

MEDIA RELEASE

THURSDAY 13 APRIL 2000

CURRENT PROVISIONS FOR THE APPROPRIATION OF MONEYS AND AUTHORISATION OF EXPENDITURE

INTERIM REPORT RELEASED

The Rev Hon Fred Nile MLC, Chairman of General Purpose Standing Committee No 1, tabled the Committee's interim report on its inquiry into the current provisions for the appropriation of moneys and authorisation of expenditure in New South Wales in the New South Wales Legislative Council today.

Rev Nile said "The role of the Legislature in overseeing the work of the Executive is a fundamental principle of our system of democracy. The manner in which monies are appropriated for the operations of Government is a crucial part of that oversight process."

"In recent years, Auditor-General's Reports to Parliament have raised a number of concerns relating to the appropriation of Consolidated Fund monies. In November 1998, the New South Wales Legislative Council took the unprecedented step of calling the Auditor-General to the bar of the House to answer questions relating to these concerns."

After the March 1999 State Election, the Legislative Council resolved to refer matters relating to the current provisions for the appropriation of moneys and authorisation of expenditure to General Purpose Standing Committee No 1 for inquiry and report. The terms of reference (copy attached) ask the Committee to look at past practices and propose future changes.

*For further information and comment please ring the Hon Revd Fred Nile MLC,
Chairman of the Committee, on 02 9230 2132 (ph) / 02 9751 1949 (pager)*

The interim report considers past practices, particularly those relating to the unlawful expenditure of moneys from the Consolidated Fund, and to the retrospective approval of such expenditure by the Parliament.

Rev Nile said “While the move to agency appropriations has addressed the problem of overspending within programs, and provided increased flexibility to Ministers and agencies, this has led to less specific parliamentary controls over government expenditure.”

The terms of reference for the inquiry required the Committee to consider in detail provisions contained in the Appropriation (1998-99 Budget Variations) Bill 1999. Of particular interest to the Committee was the level of detail and the accuracy of information contained in the Bill, as well as the retrospective clauses contained in the Bill. The introduction of the Appropriation (Budget Variations) Bill 2000 into the Legislative Assembly on 4 April 2000 provides Members with an opportunity to consider that Bill in light of the Committee’s report.

Rev Nile said “The Committee acknowledges that significant reforms have been implemented in New South Wales in relation to financial management and reporting. The major driver to future reforms appears to be a change in focus from the inputs provided to an agency to the services that an agency delivers. The Committee is optimistic that future reforms of this kind will improve Parliament’s ability to undertake its role in overseeing the government.”

The final report of the Committee will focus on the powers of Parliament to oversight Government expenditure, and consider changes to financial and annual reporting legislation.

Copies of the report are available from the Committee Secretariat (ph: 9230 3544), and will be available on the Committee’s website from Monday 17 April 2000 at:

www.parliament.nsw.gov.au/lc/committs/comgp1.html