

1996 BILL 17

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Fourth Session, 23rd Legislature, 45 Elizabeth II

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THE LEGISLATIVE ASSEMBLY OF ALBERTA

# BILL 17

**FINANCIAL ADMINISTRATION AMENDMENT ACT, 1996**

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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 17

1996

### FINANCIAL ADMINISTRATION AMENDMENT ACT, 1996

(Assented to \_\_\_\_\_, 1996)

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

Amends RSA  
1980 cF-9

1 *The Financial Administration Act is amended by this Act.*

2 *Section 1 is amended*

(a) *in subsection (1)*

(i) *in clause (b.2)*

(A) *by adding “, unless subsection (3) applies,” after “means”;*

(B) *in subclause (i) by striking out “one or more” and substituting “20% or more”;*

(C) *in subclause (ii) by striking out “one or more” and substituting “20% or more”;*

(ii) *in clause (q)(iv.1) by striking out “the Office of”;*

(iii) *in clause (u) by adding “or” at the end of subclause (v.2), striking out “or” at the end of subclause (viii) and repealing subclause (xii);*

(b) *by adding the following after subsection (2):*

(3) *Despite subsection (1)(b.2)(i) and (ii), an entity described in subsection (1)(b.2)(i) or (ii) is not a Crown-controlled organization if a majority of the members of the entity are appointed or designated by one person.*

## Explanatory Notes

1 Amends chapter F-9 of the Revised Statutes of Alberta 1980.

2 Section 1(1)(b.2), (q) and (u) presently read:

*1(1) In this Act,*

*(b.2) "Crown-controlled organization" means*

*(i) an unincorporated board, commission, council or other body that is not a department or part of a department, one or more but fewer than a majority of whose members 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 of them, and that is responsible for the administration of public money or assets owned by the Crown,*

*(ii) a corporation that is incorporated by or under an Act of the Legislature, other than a local or private Act, one or more but fewer than 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 of them, and that is responsible for the administration of public money or assets owned by the Crown.*

3 *Section 2 is amended*

- (iii) *a corporation that is incorporated by or under an Act of the Legislature other than a local or private Act, 50% or more but less than 100% of whose issued voting shares 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, or*
  - (iv) *a corporation that is a subsidiary of a corporation referred to in subclause (ii) or (iii) or that is controlled by a corporation referred to in subclause (ii) or (iii) directly or indirectly through one or more intermediary corporations;*
- (q) *“public official” means*
- (i) *a member of the Executive Council,*
  - (ii) *a person who holds an office at the appointment of the Lieutenant Governor in Council or a member of the Executive Council and who receives remuneration from the Crown in respect of that office,*
  - (iii) *the Speaker of the Legislative Assembly,*
  - (iv) *the Auditor General,*
  - (iv.1) *the Office of the Information and Privacy Commissioner;*
  - (v) *the Ombudsman,*
  - (vi) *the Chief Electoral Officer, or*
  - (vii) *the Ethics Commissioner;*
- (u) *“revolving fund” means*
- (v.1) *the revolving fund established under section 29 of the Environmental Protection and Enhancement Act,*
  - (v.2) *a revolving fund established or continued under section 21.1,*
  - (viii) *the revolving fund established under section 2.1 of the Public Service Act, or*
  - (xii) *the Pension Plan Administration Fund;*
- and includes a fund designated as a revolving fund by the regulations;*

**3** Section 2(1) and (5) presently read:

*2(1) This Act and the regulations operate notwithstanding any other Act except the Alberta Bill of Rights, the Freedom of Information and Protection of Privacy Act and the Individual's Rights Protection Act.*

- (a) *in subsection (1) by adding “, the Balanced Budget and Debt Retirement Act” after “the Freedom of Information and Protection of Privacy Act”;*
- (b) *in subsection (5) by striking out “5, 6, 7, 17(3), 21.1, 76.1, 77(2), 80.1 and 81” and substituting “1, 5, 6, 7, 17(3), 77(2), 80.1 and 81”.*

4 *Section 9 is repealed.*

5 *Section 12(5) is amended by adding “or the Balanced Budget and Debt Retirement Act” after “Deficit Elimination Act”.*

*whether enacted before or after the commencement of this Act, unless the contrary is expressly declared in this Act or the regulations or in any other Act.*

*(5) This Act, except this section and sections 5, 6, 7, 17(3), 21.1, 76.1, 77(2), 80.1 and 81, does not apply to the following:*

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

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

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

*(c) repealed 1994 c35 s16,*

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

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

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

*(d.1) a provincial health board under the Regional Health Authorities Act,*

*(e) repealed 1994 cR-9.07 s25(13),*

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

*(f) the Alberta Cancer Board, or*

*(g) repealed 1994 cR-9.07 s25(13),*

*(h) a corporation that is a subsidiary of a corporation referred to in clauses (a) to (f) or that is controlled by a corporation referred to in clauses (a) to (f) directly or indirectly through one or more intermediary corporations.*

**4** Section 9 presently reads:

*9 In addition to the authority under section 10 of the Government Organization Act, the Minister may enter into agreements in respect of matters under the Securities Act and the Franchises Act.*

**5** Section 12 presently reads:

*12(1) The Provincial Treasurer is responsible for all matters related to the financial affairs of the Crown except those assigned to another person under this or any other Act.*

*(2) The Provincial Treasurer may prescribe the form and contents of the financial records of the Crown and of Provincial agencies.*

6 *Section 50(6) is repealed and the following is substituted:*

**(6)** Where the Provincial Treasurer is authorized to make investments in accordance with subsection (1), whether pursuant to that subsection or pursuant to any other Act, the Provincial Treasurer may enter into agreements providing for

- (a) the lending of securities acquired or held as assets of the fund or person on whose behalf the investments are made, and
- (b) the delivery to the Provincial Treasurer of collateral consisting of
  - (i) securities or classes of securities, or
  - (ii) letters of credit.

7 *Section 76.1(10)(a)(i) is amended by adding “, public officials” after “departments”.*



*(4) The Crown's obligations in respect of the following pension plans shall be included in the financial records of the Crown in accordance with generally accepted accounting principles:*

- (a) Local Authorities Pension Plan;*
- (b) Public Service Pension Plan;*
- (c) Universities Academic Pension Plan;*
- (d) Special Forces Pension Plan;*
- (e) Management Employees Pension Plan;*
- (f) Public Service Management (Closed Membership) Pension Plan;*
- (g) Members of the Legislative Assembly Pension Plan;*
- (h) the Teachers' Pension Plans.*

*(5) The Crown's obligation in respect of service to which a pension plan referred to in subsection (4) applies is deemed not to be an expenditure for the purposes of the Deficit Elimination Act*

- (a) if the service occurred before January 1, 1992 respecting a plan referred to in subsection (4)(a) to (g), and*
- (b) if the service occurred before September 1, 1992 respecting the plan referred to in subsection (4)(h).*

**6** Section 50(6) presently reads:

*(6) The Provincial Treasurer may enter into agreements providing for*

- (a) the lending of securities acquired or held pursuant to this Part as assets of a fund referred to in subsection (3), and*
- (b) the delivery to the Provincial Treasurer of collateral consisting of securities or classes of securities or of letters of credit.*

**7** Section 76.1(10) presently reads:

*(10) For the purposes of this section participants include the following:*

- (a) unless the Treasury Board prescribes otherwise.*

8(1) Section 16 of the Financial Administration Amendment Act, 1993 is amended by this section.

(2) Section 81.1(1) is amended by striking out “and Crown-controlled organizations”.

(3) Section 81.1(2) is amended by striking out “or a Crown-controlled organization”.

(4) Section 81.1(4) is amended

(a) by striking out “or Crown-controlled organization”;

(b) by adding “, except pursuant to an order under subsection (5)(b) respecting the winding-up or dissolution of the Provincial agency” after “after it is discontinued”.

(5) Section 81.1(5) is amended

(a) in clause (a) by striking out “or Crown-controlled organization”;

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

(b) notwithstanding any other Act, make an order, on the recommendation of the Treasury Board, on any matter in relation to the discontinuance of a Provincial agency, including, but not limited to, the winding-up or dissolution of the Provincial agency, contracts of employment of the Provincial agency, assets or liabilities of the Provincial agency or the statutory powers, duties or obligations of the Provincial agency.

(6) The following is added after section 81.1(6):

(7) An order under subsection (5)(b) respecting the winding-up or dissolution of a Provincial agency must specify

(a) that the winding-up or dissolution must be completed within 15 months after the order is made, and

- (i) departments and Provincial agencies, and*
  - (ii) the Legislative Assembly Office, the Office of the Auditor General, the Office of the Information and Privacy Commissioner, the Office of the Ombudsman, the Office of the Chief Electoral Officer and the Office of the Ethics Commissioner;*
- (b) participants and classes of participants prescribed by the Treasury Board.*

**8** Amends chapter 19 of the Statutes of Alberta, 1993.

(b) that any undistributed gifts, bequests or donations to the Provincial agency are to be administered by a successor organization or the Crown for the same purpose for which the Provincial agency was established.

(8) The *Regulations Act* applies to an order made under subsection (5).

(9) This section does not apply to the following:

(a) foundations established under the *Advanced Education Foundations Act*;

(b) the Alberta Social Housing Corporation under the *Alberta Housing Act*;

(c) the Teachers' Pension Plans Board of Trustees under the *Teachers' Pension Plans Act*;

(d) the Special Areas Board under the *Special Areas Act*;

(e) the Public Utilities Board;

(f) the Energy Resources Conservation Board;

(g) the Alberta Energy and Utilities Board.

(7) Section 81.1(1.1), (3) and (6) are amended by striking out "or Crown-controlled organization" wherever it occurs.

