

1990, chapter 66
**AN ACT TO AMEND THE FINANCIAL
ADMINISTRATION ACT AND
OTHER LEGISLATION**

Bill 2

Introduced by Mr Gérard D. Levesque, Minister of Finance

Introduced 30 November 1989

Passage in principle 14 December 1989

Passage 19 December 1990

Assented to 20 December 1990

Coming into force: 20 December 1990

Acts amended:

Financial Administration Act (R.S.Q., chapter A-6)

General and Vocational Colleges Act (R.S.Q., chapter C-29)

University Investments Act (R.S.Q., chapter I-17)

Act respecting health services and social services (R.S.Q., chapter S-5)

Education Act (1988, chapter 84)



CHAPTER 66

An Act to amend the Financial Administration Act and other legislation

[Assented to 20 December 1990]

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

c. A-6,
s. 36, am.

1. Section 36 of the Financial Administration Act (R.S.Q., chapter A-6) is amended by replacing the first paragraph by the following paragraph:

Short term
investment

“36. The Minister may invest on short term any portion of the consolidated revenue fund not required for expenditure

(a) in securities issued or guaranteed by the government of Canada, of Québec or of another Canadian province;

(b) in securities issued by any body referred to in section 69.6;

(c) in securities issued by any municipality of Québec;

(d) by way of a deposit with any financial institution designated by the Government or in certificates, promissory notes or other short-term securities or papers issued or guaranteed by any such financial institution.”

c. A-6,
s. 57,
replaced
Form of
payment

2. Section 57 of the said Act is replaced by the following section:

“57. Every payment of public moneys upon a warrant of the Lieutenant-Governor shall be made by means of a cheque signed by the Minister, the Deputy Minister or any officer designated by the Conseil du trésor or by means of any other payment order authorized by one of such persons.

Payment order Any payment order referred to in this section may be given by means of a device authorized or in accordance with a procedure determined by the Conseil du trésor.”

c. A-6, s. 60, am. **3.** Section 60 of the said Act is amended by inserting, after subparagraph *c* of the first paragraph, the following subparagraph:

“(d) for the purposes contemplated by section 69.5.”

c. A-6, s. 61, am. **4.** Section 61 of the said Act is amended by adding, at the end, the following paragraph:

Temporary loans “The Government may also authorize the Minister of Finance to effect any temporary loans required for the purposes of section 69.5.”

c. A-6, ss. 69.1 to 69.11, added **5.** The said Act is amended by inserting, after section 69, the following division:

“DIVISION VII.1

“FINANCING FUND

Financing fund **“69.1** A fund, called the “financing fund”, to be used by the Minister to provide financing to the bodies and special funds referred to in section 69.6, is hereby established at the Ministère des Finances.

Characteristics **“69.2** The Government shall determine the date on which the fund begins to operate, its assets and liabilities and the nature of the loans to be granted pursuant to section 69.6.

Composition **“69.3** The fund shall be made up of the following sums, except interest earned on bank balances:

(1) the sums collected for the services provided and the sums received as repayment of the capital of and payment of the interest on loans granted pursuant to section 69.6;

(2) the advances paid by the Minister under the first paragraph of section 69.5.

Management **“69.4** The management of the sums paid into the fund shall be entrusted to the Minister. Such sums shall be paid to the order of the Minister and deposited with the financial institutions he designates.

Financial records Notwithstanding section 13, the Minister shall keep the books of account for and record the financial commitments chargeable to the

fund. He shall also certify that such commitments and the payments arising therefrom do not exceed and are consistent with the available balances.

Sums
advanced
to the
fund

“69.5 The Minister may, with the authorization of the Government and subject to the conditions it determines, advance to the fund sums taken out of the consolidated revenue fund from the moneys borrowed for such purpose. The authorization of the Government shall specify the period of payment of the sums into the fund and the costs payable out of the advance or chargeable in computing the applicable rates of interest.

Sums
advanced
to consoli-
dated
revenue
fund

He may conversely advance to the consolidated revenue fund, on a short-term basis and subject to the conditions he determines, any part of the sums paid into the financing fund that is not required for its operation.

Repayment

Any advance paid to a fund shall be repayable out of that fund.

Loans

“69.6 The Minister, as the manager of the fund, may grant loans, on the terms and conditions he determines, to the following bodies and special funds:

(1) a general and vocational college governed by the General and Vocational Colleges Act (R.S.Q., chapter C-29);

(2) the Conseil scolaire de l'île de Montréal or a school board governed by the Education Act (1988, chapter 84), or a school board governed by the Education Act for Cree, Inuit and Naskapi Native Persons (R.S.Q., chapter I-14);

(3) a university establishment governed by the University Investments Act (R.S.Q., chapter I-17);

(4) a regional council or public establishment governed by the Act respecting health services and social services (R.S.Q., chapter S-5), or the Corporation d'hébergement du Québec referred to in section 178.1 of the said Act;

(5) any body whose borrowings may, by law, be guaranteed by the Government;

(6) any body whose constituting Act provides that its borrowings may be authorized by the Government or a minister, where such borrowing is repaid in whole in the case of municipalities and other municipal bodies, or in whole or in part in other cases, by a subsidy granted for such purpose;

(7) any special fund or public body designated by the Government, except municipalities and other municipal bodies.

Interest

The Government shall determine criteria for the determination of the rates of interest that may be charged on the loans and the nature of the costs chargeable in computing the interest rates or in computing the repayment of the loans.

Use of fund

“69.7 The sums required for the following purposes are taken out of the fund:

(1) the granting of a loan pursuant to section 69.6;

(2) the payment of any expense incurred for the carrying out of the functions entrusted to the Minister by this division, including the payment of the remuneration and expenses pertaining to the social benefits and other conditions of employment of the persons assigned, in accordance with the Public Service Act (R.S.Q., chapter F-3.1.1), to activities related to the fund;

(3) the payment of any sum required for the performance of any obligation contracted by the Minister in his capacity as manager of the fund in respect of loans granted under section 69.6.

Accumulated surplus

“69.8 All surpluses accumulated by the fund shall be paid into the consolidated revenue fund on the dates and to the extent determined by the Government.

Applicable provisions

“69.9 Sections 22 to 27, 33, 35, 45, 47 to 49, 51, 57 and 70 to 72, adapted as required, apply to the fund.

Fiscal year

“69.10 The fiscal year of the fund ends on 31 March.

Execution of judgment

“69.11 Notwithstanding any provision to the contrary, the Minister shall, in the event of a deficiency in the consolidated revenue fund, pay out of the financing fund the sums required for the execution of a judgment against the Crown that has become *res judicata*.”

c. C-29, s. 28.1, am.

6. Section 28.1 of the General and Vocational Colleges Act (R.S.Q., chapter C-29) is amended by adding, after the second paragraph, the following paragraph:

Application

“The second paragraph applies only to loans contracted before 1 April 1991.”

c. C-29, s. 28.2, added

7. The said Act is amended by inserting, after section 28.1, the following section:

Sinking
fund

“28.2 The Minister may deposit with the Minister of Finance, to be managed by him, sums intended for the repayment of the principal of a loan in respect of which a subsidy has been granted under section 28.1, in order to constitute a sinking fund for the purpose of repaying, out of such sums, the principal of the loan, on the maturity dates under the terms of the loan.

Use of
sinking
fund

The income of the sinking fund shall be used for the repayment of any duly authorized loan of any college, or allocated for the repayment of any loan for which a sinking fund is constituted, in replacement of the sums that would otherwise be deposited under the first paragraph.

Application

This section applies only to loans contracted on or after 1 April 1991.”

1988, c. 84,
s. 476, am.

8. Section 476 of the Education Act (1988, chapter 84) is amended by adding, after the third paragraph, the following paragraph:

Application

“The third paragraph applies only to loans contracted before 1 April 1991.”

1988, c. 84,
s. 477.1,
added

9. The said Act is amended by inserting, after section 477, the following section:

Sinking
fund

“477.1 The Minister may deposit with the Minister of Finance, to be managed by him, sums intended for the repayment of the principal of a loan in respect of which a subsidy has been granted under section 476, in order to constitute a sinking fund for the purpose of repaying, out of such sums, the principal of the loan, on the maturity dates under the terms of the loan.

Use of
sinking
fund

The income of the sinking fund shall be used for the repayment of any duly authorized loan of any school board, or allocated for the repayment of any loan for which a sinking fund is constituted, in replacement of the sums that would otherwise be deposited under the first paragraph.

Application

This section applies only to loans contracted on or after 1 April 1991.”

c. I-17,
s. 6.1, am.

10. Section 6.1 of the University Investments Act (R.S.Q., chapter I-17) is amended by adding, after the second paragraph, the following paragraph:

Application

“The second paragraph applies only to loans contracted before 1 April 1991.”

c. I-17,
s. 6.2,
added

11. The said Act is amended by inserting, after section 6.1, the following section:

Sinking
fund

“6.2 The Minister may deposit with the Minister of Finance, to be managed by him, sums intended for the repayment of the principal of a loan in respect of which a subsidy has been granted under section 6.1, in order to constitute a sinking fund for the purpose of repaying, out of such sums, the principal of the loan, on the maturity dates under the terms of the loan.

Use of
sinking
fund

The income of the sinking fund shall be used for the repayment of any duly authorized loan of any university establishment, or allocated for the repayment of any loan for which a sinking fund is constituted, in replacement of the sums that would otherwise be deposited under the first paragraph.

Application

This section applies only to loans contracted on or after 1 April 1991.”

c. S-5,
s. 178.0.2,
am.

12. Section 178.0.2 of the Act respecting health services and social services (R.S.Q., chapter S-5) is amended by adding, after the second paragraph, the following paragraph:

Application

“The second paragraph applies only to loans contracted before 1 April 1991.”

c. S-5,
s. 178.0.3,
added

13. The said Act is amended by inserting, after section 178.0.2, the following section:

Sinking
fund

“178.0.3 The Minister may deposit with the Minister of Finance, to be managed by him, sums intended for the repayment of the principal of a loan in respect of which a subsidy has been granted under section 178.0.2 or 178.1, in order to constitute a sinking fund for the purpose of repaying, out of such sums, the principal of the loan, on the maturity dates under the terms of the loan.

Use of
sinking
fund

The income of the sinking fund shall be used for the repayment of any duly authorized loan of any regional council or public establishment or the loans of the corporation referred to in section 178.1, or shall be allocated for the repayment of any loan for which a sinking fund is constituted, in replacement of the sums that would otherwise be deposited under the first paragraph.

Application

This section applies only to loans contracted on or after 1 April 1991.”

Coming into
force

14. This Act comes into force on 20 December 1990.