

EXPLANATORY NOTES.

Clause 1: The purpose of this clause is to increase the rates of interest to be credited to the Fund by the Receiver General semi-annually on the minimum balance to the credit of the Fund in each month.

Subsection (7) of section 3 at present reads as follows:

"(7) The Receiver General shall credit to the Fund semi-annually interest on the minimum balance to the credit of the Fund in each month, at the following rates:

- (a) *three and one-half per cent per annum, to the extent that the minimum balance does not exceed five million dollars, and*
- (b) *two and one-half per cent per annum, to the extent that the minimum balance exceeds five million dollars."*

Clause 2: The purpose of this clause is to remove the present statutory limit on the amount that the Army Benevolent Fund Board may fix as the salary to be paid to the Secretary to the Board.

Subsection (1) of section 8 at present reads as follows:

"8. (1) The Board shall appoint a veteran as Secretary to the Board at an annual salary *not exceeding six thousand five hundred dollars* and may appoint such other officers, clerks and employees as may be required on such terms and conditions as it deems expedient; but where there is available a qualified veteran to fill any position preference in appointment shall be given such veteran."

Clause 3: When the Act was first enacted it was anticipated that disbursements for grants would be made and accounted for directly by the various provincial committees. Subsequently arrangements were made for the disbursements to be made by the Comptroller of the Treasury and for the accounting to be centralized at the Head Office of the Board in Ottawa. The requirement contained in subsection (1) of section 11 that the Auditor General examine accounts of committees quarterly is, therefore, unnecessary and it is considered desirable that it be deleted.

Subsection (1) of section 11 at present reads as follows:

"11. (1) The Auditor General shall examine, annually, the accounts of the Board *and shall examine accounts of committees quarterly.*"