

1998-1999-2000-2001

The Parliament of the
Commonwealth of Australia

HOUSE OF REPRESENTATIVES

Presented and read a first time

Appropriation Bill (No. 2) 2001-2002

No. , 2001

(Finance and Administration)

**A Bill for an Act to appropriate money out of the
Consolidated Revenue Fund for certain
expenditure, and for related purposes**

Contents

Part 1—Preliminary	1
1 Short title.....	1
2 Commencement	2
3 Definitions	2
4 Portfolio Budget Statements.....	3
5 Notional payments, receipts etc.	4
Part 2—Basic appropriations	5
6 Summary of basic appropriations.....	5
7 State payment items—basic appropriation	5
8 Administered items—basic appropriation	5
9 Administered capital items—basic appropriation	6
10 Departmental capital items—basic appropriation	6
Part 3—Additions to basic appropriations	8
11 Advance to the Finance Minister—unforeseen expenditure etc.....	8
12 Departmental capital items—adjustments and borrowings	8
Part 4—Miscellaneous	9
13 Crediting amounts to Special Accounts	9
14 Conditions etc. applying to State payment items	9
15 Appropriation of the Consolidated Revenue Fund	10
Schedule 1—Payments to or for the States	11
Schedule 2—Services for which money is appropriated	15

1 **A Bill for an Act to appropriate money out of the**
2 **Consolidated Revenue Fund for certain**
3 **expenditure, and for related purposes**

4 The Parliament of Australia enacts:

5 **Part 1—Preliminary**
6

7 **1 Short title**

8 This Act may be cited as the *Appropriation Act (No. 2) 2001-2002*.

Section 2

1 **2 Commencement**

2 This Act commences on the day on which it receives the Royal
3 Assent.

4 **3 Definitions**

5 In this Act, unless the contrary intention appears:

6 **administered capital item** means an amount set out in Schedule 2
7 in relation to an entity opposite the heading “Administered
8 Capital”.

9 **administered item** means an amount set out in Schedule 2 opposite
10 an outcome of an entity under the heading “Other Administered
11 Expenses”.

12 **Agency** has the same meaning as in the *Financial Management and*
13 *Accountability Act 1997*.

14 **Commonwealth authority** has the same meaning as in the
15 *Commonwealth Authorities and Companies Act 1997*.

16 **Commonwealth company** has the same meaning as in the
17 *Commonwealth Authorities and Companies Act 1997*.

18 **current year** means the financial year ending on 30 June 2002.

19 **departmental capital item** means an amount set out in Schedule 2
20 in relation to an entity:

- 21 (a) opposite the heading “Equity Injections”; or
22 (b) opposite the heading “Loans”; or
23 (c) opposite the heading “Carryover from previous years”.

24 **entity** means any of the following:

- 25 (a) an Agency;
26 (b) a Commonwealth authority;
27 (c) a Commonwealth company.

28 **expenditure** means payments for expenses, acquiring assets,
29 making loans or paying liabilities.

1 ***Finance Minister*** means the Minister administering this Act.

2 ***item*** means any of the following:

- 3 (a) a State payment item;
- 4 (b) an administered item;
- 5 (c) an administered capital item;
- 6 (d) a departmental capital item.

7 ***Portfolio Budget Statements*** means the Portfolio Budget
8 Statements that were tabled in the Senate or the House of
9 Representatives in relation to the Bill for this Act.

10 ***section 31 agreement*** means an agreement under section 31 of the
11 *Financial Management and Accountability Act 1997*.

12 ***Special Account*** has the same meaning as in the *Financial
13 Management and Accountability Act 1997*.

14 ***State*** includes the Australian Capital Territory and the Northern
15 Territory.

16 ***State payment item*** means an amount set out in Schedule 2
17 opposite an outcome of an entity under the heading “Specific
18 Payments to States and Territories”.

19 **4 Portfolio Budget Statements**

20 (1) The Portfolio Budget Statements are hereby declared to be relevant
21 documents for the purposes of section 15AB of the *Acts
22 Interpretation Act 1901*.

23 Note: See paragraph 15AB(2)(g) of the *Acts Interpretation Act 1901*.

24 (2) If the Portfolio Budget Statements indicate that activities of a
25 particular kind were intended to be treated as activities in respect
26 of a particular outcome, then expenditure for the purpose of
27 carrying out those activities is taken to be expenditure for the
28 purpose of contributing to achieving the outcome.

Section 5

1 **5 Notional payments, receipts etc.**

2 For the purposes of this Act, notional transactions between
3 Agencies are to be treated as if they were real transactions.

4 Note: This section applies, for example, to a “payment” between Agencies
5 that are both part of the Commonwealth. One of the effects of this
6 section is that the payment will be debited from an appropriation for
7 the paying Agency, even though no payment is actually made from the
8 Consolidated Revenue Fund.

1

2

3

Part 2—Basic appropriations

4

6 Summary of basic appropriations

5

The total of the items specified in Schedule 2 is \$4,524,716,000.

6

Note 1: Items in Schedule 2 can be increased under Part 3 of this Act and under section 12 of the *Appropriation Act (No. 1) 2001-2002*.

7

8

Note 2: See also section 30A of the *Financial Management and Accountability Act 1997*, which provides for adjustment of appropriations to take account of GST.

9

10

11

7 State payment items—basic appropriation

12

(1) For a State payment item for an outcome of an entity, the Finance Minister may issue out of the Consolidated Revenue Fund amounts that do not exceed, in total, the lesser of:

13

14

15

(a) the amount specified in the item; and

16

17

18

(b) the amount determined by the Finance Minister in relation to the item, having regard to the expenses incurred by the entity in the current year in relation to the item.

19

20

21

22

(2) An amount issued out of the Consolidated Revenue Fund for a State payment item for an outcome of an entity may only be applied for the purpose of making payments to or for the States for the purpose of contributing to achieving that outcome.

23

8 Administered items—basic appropriation

24

25

26

27

28

29

30

(1) For an administered item for an outcome of an entity, the Finance Minister may issue out of the Consolidated Revenue Fund amounts that do not exceed, in total, the lesser of:

(a) the amount specified in the item; and

(b) the amount determined by the Finance Minister in relation to the item, having regard to the expenses incurred by the entity in the current year in relation to the item.

Section 9

- 1 (2) An amount issued out of the Consolidated Revenue Fund for an
2 administered item for an outcome of an entity may only be applied
3 for expenditure for the purpose of carrying out activities for the
4 purpose of contributing to achieving that outcome.

5 Note: The acquisition of *new* administered assets will usually be funded
6 from an administered *capital* item.

7 **9 Administered capital items—basic appropriation**

- 8 (1) For an administered capital item for an entity, the Finance Minister
9 may issue out of the Consolidated Revenue Fund amounts that do
10 not exceed, in total, the amount specified in the item.

- 11 (2) An amount issued out of the Consolidated Revenue Fund for an
12 administered capital item for an entity may only be applied for
13 expenditure for the purpose of carrying out activities for the
14 purpose of contributing to achieving any outcome that is specified
15 in relation to the entity:

- 16 (a) in Schedule 2 to this Act; or
17 (b) in the Schedule to the *Appropriation Act (No. 1) 2001-2002*.

18 **10 Departmental capital items—basic appropriation**

- 19 (1) For a departmental capital item for an entity, the Finance Minister
20 may issue out of the Consolidated Revenue Fund amounts that do
21 not exceed, in total, the amount specified in the item.

22 Note: Generally, the Finance Minister is permitted, but not obliged, to issue
23 the amounts out of the Consolidated Revenue Fund. However,
24 subsection (3) imposes an obligation on the Finance Minister to issue
25 the amounts in certain circumstances.

- 26 (2) An amount issued out of the Consolidated Revenue Fund for a
27 departmental capital item may only be applied for the departmental
28 expenditure of the entity.

- 29 (3) If:
30 (a) an Act provides that an entity must be paid amounts that are
31 appropriated by the Parliament for the purposes of the entity;
32 and

Section 10

1 (b) Schedule 2 contains a departmental capital item for that
2 entity;
3 then the Finance Minister, under subsection (1), must issue out of
4 the Consolidated Revenue Fund the full amount specified in the
5 item.

Section 11

1

2
3

Part 3—Additions to basic appropriations

4

11 Advance to the Finance Minister—unforeseen expenditure etc.

5

(1) This section applies if the Finance Minister is satisfied that:

6

(a) there is an urgent need for expenditure that is not provided for, or is insufficiently provided for, in Schedule 2; and

7

8

(b) the additional expenditure is not provided for, or is insufficiently provided for, in Schedule 2:

9

10

(i) because of an erroneous omission or understatement; or

11

(ii) because the additional expenditure was unforeseen until after the last day on which it was practicable to provide

12

for it in the Bill for this Act before that Bill was

13

introduced into the House of Representatives.

14

15

(2) This Act has effect as if Schedule 2 were amended, in accordance with a determination of the Finance Minister, to make provision for so much (if any) of the additional expenditure as the Finance Minister determines.

16

17

18

19

(3) The total of the amounts determined under this section cannot be more than \$215 million.

20

21

(4) The Finance Minister must give the Parliament details of amounts determined under this section.

22

23

12 Departmental capital items—adjustments and borrowings

24

(1) The Finance Minister may determine that the amount specified in a departmental capital item is to be increased by an amount specified in the determination.

25

26

27

(2) The total of the amounts determined by the Finance Minister under subsection (1) cannot be more than \$20 million.

28

29

(3) The Finance Minister must give the Parliament details of increases made under this section.

30

1

2

3

Part 4—Miscellaneous

4

13 Crediting amounts to Special Accounts

5

6

7

8

If any of the purposes of a Special Account is a purpose that is covered by an item (whether or not the item expressly refers to the Special Account), then amounts may be debited against the appropriation for that item and credited to that Special Account.

9

14 Conditions etc. applying to State payment items

10

11

12

- (1) This section applies to any payment made out of money appropriated by a State payment item for an outcome identified in column 2 of the table in Schedule 1.

13

14

15

16

17

18

- (2) The payment:
- (a) must be made on the applicable terms and conditions (if any) for that outcome; and
 - (b) must be made in the amounts, and at the times, that are determined in writing by the Minister specified in column 4 of the table.

19

20

21

22

- (3) This section does not, by implication, limit the power of the Commonwealth to:

- (a) apply terms and conditions to non-State payments; or
- (b) determine the amounts and times of non-State payments.

23

24

25

26

27

28

29

30

- (4) In this section:
- applicable terms and conditions*, in relation to an outcome identified in the table in Schedule 1, means terms and conditions from time to time determined in writing by the Minister specified in column 3 of the table, either before or after the commencement of this Act, as being the terms and conditions that apply to payments that are made to or for a State in relation to that outcome out of money appropriated by an annual Appropriation Act.

Section 15

1 *non-State payment* means a payment made out of money that is
2 appropriated by the Parliament (either under this Act or another
3 Act), other than a payment out of money appropriated by a State
4 payment item.

5 **15 Appropriation of the Consolidated Revenue Fund**

6 The Consolidated Revenue Fund is appropriated as necessary for
7 the purposes of this Act.