

EXPLANATORY NOTES.

1. The purpose of this Bill is to provide for a more unified and adequate control of the administration of the Consolidated Revenue Act, and over financial receipts and expenditures.

Under section 21 a Comptroller of the Treasury is to be appointed, who is to be an officer of the Department of Finance. He is to be charged with the duties assigned to him by this Bill, and such other duties as may be placed upon him by the Governor in Council. His salary, tenure of office, and access to books and records are provided for in the same section. His duties are more particularly set out in sections 26, 27, 29, 35, and 36. All issues of public moneys out of the Consolidated Revenue Fund are to be made under his direction and control by cheque or other instrument, as the Treasury Board may direct. (Section 27 (1)). No issue is to be made unless he certifies that there is a balance available of the appropriation for the specified service. (s. 27 (4)). No contract, agreement or undertaking involving a charge on the Consolidated Revenue Fund shall be entered into unless he certifies there is a sufficient unencumbered balance available of the amount appropriated for the particular service. (Section 29 (2)). If he refuses to cause an issue of public moneys for stated reasons, the Treasury Board is to decide any dispute as to the expenditure. (Section 35). He may be authorized to designate officers to represent him in any department or branch of the public service. This is to enable the accounting services to be centralized. (Section 36).

The duty of examining the accounts of all branches of the public service remains with the Auditor General, and he may station his representatives in any department or branch for this purpose. (Section 44). There is a new section inserted enlarging his jurisdiction to cover accounts in respect to the gold held as security of Dominion and Provincial notes; redeemed or cancelled securities; unissued reserves of Dominion notes and securities; and other matters. (Section 45). If he is so directed by the Governor in Council, on the recommendation of the Treasury Board, he shall audit the accounts of any branch of the public service before payment. This is a new provision. If pre-audit is directed, no payment may be made before he certifies to their correctness. (Section 48).

Section 49 of the existing Act relating to the lapse of appropriations unexpended at the end of the fiscal year, is redrafted by section 32 of this Bill, and it is provided that during a period not exceeding thirty days after the end of the fiscal year the unexpended balance of an appropriation may be applied to debts properly incurred and which for good reasons were not paid within the fiscal year, and such expenditure may be charged in the accounts of the said fiscal year. A similar provision is inserted in regard to special warrants for urgent expenditure. (Section 25 (2)) Accidents to public property or other emergencies are covered by section 29 (2). A control account of each item of appropriation to show the unencumbered balance, and protection against over-encumbrance of an appropriation, are provided by sections 26 and 29.

A summary of the sections of the Act which have been omitted from or absorbed in this Bill, with explanations, is printed at the end of the Bill for the information of Members. It is not part of the Bill.

From section 53 to section 73, inclusive, the language of the Bill is identical with that of the Act, except where changes are noted.

2. Definitions (a), (d) and (f) are new, and are designed to make it clear that duties allotted to the Auditor General or Deputy Minister of Finance or Comptroller of the Treasury may be performed by their officers or clerks, except where the context shows that a duty is to be personally performed by the Auditor General or Deputy Minister or Comptroller.

Definition (c) is new. It is proposed that cheques may be drawn on the Receiver General or on his account, as well as on the banks.