



AUSTRALIAN CAPITAL TERRITORY

Financial Management (Amendment) Act (No. 3) 1997

No. 124 of 1997

An Act to amend the *Financial Management Act 1996*

[Notified in ACT Gazette S420: 24 December 1997]

The Legislative Assembly for the Australian Capital Territory enacts as follows:

Short title

1. This Act may be cited as the *Financial Management (Amendment) Act (No. 3) 1997*.

Commencement

2. This Act commences on the day on which it is notified in the *Gazette*.

Principal Act

3. In this Act, “Principal Act” means the *Financial Management Act 1996*.¹

Interpretation

4. Section 3 of the Principal Act is amended by inserting in subsection (1) the following definitions:

“ ‘General Government Sector’ means—

- (a) those organisations whose primary function is to provide services which are mainly not market orientated, are mainly for the consumption of the community generally, involve the transfer or redistribution of income, and are financed mainly through appropriation; and
- (b) those organisations that are controlled by the Territory and provide investment or other financial services;

‘public trading enterprise’ means an organisation whose primary function is to provide goods and services which are mainly market orientated, non-regulatory and non-financial in nature and who recover a significant part of their costs from individual consumers;

‘Public Trading Enterprise Sector’ means those organisations whose primary function is to provide goods and services which are mainly market orientated and non-regulatory in nature and who may recover a significant part of their costs from individual consumers;

‘Territory activities’ are all activities of departments other than budget-funded departmental activities;”.

Budget papers

5. Section 10 of the Principal Act is amended—

- (a) by omitting from paragraph (a) “and”; and
- (b) by adding at the end the following paragraphs:
 - “(c) the proposed budget for each public trading enterprise for the year; and
 - (d) a consolidated financial management statement in relation to—
 - (i) the General Government Sector; and
 - (ii) the Public Trading Enterprise Sector.”.

Territory budgets

6. Section 11 of the Principal Act is amended by adding at the end the following subsections:

“(2) A proposed budget shall be prepared in a form that facilitates a comparison, for each appropriation unit, between the budget for the Territory for the previous financial year and the proposed budget.

“(3) A proposed budget shall include budget estimates, for each appropriation unit, for each of the next 3 financial years.”.

Departmental budgets

7. Section 12 of the Principal Act is amended by adding at the end the following subsections:

“(4) A proposed budget shall be prepared in a form that facilitates a comparison, in respect of outputs, between the budget for the department for the previous financial year and the proposed budget.

“(5) A proposed budget shall include budget estimates in respect of outputs of the department for each of the next 3 financial years.”.

Insertion

8. After section 12 of the Principal Act the following section is inserted:

Public Trading Enterprise budgets

“12A. (1) A proposed budget that is laid before the Legislative Assembly pursuant to paragraph 10 (c) shall include—

- (a) an estimated operating statement for each public trading enterprise for the year;
- (b) a statement of the assets and liabilities of each public trading enterprise at the commencement of the year or, if the proposed budget is laid before the Legislative Assembly before the commencement of the year, a statement of the assets and liabilities that the public trading enterprise is expected to have at the commencement of the year;
- (c) a statement of the assets and liabilities that it is planned each public trading enterprise will have at the end of the year; and
- (d) a statement of the estimated cash flows of each public trading enterprise for the year.

“(2) A proposed budget shall be prepared in a form that facilitates a comparison between the budget for the public trading enterprise for the previous financial year and the proposed budget.

“(3) A proposed budget shall include budget estimates for each of the next 3 financial years.”.

Insertion

9. After section 25 of the Principal Act the following section is inserted:

Quarterly departmental performance reports

“25A. (1) A Minister shall within 30 days after the end of each quarter of a financial year, prepare a quarterly performance report for each department for which he or she is responsible.

“(2) A Minister shall, on the first sitting day after a report referred to in subsection (1) has been prepared, cause the report to be laid before the Legislative Assembly.

“(3) Where the first sitting day referred to in subsection (2) does not fall within 30 days after the end of the relevant quarter, a Minister shall cause a copy of a report prepared under subsection (1) to be made available to members of the Legislative Assembly within those 30 days.

“(4) A report referred to in subsection (1) shall include—

- (a) a progress report on delivery of outputs; and
- (b) an explanation of any significant variations from performance targets.”.

Monthly financial statements of the Territory

10. Section 26 of the Principal Act is amended—

- (a) by omitting from subsection (1) “as soon as practicable” and substituting “within 30 days”; and
- (b) by omitting subsections (2) and (3) and substituting the following subsections:

“(2) The Treasurer shall, within 30 days after the end of each month, prepare—

- (a) an operating statement; and
- (b) a cash flow statement;

in relation to—

- (c) the General Government Sector; and
- (d) the Public Trading Enterprise Sector;

for—

- (e) that month; and
- (f) the period commencing at the beginning of the financial year and ending at the expiration of the month.

“(3) The Treasurer shall, within 30 days after the end of each month, prepare a statement of the assets and liabilities of—

- (a) the General Government Sector; and
- (b) the Public Trading Enterprise Sector;

at the end of the month.

“(4) The Treasurer shall cause a copy of each statement prepared under subsections (1), (2) and (3) to be laid before the Legislative Assembly on the first sitting day after that set of statements has been prepared.

“(5) Where the first sitting day referred to in subsection (4) does not fall within 30 days after the end of the relevant month the Treasurer shall cause a copy of each statement prepared under subsections (1), (2) and (3) to be made available to members of the Legislative Assembly within those 30 days.”.

NOTE

Principal Act

1. Act No. 22, 1996. See also Acts Nos 39 and 102, 1997.

[Presentation speech made in Assembly on 18 June 1997]