



New South Wales

Appropriation (Budget Variations) Bill 2012

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

Overview of Bill

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 2011–12 financial year, and the 2010–11 financial year (where not previously reported), and to make the necessary adjustments to the appropriation for each of those years,
- (b) to appropriate \$61,200,000 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* in relation to the 2011–12 financial year,
- (c) to appropriate an additional amount of \$800,000,000 from the Consolidated Fund for certain capital works and services for the 2011–12 financial year.

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 Budget variations 2011–12

Clause 4 adjusts the amount appropriated out of the Consolidated Fund for “Advance to the Treasurer” for the 2011–12 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 \$93,542,000 of the \$285,000,000 originally advanced.

Clause 5 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 2012–13 financial year.

Clause 6 appropriates an additional amount for capital works and services, the details of which are set out in Column 3 of Schedule 1.

Part 3 Budget variations 2010–11 (not previously reported)

Clause 7 adjusts the amount appropriated out of the Consolidated Fund for “Advance to the Treasurer” for the 2010–11 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 \$23,145,000 of the \$440,000,000 originally advanced.

Part 4 General

Clause 8 makes it clear that the sums appropriated by the proposed Act are in addition to any other sums appropriated in respect of the 2010–11 or 2011–12 financial year.

Clause 9 contains miscellaneous provisions concerning the operation of the proposed Act. Subclause (1) provides that the proposed Act 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 2010–11 or 2011–12 financial year and ensures that terms are construed consistently.) Subclause (1) also makes it clear that the

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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 2010–11 or 2011–12 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 10 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 applies and the approval of that expenditure.

Clause 11 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.