

Passed by both Houses



New South Wales

# Auditor-General (Supplementary Powers) Bill 2008

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*I certify that this public bill, which originated in the Legislative Assembly, has finally passed the Legislative Council and the Legislative Assembly of New South Wales.*

*Clerk of the Legislative Assembly.  
Legislative Assembly,  
Sydney, , 2008*



New South Wales

## **Auditor-General (Supplementary Powers) Bill 2008**

Act No , 2008

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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.

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*I have examined this bill and find it to correspond in all respects with the bill as finally passed by both Houses.*

*Assistant Speaker of the Legislative Assembly.*

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**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- (1) This Act is repealed on the day following the day on which this Act commences.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.

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## **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.