Statute Stocktake Bill (No. 1) 2011

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Law and Bills Digest Section

Contents

Purpose ................................................................................................................................. 2
Background .......................................................................................................................... 2
Key provisions ...................................................................................................................... 3
Financial implications ......................................................................................................... 4
Statute Stocktake Bill (No. 1) 2011

Date introduced: 23 March 2011
House: House of Representatives
Portfolio: Finance and Deregulation
Commencement: the day after Royal Assent

Links: The links to the Bill, its Explanatory Memorandum and second reading speech can be found on the Bill's home page, or through http://www.aph.gov.au/bills/. When Bills have been passed and have received Royal Assent, they become Acts, which can be found at the ComLaw website at http://www.comlaw.gov.au/.

Purpose

The Bill amends legislation across a range of portfolios, by abolishing 39 special appropriations, including a statutory Special Account, repealing redundant provisions in 11 Acts and repealing 25 Acts in their entirety.¹

Background

On 16 April 2006, Mr Lindsay Tanner, the then Opposition Shadow Minister for Finance, re-released a discussion paper entitled Operation Sunlight which aimed to enhance budget transparency and accountability by certain measures such as tightening the outcomes and outputs framework and improving the readability and usefulness of budget papers.² On 24 March 2008, as Minister for Finance, he then asked Senator Andrew Murray to review Operation Sunlight (the Murray Review) with terms of reference for the review to consider:

- existing financial reporting arrangements and the reforms announced in Operation Sunlight
- the recommendations that were made by the Senate Finance and Public Administration Committee in its report Transparency and Accountability of Commonwealth in Public Funding and Expenditure, March 2007, and


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• consistent with the Government’s commitments to reducing unnecessary regulation and red tape, any current arrangements within the financial framework that can be simplified or removed without detriment to appropriate levels of accountability.\(^3\)

Recommendation 12 of the Murray Review recommended, in part:

• that Special/Standing Appropriations and their continued operation be given greater attention whereby:
  (a) the Government conduct a housekeeping exercise and repeal standing appropriations that are redundant
  (b) at least annually Finance undertake a review of these appropriations and report to Parliament as to whether there is a continuing need for the appropriations and/or the legislation within which those appropriations clauses reside.\(^4\)

The Government response noted this recommendation and agreed that Standing Appropriations should be regularly reviewed.\(^5\)

Accordingly, the Government committed to review and repeal redundant provisions as part of the process of cleaning up the statute book in relation to the financial regulatory framework. It undertook to conduct housekeeping exercises and to repeal redundant standing appropriations.

According to the Minister’s second reading speech, the Bill contains no significant policy changes.\(^6\) In this sense, the Statute Stocktake Bills are similar to the Statute Law Revision Bills which have the purpose of correcting minor technical and drafting errors, and repealing obsolete provisions and Acts that have no current or future operation.

**Key provisions**

The Bill has two schedules. Schedule 1 would repeal 13 special appropriations that have either been fully expended or are in relation to functions no longer being undertaken.

Schedule 2 will repeal 26 redundant special appropriations.

A special appropriation is defined in the following terms:

> A special appropriation is a provision within an Act that provides authority to spend money for particular purposes, for example, to finance a particular project or to make social security

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3. Ibid., p. 3, and Appendix 1.

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payments. Special appropriations account for around three quarters of all government expenditure each year.\(^7\)

Due to the housekeeping nature of this Bill it is not necessary or useful to analyse the amendments in detail. A description and explanation of each item is carefully annotated in the Explanatory Memorandum to the Bill.

**Financial implications**

According to the Explanatory Memorandum, the proposed amendments have no financial impact.

The amendments are aimed at repealing redundant special appropriations.\(^8\)

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\(^8\) Explanatory Memorandum, Statute Stocktake Bill (No. 1) 2011, p. 1.

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