended by *Statutes of Saskatchewan, 2012, c.8*.

NOTE:

This consolidation is not official. Amendments have been incorporated for convenience of reference and the original statutes and regulations should be consulted for all purposes of interpretation and application of the law. In order to preserve the integrity of the original statutes and regulations, errors that may have appeared are reproduced in this consolidation.

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CHAPTER P-22.2

An Act respecting Interest prior to Judgment

Short title

1 This Act may be cited as *The Pre-judgment Interest Act*.

Interpretation

2 In this Act:

- (a) “**interest rate**” means the rate of interest published in the Gazette as required in section 4;
- (b) “**judgment**” includes an order of a court;
- (c) “**pecuniary loss**” does not include loss arising from pain and suffering, physical inconvenience and discomfort, social discredit, injury to reputation, mental suffering, injury to feelings, loss of amenities and of expectation of life or loss of society of spouse or child.

1984-85-86, c.P-22.2, s.2.

Crown bound

3 The Crown is bound by this Act.

1984-85-86, c.P-22.2, s.3.

Interest rates

4(1) The Lieutenant Governor in Council may make regulations respecting the method and frequency of determining and publishing interest rates and the periods with respect to which interest rates are in effect.

(2) The Inspector of Court Offices shall determine and publish in the Gazette interest rates in accordance with the regulations.

1984-85-86, c.P-22.2, s.4; 2012, c.8, s.7.

Award of interest

5(1) The court shall award interest on a judgment for damages or for the recovery of a debt calculated in accordance with this Act.

(2) The court shall not award interest:

- (a) on that part of a judgment that represents pecuniary loss arising after the day of judgment and that is identified by the court;
- (b) on interest awarded under this Act;
- (c) on exemplary or punitive damages;
- (d) on an award of costs in the action;
- (e) on money, and interest on that money, borrowed by a party in respect of damages described in subsection 6(2);

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- (f) on money that is paid into court and accepted in satisfaction of a claim;
 - (g) on a judgment given on consent, unless agreed to by the parties;
 - (h) if there is an agreement between the parties respecting interest; or
 - (i) if the payment of interest is otherwise provided by law.
- (3) If it is proven to the satisfaction of the court that it is just to do so having regard to the circumstances, the court may, with respect to the whole or any part of the amount for which judgment is given, refuse to award interest under this Act or award interest under this Act at a rate or for a period, or both, other than a rate or period determined pursuant to section 6.
- (4) In a jury trial, the judge shall exercise the powers of the court under this Act.
- (5) In the case of a default judgment, the local registrar or clerk of the court shall award interest calculated in accordance with this Act, but shall not exercise any discretion granted to the court under subsection (3).

1984-85-86, c.P-22.2, s.5.

Calculation of interest

- 6(1)** Subject to subsections (2) and (3), the court shall calculate interest under this Act from the day on which loss or damage is first sustained to the day of judgment at the rate determined by averaging the interest rates in effect during that period.
- (2) If a judgment includes damages for expenses incurred or income lost, the court shall:
- (a) determine the total of those damages sustained within the three-month period commencing on the day on which loss or damage is first sustained and within each subsequent three-month period; and
 - (b) calculate interest from the last day of each three-month period described in clause (a) to the day of judgment, on the total of the damages sustained within the three-month period, at the interest rate in effect on the last day of the three-month period.
- (3) If a party pays money into court in satisfaction of a claim and another party does not accept the payment and obtains a judgment for an amount less than or equal to the amount paid into court, the court shall award interest:
- (a) from the day on which loss or damage is first sustained to the day on which the payment into court is made, calculated in accordance with this Act; and
 - (b) from the day on which the payment into court is made to the day of judgment, in an amount equal to the actual interest earned on the portion of the money paid into court that is equal to the amount of the judgment.

1984-85-86, c.P-22.2, s.6.

Interest part of judgment

7 For the purpose of enforcing a judgment, interest awarded under this Act is included in the judgment.

1984-85-86, c.P-22.2, s.7.

Transitional

8 This Act does not apply to a cause of action arising before the day on which this Act comes into force.

1984-85-86, c.P-22.2, s.8.

