

Overview of Bill

Supply

Pending the enactment of the annual Appropriation Act, the Treasurer is authorised, under section 25 of the *Public Finance and Audit Act 1983*, to make payments from the Consolidated Fund during the first 3 months of the new financial year in respect of regularly recurring services and ordinary contingencies. However, due to the timing of the budget for this (2011–2012) financial year, spending in respect of such services and contingencies may need to extend beyond the period provided for in section 25, to the first 4 months of this financial year. Also, the rate at which spending is authorised under section 25 will be insufficient to meet the needs of the Government.

Consequently, the object of this Bill is to make provision, pending the enactment of this year's Appropriation Act, for the Treasurer to make payments from the Consolidated Fund during the months of July, August, September and October 2011 in respect of the regularly recurring services and ordinary contingencies of the State, as follows (and to disapply section 25 to enable such provision to be made):

(a) The State (other than Parliament or Special Offices):

(b) The Parliament:

(c) Special Offices: Recurrent services \$18,300,000,000

Capital works and services \$600,000,000 \$18,900,000,000

Recurrent services \$45,500,000

Capital works and services \$1,000,000 \$46,500,000

Recurrent services

Independent Commission

Against Corruption

\$6,500,000

Ombudsman's Office \$7,800,000

New South Wales Electoral

Commission

\$42,000,000

Office of the Director of

Public Prosecutions

\$34,400,000

\$90,700,000

Capital works and services

Independent Commission

Against Corruption

\$100,000

Ombudsman's Office \$33,000

New South Wales Electoral

Commission

\$352,000

Office of the Director of

Public Prosecutions

\$536,000

\$1,021,000

\$91,721,000

The Appropriation Act for the 2011–2012 financial year will contain a provision to the effect that amounts expended under the supply provisions of the proposed Act are to be regarded as having been made out of money appropriated by the Appropriation Act.

Budget variations

The objects of this Bill are as follows:

(a) to set out the recurrent services and capital works and services for which the

“Advance to the Treasurer” appropriation was expended in the 2010–2011 financial year, and the 2009–2010 financial year (where not previously reported), and to make the necessary adjustments to the appropriation for each of those years,

(b) to appropriate the following amounts from the Consolidated Fund for recurrent services, and capital works and services, that were required by the exigencies of Government in accordance with section 22 (1) of the *Public Finance and Audit Act 1983*:

(i) in relation to the 2010–2011 financial year—\$157,900,000,

(ii) in relation to the 2009–2010 financial year (where not previously reported)—\$54,000,000.

Outline of provisions

Part 1 Preliminary

Clause 1 sets out the name (also called the short title) of the proposed Act.

Clause 2 provides for the commencement of the proposed Act on the date of assent to the proposed Act.

Clause 3 interprets various references in the proposed Act.

Part 2 Supply

Clause 4 appropriates money for recurrent services (other than those of the Parliament and certain offices provided for in Parts 3 and 4 of the proposed Act) during the months of July, August, September and October 2011.

Clause 5 appropriates money for capital works and services (other than those provided for in Parts 3 and 4) during the months of July, August, September and October 2011.

Clause 6 authorises the Treasurer to pay the sums appropriated.

Clause 7 disapplies section 25 of the *Public Finance and Audit Act 1983* in relation to the first 3 months of the 2011–2012 financial year, being the period already provided for in the proposed Part.

Part 3 Supply (Parliament)

Clause 8 appropriates money for recurrent services of the Parliament during the months of July, August, September and October 2011.

Clause 9 appropriates money for capital works and services of the Parliament during the months of July, August, September and October 2011.

Clause 10 authorises the Treasurer to pay the sums appropriated.

Clause 11 disapplies section 25 of the *Public Finance and Audit Act 1983* (as explained in clause 7).

Part 4 Supply (Special offices)

Clause 12 appropriates money for recurrent services of certain offices (being the Independent Commission Against Corruption, the Ombudsman’s Office, the New South Wales Electoral Commission and the Office of the Director of Public Prosecutions) during the months of July, August, September and October 2011.

Clause 13 appropriates money for capital works and services of those offices during the months of July, August, September and October 2011.

Clause 14 authorises the Treasurer to pay the sums appropriated.

Clause 15 disapplies section 25 of the *Public Finance and Audit Act 1983* (as explained in clause 7).

Part 5 Budget variations

Division 1 Budget variations 2010–2011

Clause 16 adjusts the amount appropriated out of the Consolidated Fund for “Advance to the Treasurer” for the 2010–2011 financial year. The recurrent services and capital works and services for which the Advance was expended are set out in Column 1 of Schedule 1 and total \$355,644,000 of the \$440,000,000 originally advanced.

Clause 17 appropriates the additional amounts for recurrent services and capital

works and services under section 22 (1) of the *Public Finance and Audit Act 1983*, the details of which are set out in Column 2 of Schedule 1. As these amounts are appropriated by the proposed Act, subclause (2) removes the requirement of the *Public Finance and Audit Act 1983* that details of them be included in the Appropriation Act for the 2011–2012 financial year.

Division 2 Budget variations 2009–2010 (not previously reported)

Clause 18 adjusts the amount appropriated out of the Consolidated Fund for “Advance to the Treasurer” for the 2009–2010 financial year. The recurrent services and capital works and services for which the Advance was expended are set out in Column 1 of Schedule 2 and total \$281,066,000 of the \$440,000,000 originally advanced.

Clause 19 appropriates the additional amounts for recurrent services under section 22 (1) of the *Public Finance and Audit Act 1983*, the details of which are set out in Column 2 of Schedule 2. As these amounts are appropriated by the proposed Act, subclause (2) removes the requirement of the *Public Finance and Audit Act 1983* that details of them be included in the Appropriation Act for the 2011–2012 financial year.

Division 3 General

Clause 20 makes it clear that the sums appropriated by Part 5 of the proposed Act are in addition to any other sums appropriated in respect of the 2009–2010 or 2010–2011 financial year.

Clause 21 contains miscellaneous provisions concerning the operation of the proposed Act. Subclause (1) provides that the proposed Act (other than Parts 2–4) is to be construed as part of the annual Appropriation Act or Acts. (This emphasises that the appropriations are part of the budgetary process for the 2009–2010 or 2010–2011 financial year and ensures that terms are construed consistently.) Subclause (1) also makes it clear that the appropriations are not limited to meeting shortfalls from other appropriations. Subclause (2) validates any payment of the appropriated sums before the date of assent to the proposed Act. Subclause (2) also provides that the proposed subsection applies whether or not the proposed Act is assented to during or after the 2009–2010 or 2010–2011 financial year. (This removes an argument, based on section 23 of the *Public Finance and Audit Act 1983*, that the appropriation lapses at the close of the financial year.)

Clause 22 validates, to the extent (if any) to which it may be necessary to do so, the expenditure, before the date of assent to the proposed Act, of any sum to which the proposed Act (other than Parts 2–4) applies and the approval of that expenditure.

Clause 23 makes it clear that a reference to an agency specified in Schedule 1 or 2 to the proposed Act includes any predecessor of the agency that was responsible for the recurrent services, or capital works and services, specified in relation to the agency in Schedule 1 or 2 in the financial year concerned. This provision is included because names of Departments and other agencies may have changed during the financial year concerned because of administrative changes.