

Concluding comments

Significance of the Financial Framework Legislation Amendment Bill

- 7.1 The Committee is of the view that the legislation that provides the financial framework of the Commonwealth underpins the efficient and effective management of Commonwealth resources funded by appropriations by Parliament and should promote good practice.
- 7.2 The maintenance of, and improvements to this legislation is an important ongoing task.
- 7.3 The financial framework of the Commonwealth includes not only the framework legislation (mainly the FMA and CAC Acts), but also many enabling Acts that establish separate entities, Special Accounts, provide special appropriations and other financial management matters.
- 7.4 The Committee notes that the deeming provisions of the FMLA Act were always intended as an interim measure, pending amendments to the enabling Acts themselves being passed. Unfortunately there has been an element of confusion about the status and concept of Special Accounts which the FMLA Act introduced on 1 July 1999.
- 7.5 It is therefore becoming increasingly important that the deeming provisions be replaced with the amendments proposed in Schedule 1 of the Bill.

- 7.6 It is also becoming increasingly important that the amendments proposed in Schedule 2 of the Bill be passed so that the legislation leads, and keeps abreast of, good practice in financial administration.

Further amendments to the Financial Framework Legislation Amendment Bill

- 7.7 The Committee is aware that further changes to the Bill will be required and it notes the Finance Minister's undertaking that Finance will keep the Committee informed of further changes to the Bill.
- 7.8 The Committee notes that the Bill is already very large. The Committee would not want to see introduction of the Bill in Parliament held up because of a material expansion in the scope of the Bill. The scope of Schedule 2 of the Bill should not be expanded except in cases identified in this report or in other exceptional circumstances.

Final recommendation

Recommendation 5

- 7.9 **The Government should introduce the Financial Framework Legislation Amendment Bill into Parliament as soon as is feasible.**

Bob Charles MP
Chairman
13 August 2003