

House of Representatives  
Supplementary Order Paper

Tuesday, 2 July 2013

Public Finance (Fiscal Responsibility) Amendment  
Bill

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*Proposed amendments*

Hon Bill English, in Committee, to move the following amendments:

*Clause 12*

Replace clause 12 (lines 3 to 19 on page 7) with:

**12 Section 88 amended (Application, savings, and transitional provisions relating to amendments to Act)**

In **section 88**, as inserted by **section 75BD** of the State Sector and Public Finance Reform Act **2012**, insert as subsection (2):

- “(2) The application, savings, and transitional provisions relating to the amendment Acts specified in the first column of the following table are set out in the Parts of **Schedule 1** specified in the second column of the table.

<b>Amendment Act</b>	<b>Schedule 1 Part</b>
State Sector and Public Finance Reform Act <b>2012</b>	Part 1
Public Finance (Fiscal Responsibility) Amendment Act <b>2012</b>	Part 2

**13 Schedule 1 amended**

- (1) This section amends **Schedule 1** of the principal Act as inserted by **section 75C** of the State Sector and Public Finance Reform Act **2012**.
- (2) Before **clause 1**, insert:

**“Part 1**

**“Provisions relating to State Sector and Public Finance Reform Act 2012”.**

- (3) In **clause 1**, replace “this schedule” with “this Part”.
- (4) After **clause 9**, insert:

**“Part 2**

**“Provision relating to Public Finance (Fiscal Responsibility) Amendment Act 2012**

**“10 Transitional provision relating to Public Finance (Fiscal Responsibility) Amendment Act 2012**

- “(1) In this clause, **commencement date** means the day on which the Public Finance (Fiscal Responsibility) Amendment Act **2012** comes into force.
- “(2) **Section 26M(3)(c)** does not apply to a budget policy statement if the fiscal strategy report most recently presented to the House of Representatives was presented before the commencement date.
- “(3) **Section 26NA(2)(d)** does not apply to the first investment statement presented to the House of Representatives under **section 26NA**.
- “(4) This Part is repealed 4 years after the commencement date.”

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**Explanatory note**

This Supplementary Order Paper amends the Public Finance (Fiscal Responsibility) Amendment Bill to align it with structural changes made to the Public Finance Act 1989 (the **principal Act**) by the State Sector and Public Finance Reform Bill.

The State Sector and Public Finance Reform Bill amends the principal Act as follows:

- *clause 75C* inserts *new Schedule 1*, which is a schedule of application, transitional, and savings provisions; and
- *clause 75BD* inserts *new section 88*, which gives effect to the provisions in *new Schedule 1*.

*Clause 12* of the Public Finance (Fiscal Responsibility) Amendment Bill currently inserts a transitional provision (*new section 89*) into the body of the principal Act. *Clause 12* is replaced with—

- *new clause 12*, which consequentially amends *new section 88*; and
- *new clause 13*, which inserts into *new Schedule 1* the transitional provision that was going to be inserted into the body of the principal Act by *clause 12*.

The effect of the transitional provision, which is unchanged from the Bill as introduced, is that—

- a budget policy statement need not indicate changes in the details of the Government’s strategy for managing expenditure, assets, and liabilities (as required by section 26M of the principal Act as amended by *clause 7*) if the previous fiscal strategy report was presented to the House of Representatives before the amendment Act comes into force:
  - the first investment statement presented to the House of Representatives under *new section 26NA* (inserted by *clause 8*) need not comply with *new section 26NA(2)(d)* (which requires the investment statement to identify significant differences from the previous investment statement).
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