



New South Wales

Auditor-General (Supplementary Powers) Act 2008 No 32

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New South Wales

Auditor-General (Supplementary Powers) Act 2008 No 32

Act No 32, 2008

An Act to amend the *Public Finance and Audit Act 1983* to provide for review by the Auditor-General in connection with the restructuring of the State's electricity industry. [Assented to 23 June 2008]

The Legislature of New South Wales enacts:

1 Name of Act

This Act is the *Auditor-General (Supplementary Powers) Act 2008*.

2 Commencement

This Act commences on the date of assent to this Act.

3 Amendment of Public Finance and Audit Act 1983 No 152

The *Public Finance and Audit Act 1983* is amended as set out in Schedule 1.

4 Repeal of Act

- (1) This Act is repealed on the day following the day on which this Act commences.
- (2) The repeal of this Act does not, because of the operation of section 30 of the *Interpretation Act 1987*, affect any amendment made by this Act.

Schedule 1 Amendment of Public Finance and Audit Act 1983

(Section 3)

[1] Section 63G

Insert after section 63F:

63G Oversight of electricity industry restructuring

- (1) Schedule 1A has effect.
- (2) Expressions used in Schedule 1A have the same meanings as in the Bill for the *Electricity Industry Restructuring Act 2008* as introduced in the Legislative Assembly on 4 June 2008.

[2] Schedule 1A

Insert after Schedule 1:

Schedule 1A Oversight of electricity industry restructuring

(Section 63G)

1 Review of Government's overall program for restructuring

- (1) The Auditor-General is to review and report to Parliament on the Government's overall program for the authorised restructuring.
- (2) The review is to be a review of the following:
 - (a) the appropriateness of the Government's strategy for the transfer of assets to the private sector for maximising financial value for taxpayers, taking into account the following:
 - (i) the proposed method of effecting transactions,
 - (ii) the proposed timing of transactions, including the impact of external factors,
 - (iii) any contingent liabilities that will accrue to the State,
 - (iv) the impact of the proposed national emissions trading scheme (including current hedging and coal contracts of State electricity corporations),
 - (v) the sale price of the assets that is reasonably expected having regard to professional advice and the Government's preliminary estimates,

- (vi) the impact of increased debt over the past 5 years in relation to the assets,
 - (vii) any relevant Commonwealth legislation regarding competition or foreign ownership,
 - (viii) any other factors that may impact on the potential sale price of the assets,
- (b) the financial impact of the proposed community safety net proposed for the authorised restructuring, in particular the protections for workers, pensioners and low-income earners, including an assessment of the consistency of those benefits with previous transactions involving the transfer of assets to the private sector.
- (3) The review of the appropriateness of the Government's strategy for the transfer of assets to the private sector is to be conducted on the basis of a statement of that strategy as provided to the Auditor-General by the Treasurer for the purposes of the review.

2 Report to Parliament

- (1) The Auditor-General is to report to each House of Parliament on the results of the review conducted by the Auditor-General under this Schedule as soon as practicable after the review is completed.
- (2) If a House of Parliament is not sitting when the Auditor-General seeks to present the report, the Auditor-General is to present the report to the Clerk of the House concerned.

3 Supplementary powers

- (1) The Treasurer is to ensure that the Auditor-General has access to such information and resources as may be necessary to enable the Auditor-General to exercise the functions conferred by this Schedule.
- (2) For the purposes of this Schedule, the Auditor-General may:
 - (a) exercise investigatory powers conferred on the Auditor-General under this Act, and
 - (b) engage any person or body with financial expertise to examine arrangements made or proposed for the purposes of the authorised restructuring and to advise the Auditor-General on those arrangements.

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- (3) The functions conferred by this Schedule are in addition to, and do not derogate from, any other function of the Auditor-General.

[Agreement in principle speech made in Legislative Assembly on 19 June 2008
Second reading speech made in Legislative Council on 19 June 2008]

BY AUTHORITY