

## **Export Finance and Insurance Corporation Amendment (Finance) Bill 2013**

*Introduced into the House of Representatives on 13 February 2013*

*Portfolio: Trade and Competitiveness*

1.42 This bill seeks to make changes to the financial arrangements in Part 8 of the *Export Finance and Insurance Corporation Act 1991* to:

- authorise the payment of a one-off dividend to the Commonwealth;
- confer power on the Minister to direct the Export Finance and Insurance Corporation (EFIC) to pay a special dividend; and
- create a new power for the Minister to prescribe an increase in EFIC's callable capital should it be necessary to help EFIC meet its future prudential requirements.

1.43 Proposed new section 55A requires the EFIC to pay the Commonwealth a one-off dividend of \$200 million before 30 June 2013. The explanatory memorandum states that this is in line with a 2012-13 Budget Measure, and that 'the payment of special dividends from EFIC's surplus capital is supported by the 2012 Productivity Commission Inquiry Report into EFIC, which found that EFIC retains capital well above its minimum requirements and that this surplus capital has an opportunity cost that is borne by the taxpayer.'<sup>8</sup>

### **Compatibility with human rights**

1.44 A statement of compatibility was not provided for this bill and there is no reference to any consideration of human rights issues in the explanatory memorandum.

**1.45 The committee considers that this bill does not appear to give rise to any human rights concerns.**

**1.46 The committee intends to write to the Minister for Trade and Competitiveness to draw his attention to the requirement under the *Human Rights (Parliamentary Scrutiny) Act 2011* for all bills to be accompanied by a statement of compatibility even where the conclusion is that the bill does not engage or limit any human rights. The purpose of requiring a statement of compatibility is to ensure that a review of any potential human rights concerns has been carried out before the bill is introduced into the Parliament and at the stage the relevant policy is being developed.**

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8 Explanatory memorandum, p 2.