



New South Wales

# Charter of Budget Honesty Amendment (Independent Election Costings) Bill 2010

## Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

## Overview of Bill

The object of this Bill is to amend the *Charter of Budget Honesty (Election Promises Costing) Act 2006* as follows:

- (a) to require the Auditor-General to prepare costings of election policies and the budget impact statements that are released 5 days before a State election, instead of the Secretary of the Treasury, who currently prepares the costings and statements,
- (b) to enable the Premier or the Leader of the Opposition to request a costing of an election policy by the Auditor-General at any time after the latest State election before a State election, not only in the period 60 days before a State election,
- (c) to enable the Premier and the Leader of the Opposition to discuss, in confidence, the budgetary impact of an election policy with a member of the Auditor-General's staff.

## Outline of provisions

**Clause 1** sets out the name (also called the short title) of the proposed Act.

**Clause 2** provides for the commencement of the proposed Act on the date of assent to the proposed Act.

**Schedule 1      Amendments to the Charter of Budget Honesty (Election Promises Costing) Act 2006 No 89 relating to Auditor-General's role**

**Schedule 1** gives effect to the object of the Bill set out in paragraph (a) of the Overview above.

**Schedule 2      Other amendments to the Charter of Budget Honesty (Election Promises Costing) Act 2006 No 89**

**Schedule 2 [5]** gives effect to the object of the Bill set out in paragraph (c) of the Overview above.

**Schedule 2 [4]** gives effect to the object of the Bill set out in paragraph (b) of the Overview above. **Schedule 2 [1]–[3]** are related amendments.



New South Wales

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New South Wales

# **Charter of Budget Honesty Amendment (Independent Election Costings) Bill 2010**

No. , 2010

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## **A Bill for**

An Act to amend the *Charter of Budget Honesty (Election Promises Costing) Act 2006* to require independent costings of election promises by the Auditor-General for the period following the 2010/11 Budget; and for other purposes.

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<b>The Legislature of New South Wales enacts:</b>	1
<b>1 Name of Act</b>	2
This Act is the <i>Charter of Budget Honesty Amendment (Independent Election Costings) Act 2010</i> .	3 4
<b>2 Commencement</b>	5
This Act commences on the date of assent to this Act.	6

<b>Schedule 1</b>	<b>Amendments to the Charter of Budget Honesty (Election Promises Costing) Act 2006 No 89 relating to Auditor-General's role</b>	1 2 3 4
<b>[1] Long title</b>		5
	Omit "Treasury". Insert instead "Auditor-General".	6
<b>[2] Sections 3, 5 (1) and (2), 8 (1), 9, 10, 11, 12 (1) and (3)–(5), 13, 14 (1) (a), (2) and (3) (a), 15 and 16</b>		7 8
	Omit "Secretary of the Treasury" wherever occurring.	9
	Insert instead "Auditor-General".	10
<b>[3] Section 3 (1)</b>		11
	Omit the definition of <i>Treasury costing</i> . Insert instead in alphabetical order:	12
	<i>Auditor-General costing</i> means a costing, under Part 3 by the Auditor-General, of an election policy or proposed election policy.	13 14 15
<b>[4] Parts 2 and 3, headings</b>		16
	Omit "Treasury" wherever occurring. Insert instead "Auditor-General".	17
<b>[5] Sections 8 (2) and 11 (1)</b>		18
	Omit "Treasury costing" wherever occurring.	19
	Insert instead "Auditor-General costing".	20
<b>[6] Sections 8, note, 9 (2)–(4), 10 (2) and 11</b>		21
	Omit "Secretary" wherever occurring. Insert instead "Auditor-General".	22
<b>[7] Sections 8, note, 10, 14 (1) (a) and (3) (a) and (c) and 16</b>		23
	Omit "a Treasury costing" wherever occurring.	24
	Insert instead "an Auditor-General costing".	25
<b>[8] Sections 8, note and 12 (1), (2) and (4)</b>		26
	Omit "Treasury costed" wherever occurring.	27
	Insert instead "Auditor-General costed".	28

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Schedule 1 Amendments to the Charter of Budget Honesty (Election Promises Costing)  
Act 2006 No 89 relating to Auditor-General's role

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<b>[9] Sections 11 (2) and 15</b>	1
Omit "Treasury costings" wherever occurring.	2
Insert instead "Auditor-General costings".	3
<b>[10] Section 14 Confidentiality of information or documents relating to Auditor-General costing of election promises</b>	4
Omit "Treasury" from section 14 (1) (b). Insert instead "Auditor-General".	5
<b>[11] Section 14 (2)</b>	6
Omit "member of staff of the Treasury" wherever occurring.	7
Insert instead "member of the Auditor-General's staff".	8
<b>[12] Section 14A</b>	9
Insert after section 14:	10
<b>14A Audit of expenditure costed by the Auditor-General</b>	11
If the Auditor-General is required under the <i>Public Finance and Audit Act 1983</i> or any other Act to carry out an audit of expenditure that is the subject of a costing of an election policy under this Act, the Auditor-General may arrange for the audit to be carried out by an auditor in the Audit Office, or an auditor engaged by the Auditor-General, who was not involved in the preparation of the costing of the election policy.	12
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<b>Schedule 2</b>	<b>Other amendments to the Charter of Budget Honesty (Election Promises Costing) Act 2006 No 89</b>	1 2 3
<b>[1] Section 3 Definitions</b>		4
	Omit “a publicly announced or proposed policy” from the definition of <i>costing request</i> in section 3 (1).	5 6
	Insert instead “an election policy or proposed election policy”.	7
<b>[2] Section 3 (1)</b>		8
	Insert in alphabetical order:	9
	<i>election policy</i> means a policy that is publicly announced in the period prior to a State election as part of the election campaign of the Government or the Opposition for that election and that is intended to be implemented after the election, but does not include a policy (or part of a policy) that is fully funded in the latest State budget or any previous State budget.	10 11 12 13 14 15
<b>[3] Section 5 Request for Auditor-General costing by Premier or Leader of the Opposition</b>		16 17
	Omit “publicly announced or proposed policies” wherever occurring in section 5 (1) and (2).	18 19
	Insert instead “election policies or proposed election policies”.	20
<b>[4] Section 6 Period during which costings may be requested</b>		21
	Omit “during the period of 60 days before a State election”.	22
	Insert instead “during the period before a State election commencing on the day on which the latest State budget before the election is presented to Parliament”.	23 24 25

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Schedule 2 Other amendments to the Charter of Budget Honesty (Election Promises  
Costing) Act 2006 No 89

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<b>[5] Section 12A</b>	1
Insert after section 12:	2
<b>12A Auditor-General to discuss budgetary impact of election policies with Premier and Leader of the Opposition</b>	3 4
If requested to do so by the Premier or the Leader of the Opposition, the Auditor-General is to make available to the Premier or the Leader of the Opposition a member of the Auditor-General's staff for the purposes of discussing, in confidence, the budgetary impact of an election policy.	5 6 7 8 9