



New South Wales

Appropriation (Budget Variations) Bill 2014

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.
This Bill is cognate with the *Appropriation Bill 2014*.

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 2012–13 financial year, to appropriate \$40,397,000 from the Consolidated Fund for those recurrent services and capital works and services and to make the necessary adjustment to the “Advance to the Treasurer” appropriation for that year,
- (b) to appropriate \$2,140,500,000 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 2012–13 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 a reference in the proposed Act.

Part 2 Budget variations 2012–13

Clause 4 appropriates \$40,397,000 for (and reports the details of) the recurrent services and capital works and services for which the Advance to the Treasurer for the 2012–13 financial year was expended, as set out in Column 1 of Schedule 1. Accordingly, the amount appropriated for the Advance to the Treasurer for that year (originally \$285,000,000) is reduced by the amount appropriated by the clause.

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 2013–14 financial year.

Part 3 General

Clause 6 makes it clear that the sums appropriated by the proposed Act are in addition to any other sums appropriated in respect of the 2012–13 financial year, subject to the adjustment of the amount appropriated for the Advance to the Treasurer for that year, under clause 4.

Clause 7 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 2012–13 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 despite the proposed Act being assented to after the 2012–13 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 8 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 9 makes it clear that a reference to an agency specified in Schedule 1 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 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.