

1992-93 BILL 67

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Fourth Session, 22nd Legislature, 42 Elizabeth II

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THE LEGISLATIVE ASSEMBLY OF ALBERTA

# **BILL 67**

**DEFICIT ELIMINATION ACT**

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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 67

1992-93

### DEFICIT ELIMINATION ACT

(Assented to , 1993)

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#### Definitions

##### 1 In this Act,

- (a) "Crown" includes a Provincial agency as defined in the *Financial Administration Act* that is not referred to in section 2(5) of that Act;
- (b) "deficit" means the difference between revenue and expenditures during a fiscal year if expenditures are more than revenue;
- (c) "expenditures" means expenditures of the Crown for all purposes;
- (d) "revenue" means revenue of the Crown from all sources;
- (e) "surplus" means the difference between revenue and expenditures during a fiscal year if expenditures are less than revenue.

Allowed annual deficits	<p><b>2</b> Subject to section 3, expenditures during a fiscal year must not result in a deficit of more than the following:</p> <ul style="list-style-type: none"> <li>(a) for the 1993-94 fiscal year, \$2 500 000 000;</li> <li>(b) for the 1994-95 fiscal year, \$1 800 000 000;</li> <li>(c) for the 1995-96 fiscal year, \$800 000 000;</li> <li>(d) for the 1996-97 and each subsequent fiscal year, \$0.</li> </ul>
Adjustment	<p><b>3(1)</b> If the actual deficit in the 1993-94 fiscal year is greater than the deficit allowed for the 1993-94 fiscal year in section 2, the deficit allowed for the 1994-95 fiscal year in section 2 must be reduced by the difference between</p> <ul style="list-style-type: none"> <li>(a) the actual deficit in the 1993-94 fiscal year, and</li> <li>(b) the deficit allowed for the 1993-94 fiscal year in section 2,</li> </ul> <p>and the reduced amount is deemed to be the deficit allowed for the 1994-95 fiscal year.</p> <p><b>(2)</b> If the actual deficit in the 1994-95 fiscal year is greater than</p> <ul style="list-style-type: none"> <li>(a) if subsection (1) does not apply, the deficit allowed for the 1994-95 fiscal year under section 2, and</li> <li>(b) if subsection (1) applies, the amount deemed to be the deficit allowed for the 1994-95 fiscal year under subsection (1),</li> </ul> <p>the deficit allowed for the 1995-96 fiscal year must be reduced by the difference between the actual deficit in the 1994-95 fiscal year, and</p> <ul style="list-style-type: none"> <li>(c) if subsection (1) does not apply, the deficit allowed for the 1994-95 fiscal year under section 2, or</li> <li>(d) if subsection (1) applies, the amount deemed to be the deficit allowed for the 1994-95 fiscal year under subsection (1),</li> </ul> <p>and the reduced amount is deemed to be the deficit allowed for the 1995-96 fiscal year.</p>

Reduced  
deficit

**4** If in a fiscal year the actual deficit is less than the deficit allowed under section 2 or 3, as the case may be, the difference between the actual deficit and the deficit allowed may not be used to increase the amount of the deficit allowed in any other fiscal year.

Surplus  
revenues

**5(1)** If in a fiscal year the actual revenue paid into the General Revenue Fund is greater than the estimated revenue calculated for budget purposes for the General Revenue Fund, the difference may only be used to reduce debt that would otherwise be accumulated.

**(2)** In calculating the estimated revenue for budget purposes for a particular fiscal year, the amount of non-renewable resource revenue estimated for that year must not be greater than the average annual amount of non-renewable resource revenue during the 5 most recent fiscal years for which actual amounts of non-renewable resource revenues are available immediately prior to the particular fiscal year.

**(3)** Subsection (1) does not apply if

- (a)** the increase in revenue is the result of an increase in the amount payable to or received by the Crown as a credit or recovery directly related to an activity that is partly or wholly funded by that credit or recovery, or
- (b)** the increase in revenue is the result of an increase in the amount held or receivable by the Crown under an agreement to which the Crown is a party requiring the Crown to make payments.

Special  
warrants

**6(1)** Subject to subsection (2), if authorizing an expenditure by special warrant will increase the estimated expenditures calculated for budget purposes for a fiscal year, the Lieutenant Governor in Council may not order a special warrant to be prepared authorizing the expenditure.

**(2)** The Lieutenant Governor in Council may order a special warrant to be prepared under any other Act authorizing an expenditure

- (a)** if the Legislative Assembly is dissolved and is not yet convened after the general election, or
- (b)** at any time, if, in the opinion of the Provincial Treasurer, the money is urgently required because of an emergency or a disaster.

Supply votes      **7(1)** Subject to subsection (2), in an Act appropriating money from the General Revenue Fund by supply votes for a fiscal year there must be not more than 3 supply votes for each department of the Government to be administered by a member of the Executive Council.

**(2)** In an Act appropriating money from the General Revenue Fund for each department

- (a) not more than one supply vote may be identified as a supply vote for operating expenditure purposes,
- (b) not more than one supply vote may be identified as a supply vote for capital purposes, and
- (c) not more than one supply vote may be identified as a supply vote for the purpose of approving non-budgetary disbursements that do not affect the surplus or deficit, as the case may be, in the fiscal year.

Audit Committee      **8** The Audit Committee established under section 21 of the *Auditor General Act*

- (a) shall report publicly to the Lieutenant Governor in Council on the progress made by the Government towards achieving a balanced budget at least once in every fiscal year, and
- (b) may inquire into any matter relating to the financial affairs of the Crown in accordance with a request of the Provincial Treasurer.

Reports on progress      **9(1)** The Provincial Treasurer shall report publicly to the Lieutenant Governor in Council on the accuracy of the budget estimates and on revenue and expenditures to date,

- (a) with respect to the first 3 months of a fiscal year, on or before August 31 in that year,
- (b) with respect to the first 6 months of a fiscal year, on or before November 30 in that year, and
- (c) with respect to the first 9 months of a fiscal year, on or before February 28 in that year.

**(2)** The Provincial Treasurer may determine the form of a report made under this section.

- Application**      **10(1)** This Act applies to 1993-94 and subsequent fiscal years of the Crown.
- (2)** This Act applies notwithstanding the *Financial Administration Act* or any other Act unless the contrary is expressly declared in the *Financial Administration Act* or that other Act.
- Repeal**            **11** *The Spending Control Act is repealed.*