

A BILL

entitled

PUBLIC TREASURY (ADMINISTRATION AND PAYMENTS)
AMENDMENT ACT 2011

WHEREAS it is expedient to amend the Public Treasury (Administration and Payments) Act 1969 so as to make further provision about the Unemployment Insurance Fund;

Be it enacted by The Queen's Most Excellent Majesty, by and with the advice and consent of the Senate and the House of Assembly of Bermuda, and by the authority of the same, as follows:

Citation

1 This Act may be cited as the Public Treasury (Administration and Payments) Amendment Act 2011.

Amends principal Act in relation to the Unemployment Insurance Fund

2 After section 10B of the Public Treasury (Administration and Payments) Act 1969 (which established the Unemployment Insurance Fund), insert the following sections—

“Management of Unemployment Insurance Fund

10BA (1) The Minister may direct the Accountant General to pay out of the Unemployment Insurance Fund such sums of money to such persons or entities as the Minister directs, for the purpose of assisting unemployed persons.

(2) The Accountant General shall maintain a record of transactions of the Unemployment Insurance Fund and shall ensure that—

- (a) all monies received are properly brought to account; and
- (b) all payments out of the Fund are correctly made and properly authorised.

(3) The financial year of the Unemployment Insurance Fund shall end on 31st March each year.

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Annual Report on Unemployment Insurance Fund

10BB (1) The Accountant General shall prepare and submit to the Minister, within six months after the end of the Unemployment Insurance Fund's financial year, an annual report on the operations of the Fund containing—

- (a) the financial statements of the Fund during the preceding financial year; and
- (b) such other information as the Minister may direct in writing.

(2) Within seven months after the end of the Unemployment Insurance Fund's financial year, the Minister shall send to the Auditor General a copy of the annual report of the Accountant General on the operations of the Fund.

(3) The Auditor General shall examine the annual report of the Accountant General and shall prepare a report in writing, on the annual report of the Accountant General, to the Minister, within three months of receiving the annual report from the Minister.

(4) The Minister shall cause copies of the annual report of the Accountant General, together with the report of the Auditor General to be laid before the Legislature as soon as practicable.

Dissolution of Unemployment Insurance Fund

10BC (1) The Minister may dissolve the Unemployment Insurance Fund if the Minister determines that there is no object for which the Fund could lawfully be used.

(2) If the Unemployment Insurance Fund is dissolved under subsection (1), any monies in the Fund at the time of the dissolution shall be paid into and form part of the Consolidated Fund.”

PUBLIC TREASURY (ADMINISTRATION AND PAYMENTS)
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EXPLANATORY MEMORANDUM

This Bill seeks to amend the Public Treasury (Administration and Payments) Act 1969 (the “principal Act”) so as to make further provision about the Unemployment Insurance Fund. The Unemployment Insurance Fund was established by the Public Treasury (Administration and Payments) Amendment Act 2002 which inserted section 10B into the principal Act with effect from 18 March 2002. When the 2002 Bill was being debated, it was anticipated that an unemployment insurance scheme would be established to make periodical payments to unemployed persons. In fact that did not happen, due to overlaps with the payments available under the Financial Assistance Act 2001. The initial contribution of \$1 million appropriated from the Consolidated Fund to the Unemployment Insurance Fund has been accruing interest and now stands at approximately \$1.15 million.

Clause 1 is self-explanatory.

Clause 2 inserts new sections 10BA to 10BC into the principal Act as follows:

- Section 10BA(1) provides for payments out of the Fund to be made at the direction of the Minister of Finance for the purpose of assisting unemployed persons. Subsection (2) requires the Accountant General to keep records of transactions, and subsection (3) provides for the financial year of the Fund to end on 31st March each year.

- Section 10BB provides for annual reports by the Accountant General and Auditor General to be submitted to the Minister of Finance and laid before the Legislature.

- Section 10BC makes provision for dissolution of the Fund and transfer of monies to the Consolidated Fund in the event that the Minister of Finance determines that there is no object for which the Fund could lawfully be used.