



Issue Date: May 2008	Amended Date: June 25, 2021	Responsible Agency: Office of the Comptroller General	Directive No: 901
Chapter: Control of Revenues			
Directive Title: FEES, LICENSES, ADMINISTRATIVE PENALTIES AND FINES			

1. POLICY

S.4 of the *Financial Administration Act (FAA)* permits the Financial Management Board (FMB) to act on all matters related to the financial management and financial administration of the Government.

S.18 of the *FAA* permits a fee to be charged for any service provided by a department or public agency in the amount and in the circumstances as the Minister responsible for a department or public agency directs or the regulations require.

The Minister responsible shall submit all proposed fees and licenses to be charged for any service provided by a department or public agency, and all proposed fines or administrative monetary penalties in respect of the contravention of any law, to the FMB for approval.

2. DIRECTIVE

Where economically and administratively feasible, or to promote social goals, and after review by the FMB, the Minister responsible for a department or public agency may charge a fee for any goods supplied or services rendered to the public, unless there are provisions for specific exemption.

The Legislature may create summary offences, which are punishable by fine or imprisonment. The Minister of Justice may make regulations designating certain offences as ticket offences and setting fines for those offences pursuant to the *Summary Conviction Procedures Act*.

The Legislature may also create systems of administrative monetary penalties as a mechanism for enforcing compliance with regulatory legislation. These are monetary penalties assessed and imposed by a regulator without recourse to a court or independent administrative tribunal. They do not result in imprisonment or a criminal record.

This directive applies to all government departments and public agencies.

3. PROVISIONS

- 3.1. The Minister responsible must submit all proposed fees, charges for services, fines and administrative monetary penalties as well as their proposed modifications to the FMB for consideration and approval.
- 3.2. All Deputy Heads shall review their operations periodically to ensure the fee charged for goods supplied or for services rendered to the public is appropriate and advise their Minister accordingly.
- 3.3. Departments and public agencies shall designate an individual to be responsible for the accounting, control and collection of revenue derived through fees, licenses, administrative monetary penalties and fines.
- 3.4. Where the fee, license, administrative monetary penalty or fine is collected by an external agency, the program manager must ensure that:
 - a) a contract or agreement is signed, the duties and responsibilities are clearly defined by the contracting department or public agency and all necessary controls are in place; and
 - b) all contracts are reviewed by the Office of the Comptroller General and by the Legal and Constitutional Law division of the Department of Justice.
- 3.5. Charges for a service to the public may be on a full or partial cost recovery basis (including all direct costs and indirect costs incurred both by the department or public agency itself and by other departments or public agencies on its behalf).
- 3.6. It may be desirable to set prices at levels that promote social or economic goals (either greater or less than actual costs, depending on the objective).



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- 3.7. Departments and public agencies shall review the offence provisions and determine whether increases to the fine amounts are required when developing or amending legislation.

- 3.8. Departments and public agencies shall consider replacing the offences with administrative monetary penalties where appropriate. Fines and administrative penalties should be set at the appropriate levels to promote specific and general deterrence.