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## **Chapter 3**

## **Scrutiny of standing appropriations**

- 3.1 Standing appropriations enable entities to spend money from the Consolidated Revenue Fund on an ongoing basis. Their significance from an accountability perspective is that, once they have been enacted, the expenditure they involve does not require regular parliamentary approval and therefore escapes parliamentary control. They are not subject to approval through the standard annual appropriations process.
- 3.2 By allowing the executive government to spend unspecified amounts of money for an indefinite time into the future, provisions which establish standing appropriations may, depending on the circumstances of the legislation, infringe on the committee's terms of reference relating to the delegation and exercise of legislative power.
- 3.3 Therefore, the committee has determined that, as part of its standard procedures for reporting on bills, it should draw senators' attention to bills that establish or amend standing appropriations or establish, amend or continue in existence special accounts.<sup>1</sup> It will do so under provisions 1(a)(iv) and (v) of its terms of reference, which require the committee to report on whether bills:
  - (iv) inappropriately delegate legislative powers; or
  - (v) insufficiently subject the exercise of legislative power to parliamentary scrutiny.<sup>2</sup>
- 3.4 The committee draws the following bill to the attention of Senators:
- Defence, Veterans' and Families' Acute Support Package Bill 2022 Schedule 1, item 15, proposed subsection 160(1B).<sup>3</sup>

## Senator Dean Smith Chair

The Consolidated Revenue Fund is appropriated for expenditure for the purposes of special accounts by virtue of section 80 of the *Public Governance, Performance and Accountability Act 2013*.

<sup>2</sup> For further detail, see Senate Standing Committee for the Scrutiny of Bills, <u>Fourteenth Report</u> of 2005, 30 November 2005.

This proposed subsection would allow for the Consolidated Revenue Fund to be appropriated for the purposes of paying assistance or benefits made under section 41B.