

Shall section 96 carry?

96. Whenever it appears to the Governor in Council that any account, statement, return or document required by any Act of Parliament or otherwise to be laid before one or both Houses of Parliament contains the same information as or less information than is contained in the Public Accounts, the Governor in Council may direct that the account, statement, return or other document be discontinued, and thereafter it need not be prepared or laid before either House of Parliament.

Carried.

Shall section 97 carry?

97. Subject to any other Act of Parliament, no transfer, lease or loan of property owned by His Majesty in right of Canada shall be made to any person, except in accordance with regulations or on the direction of the Governor in Council.

Carried.

Shall section 98 carry?

98. (1) There shall be established in the Consolidated Revenue Fund a special account to be known as the Public Officers Guarantee Account to which shall be transferred or credited, in accordance with the regulations,

- (a) the balance of the Government Officers Guarantee Fund,
 - (b) amounts paid by departments by way of premiums, and
 - (c) amounts recovered by His Majesty in respect of payments out of the said Account or the Government Officers Guarantee Fund,
- and payment may be made out of the said Account, in accordance with the regulations, by way of indemnity for losses suffered by His Majesty or others by reason of defalcations or other fraudulent acts or omissions of public officers.

(2) The Treasury Board may make regulations

- (a) prescribing the conditions upon which payments may be made out of the Public Officers Guarantee Account,
- (b) requiring departments to deposit amounts to the credit of the said Account, and
- (c) governing the operation of the said Account by the Minister.

(3) Every payment out of the Public Officers Guarantee Account and the amount of every loss suffered by His Majesty by reason of defalcations or other fraudulent acts or omissions of a public officer, together with a statement of the circumstances, shall be reported annually in the Public Accounts.

Mr. FLEMING: May we have a word of explanation about section 98?

Mr. CLARK: This refers to the public officers guarantee fund, which we discussed the other morning. You may remember that this is the legislative framework for the scheme that we have had in effect since 1936. It provides for a guarantee fund, a system of bonding of employees of the government, particularly those engaged in the collection of moneys, or those who have in their custody public moneys.

Each of the departments pays a premium out of its estimates in respect of a number of employees which they wish to have bonded. That premium is paid into the fund and losses are paid out of the fund. That scheme has been in operation, as I said the other day, since 1936 and it has been, I think, a very effective device which has resulted in the building up of a fund of around \$600,000 or \$700,000 with losses so far paid out of only about \$50,000.

The CHAIRMAN: Shall section 98 carry?

Carried.