



MANITOBA ORDER IN COUNCIL

DATE: **April 17, 2019**

ORDER IN COUNCIL NO.: **129/2019**

RECOMMENDED BY: **Minister of Finance**

ORDER

1. The Minister of Finance is authorized, on behalf of the Government of Manitoba:
 - (a) to advance up to \$153,970,396.63 by way of loans to the Health Capital Program (the "Loans"); and
 - (b) to determine terms and conditions of the Loans.
2. The Loans shall bear interest at the rates established by the Minister of Finance under subsection 61(2) of *The Financial Administration Act*.

AUTHORITY

The Financial Administration Act, C.C.S.M. c. F55, states:

Advances by government

61(1) When an Act of the Legislature authorizes money to be paid out of the Consolidated Fund for the purpose of making an advance of money to a government agency or other person, the Lieutenant Governor in Council may authorize the Minister of Finance to advance the money by way of

- (a) loan; or
- (b) investment in the shares of the government agency;

and, subject to subsection (2), may determine and vary the terms and conditions applying to the advance.

Interest rate

61(2) Subject to subsection (3), the Minister of Finance shall, at least monthly, establish a schedule of interest rates to apply to advances made by way of loan under this or any other Act of Legislature.

Minimum rate of interest

61(3) No rate of interest shall be less than the rate of interest estimated at the time the schedule of rates is established to be the government's cost of borrowing for the term during which the advance is to be repaid.

The Loan Act, 2018, S.M. 2018 c. 27, states:

LG in C may authorize advances

4 The Lieutenant Governor in Council may authorize amounts to be advanced to agencies or for programs as set out in the Schedule.

BACKGROUND

1. The Schedule to *The Loan Act, 2018* provides authority to advance amounts not exceeding in total an aggregate amount of \$656,599,000 for the Health Capital Program.
2. Once this Order is in effect, the aggregate amount of authorized advances for the Health Capital Program will not exceed the total authority under the Schedule to *The Loan Act, 2018*.