

1984 BILL 31

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Second Session, 20th Legislature, 33 Elizabeth II

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THE LEGISLATIVE ASSEMBLY OF ALBERTA

# BILL 31

**FINANCIAL ADMINISTRATION AMENDMENT ACT, 1984**

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THE PROVINCIAL TREASURER

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First Reading .....

Second Reading .....

Committee of the Whole .....

Third Reading .....

Royal Assent .....

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## BILL 31

1984

### FINANCIAL ADMINISTRATION AMENDMENT ACT, 1984

(Assented to \_\_\_\_\_, 1984)

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of Alberta, enacts as follows:

- 1 *The Financial Administration Act is amended by this Act.*
- 2 *Section 1(1) is amended*
  - (a) *in clause (n) by striking out "Alberta Housing Act" and substituting "Alberta Housing Act or a board of a hospital district appointed by an order made under section 8 of the Hospitals Act";*
  - (b) *in clause (u) by striking out "or" at the end of subclause (vii), adding "or" at the end of subclause (viii) and adding the following after subclause (viii):*
    - (ix) *the revolving fund established under section 18.1 of this Act,*

## Explanatory Notes

**1** This Bill amends chapter F-9 of the Revised Statutes of Alberta 1980.

**2** Section 1(1)(n) and (u) presently read:

*1(1) In this Act,*

*(n) "Provincial corporation" means*

*(i) a corporation that is incorporated by or under an Act of the Legislature, other than a local or private Act, all or a majority of whose members or directors are appointed or designated, either by their personal names or by their names of office, by an Act of the Legislature or regulations under an Act of the Legislature, by an order of the Lieutenant Governor in Council or of a Minister of the Crown or by any combination thereof, or*

*(ii) a corporation all of whose issued voting shares of every class are owned by the Crown or held in trust for the Crown or are partly owned by the Crown and partly held in trust for the Crown,*

*but does not include a new town or a housing authority incorporated under section 39 of the Alberta Housing Act;*

*(u) "revolving fund" means*

*(i) the revolving fund established under section 9(1) of the Department of Public Works, Supply and Services Act,*

*(ii) the revolving fund established under section 14(2) of the Department of Education Act,*

*(iii) repealed 1983 cD-23.1 s13,*

*(iv) the revolving fund established under section 10(1) of the Department of Transportation Act,*

*(v) the revolving fund established under section 93(1) of the Water Resources Act,*

*(vi) the revolving fund established under section 7(2) of the Department of Recreation and Parks Act,*

*(vii) the revolving fund established under section 9(1) of the Department of Culture Act, or*

3 *Section 2(5) is amended*

(a) *by adding the following after clause (a):*

(a.1) the interim governing body of a university under the *Universities Act*,

(b) *by adding the following after clause (c.1):*

(c.2) the interim governing authority of a technical institute under the *Technical Institutes Act*,

(c) *by striking out "Provincial corporations" and substituting "Provincial corporations and section 18.1 applies as if they were Provincial agencies".*

4 *The following is added after section 18:*

**18.1(1)** The Provincial Treasurer shall establish and administer a revolving fund for the Treasury Department.

(2) The Provincial Treasurer may make advances from the General Revenue Fund to the revolving fund of sums that may be required to pay for the acquisition of equipment, supplies and services that may be provided by the revolving fund under subsection (4).

(3) The net amount of advances under subsection (2) less amounts credited under subsection (5) shall not, at any time, exceed \$3 000 000.

(4) The Provincial Treasurer may make payments from the revolving fund to acquire equipment, supplies and services required to provide financial, general management, insurance and risk management services to the Treasury Department and to Provincial agencies, including those agencies listed in section 2(5), and may charge to the Treasury Department and the Provincial agencies the cost of the services provided.

(5) The proceeds of or credits for any charges made under subsection (4) to the Treasury Department or Provincial agencies shall be credited in reduction of the advances made under subsection (2).

*(viii) the revolving fund established under section 2.1 of the Public Service Act,*

*and includes a fund designated as a revolving fund by the regulations;*

**3** Section 2(5) presently reads:

*(5) This Act does not apply to*

*(a) the board of a university under the Universities Act,*

*(b) the board of a public college under the Colleges Act,*

*(c) The Governors of the Banff Centre for Continuing Education,*

*(c.1) the board of a technical institute under the Technical Institutes Act,*

*(d) the Alberta Heritage Foundation for Medical Research,*

*(e) the board of management of a Provincial General Hospital under the Provincial General Hospitals Act,*

*(e.1) a mental health hospital board under the Mental Health Act,*

*(f) the Alberta Cancer Board, or*

*(g) the University Hospitals Board under the University of Alberta Hospitals Act,*

*except that this section and section 81 apply to the corporations described in clauses (a) to (g) as if they were Provincial corporations.*

**4** Revolving fund.

5 *Section 39 is repealed and the following is substituted:*

**39(1)** Except as otherwise provided in this Act, the Provincial Treasurer shall implement those procedures that he considers necessary

(a) in the case of an expenditure charged against or made pursuant to an appropriation or made from a revolving fund, to satisfy himself that

(i) in the case of an expenditure charged against a supply vote or a Heritage Fund vote, there is authority available under the supply vote or Heritage Fund vote for the purpose of making the expenditure,

(ii) in the case of an expenditure made from a revolving fund, there is money available in the revolving fund for the purpose of making the expenditure,

(iii) the expenditure does not exceed any maximum limit prescribed by law,

(iv) an accounting officer has given the certification required by section 37(1) in respect of the expenditure,

(v) the expenditure is for a purpose authorized by the applicable appropriation or for a purpose for which the revolving fund was established,

(vi) in the case of an expenditure made pursuant to a contract, it is not contrary to the contract, and

(vii) the expenditure does not contravene this or any other Act or a regulation, directive or order made pursuant to this or any other Act;

(b) in the case of a disbursement that is not an expenditure, to satisfy himself that

(i) there is money available for the purpose of the disbursement,

(ii) an accounting officer has given the certification required by section 37(2) in respect of the disbursement,

(iii) in the case of a disbursement made pursuant to a contract, it is not contrary to the provisions of the contract,

(iv) in the case of a disbursement made from a regulated fund, it is not contrary to any instrument that created the fund or that governs disbursements from the fund, and

(v) the disbursement does not contravene this or any other Act or a regulation, directive or order made pursuant to this or any other Act.

(2) The procedures determined under subsection (1) may be applied before or after an expenditure or disbursement is made.

**5** Section 39 presently reads:

*39 Except as otherwise provided in this Act, the Provincial Treasurer shall ensure that no disbursement is made unless*

*(a) in the case of a proposed expenditure to be charged against or made pursuant to an appropriation or to be made from a revolving fund, he is satisfied that*

*(i) in the case of a proposed expenditure to be charged against a supply vote or Heritage Fund vote, there is authority available under the supply vote or Heritage Fund vote for the purpose of making the proposed expenditure,*

*(ii) in the case of a proposed expenditure to be made from a revolving fund, there is money available in the revolving fund for the purpose of making the proposed expenditure,*

*(iii) the proposed expenditure does not exceed any maximum limit prescribed by law,*

*(iv) he has received the certificate of an accounting officer made pursuant to section 37(1) relating to the proposed expenditure,*

*(v) the proposed expenditure is for a purpose authorized by the applicable appropriation or for a purpose for which the revolving fund was established,*

*(vi) in the case of a proposed expenditure to be made pursuant to a contract, it is not contrary to the contract, and*

*(vii) the proposed expenditure would not, if made, contravene this or any other Act or a regulation, directive or order made pursuant to this or any other Act;*

*(b) in the case of a proposed disbursement that is not an expenditure, he is satisfied that*

*(i) there is money available for the purpose of making the proposed disbursement,*

*(ii) he has received the certificate of an accounting officer made pursuant to section 37(2) relating to the proposed disbursement,*

*(iii) in the case of a proposed disbursement to be made pursuant to a contract, it is not contrary to the provisions of the contract,*

*(iv) in the case of a proposed disbursement to be made from a regulated fund, it is not contrary to any instrument that created the fund or that governs disbursements from the fund, and*

*(v) the proposed disbursement would not, if made, contravene this or any other Act or a regulation, directive or order made pursuant to this or any other Act.*

6 *Section 61(1)(a) is amended by striking out “purchasing” and substituting “making loans and purchasing”.*

7 *Section 62(2) is amended*

*(a) in clause (a) by striking out “bills” and substituting “bills or notes”;*

*(b) by repealing clause (b) and substituting the following:*

**(b) in relation to the issue and sale of treasury bills or notes,**

**(i) the gross amount of treasury bills or notes that may be outstanding or issued,**

**(ii) in the case of treasury bills or notes that are to be sold at a discount, the minimum price for which they may be sold,**

**(iii) in the case of treasury bills or notes that are to bear interest at a fixed rate of interest, the maximum interest rate that they may bear,**

**(iv) in the case of notes that are to bear interest at a variable rate of interest, the maximum interest rate that they may bear expressed in relation to another specified rate of interest,**

**(v) the maturity date or dates or the term or terms of the treasury bills or notes that are to be issued, and**

**(vi) the currency in which the treasury bills or notes are to be issued.**

8 *Section 62.1 is amended*

*(a) in subsection (2) by striking out “to” and substituting “to make loans to and”;*

*(b) in subsection (3) by striking out “with” and substituting “with loans made to and”.*

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*In accordance with section 4(1) of the Interpretation Act, this Bill comes into force on the date it receives Royal Assent.*



**6** Section 61(1)(a) presently reads:

*61(1) The Lieutenant Governor in Council may, by order, authorize the Provincial Treasurer to borrow money on behalf of the Crown in the amounts set out in the order for the purposes of*

*(a) purchasing securities under section 62.1(2),*

**7** Section 62(2) presently reads:

*(2) An order in council under section 61 shall specify*

*(a) in relation to a loan to be secured by the issue and sale of a class or classes of Government securities other than treasury bills,*

*(i) the gross amount that may be borrowed,*

*(ii) the time within which the borrowing may take place,*

*(iii) the maturity date or dates for and the maximum interest rate of the securities that are to be issued,*

*(iv) the currency in which the securities are to be issued,*

*(v) if the securities are to be sold at a discount, the minimum price for which they may be sold,*

*(vi) if a premium is to be paid on redemption of the securities, the maximum premium that may be paid, and*

*(vii) whether a sinking fund is to be established from which the indebtedness is to be repaid;*

*(b) in relation to the issue and sale of treasury bills,*

*(i) the gross amount of treasury bills that may be outstanding,*

*(ii) in the case of non-interest bearing treasury bills, the minimum price for which they may be sold,*

*(iii) in the case of interest bearing treasury bills, the maximum interest rate that they may bear,*

*(iv) the maturity date or dates or the term or terms of the treasury bills that are to be issued, and*

*(v) the currency in which the treasury bills are to be issued.*

**8** Section 62.1(2) and (3) presently read:

*(2) The Lieutenant Governor in Council, by order and in respect of a Provincial corporation, may authorize the Provincial Treasurer to purchase securities of that Provincial corporation by using money from the Loan Fund on any terms and conditions that the order may contain.*

*(3) Any money paid to the Provincial Treasurer by a Provincial corporation in connection with securities purchased from that corporation pursuant to subsection (2) shall form part of the Loan Fund.*