

ENVIRONMENT

An agreement between the Department of the Environment and the Province of Manitoba to rehabilitate and develop a wildlife sanctuary stipulated that costs be shared equally between Canada and the Province. The Province was to undertake the work from April 1, 1974, to March 31, 1979. If the Province wished, Canada would assist with the interim financing by an advance contribution of \$350,000 towards its share of the costs in 1974-75 and \$312,500 in each of the succeeding four years. Also, at the request of the Province, Canada could increase its annual advance contribution in any fiscal year, with compensating reductions in an ensuing year. The Province undertook to furnish detailed audited statements of expenditures on a quarterly basis. (Para. 17.2, 1976 Annual Report)

In accordance with the agreement, Canada made advance contributions of \$350,000 in 1974-75 and \$312,500 in 1975-76. On March 29, 1976, the Province requested an interim contribution from Canada for 1976-77 of \$463,000. This amount was paid in April 1976 and charged to a 1975-76 appropriation of the Department. This was contrary to Section 30 of the Financial Administration Act which provides for such a payment to be applied to the previous year's appropriation only if an obligation existed at the end of the year in accordance with a contractual arrangement. (Para. 17.2, 1976 Annual Report)

Furthermore, although Canada's contributions amount to \$1,125,000 of \$1,600,000 authorized under the agreement, the only audited statement from the Province covers the period April 1, 1974, to June 30, 1975, and