

Comments on proposed amendments to the Money Bills Amendment Procedure and Related Matters Act

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Areas of focus

1. Timing of oversight process
2. Institutional status and structure of the Parliamentary Budget Office (PBO)
 - i. Administrative independence
 - ii. Integrity and accountability
 - iii. Information access
 - iv. Adequate resourcing
 - v. Acting Director appointment
3. Revenue bills and proposals
4. Guidelines for provincial legislatures



1. Timing of oversight process



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“or as soon as reasonable thereafter”?

- ❑ Money Bills Act supposed to strengthen oversight, but some timelines mean process risks remaining rubber-stamping exercise. What are the issues?
 - Committees need time to apply their minds
 - PBO and other advisory bodies need time to do substantive analysis
 - Public need time to absorb details and make representations
 - Any substantive amendment process would require more time
- ❑ Especially true for the fiscal framework (16days to report in the relevant House)
- ❑ Does the above phrase really address these issues? Or does it just introduce uncertainty into budget cycle with little discernible benefit?



2. Clarifying and strengthening the structure of the PBO



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Administrative independence: saying it better, saying it louder?

- ❑ Amendments clearly stating PBO independence as juristic person, with Director as accounting officer, etc. are welcome
 - Such independence was clearly the intent of the original Act (e.g. compare to the first draft gazetted in 2008)

- ❑ Questions remain as to why provisions of current Act have not been implemented
 - May be advisable for committees to state in report accompanying final amendments what expectations are in terms of actually effecting independence



Integrity and accountability

- ❑ Act only addresses technical and managerial qualifications required to manage the Office but not integrity
 - Appropriate to require that Director of PBO is a “fit and proper person”
- ❑ Functional independence is arguably more important than administrative independence, but Act remains unclear on:
 - Reporting of interference (to whom?, how?, why not all interference?, etc)
 - Shouldn't all staff be obliged to report interference?
 - Accountability of the Director (how is performance assessed and by whom?)



Information access

❑ Explicit provision for PBO to access information was significant omission from Act

➤ Proposed amendments are welcome

➤ Suggest strengthening as follows:

(18) Any information which the Parliamentary Budget Office requires...must on request, be supplied timeously, free of charge and in the format requested...

❑ E.g. The Parliament of Canada Act, which contains provisions on its PBO, states that the PBO “is entitled to...free and timely access” to information.

➤ But reportedly format of information has been an issue...



Budget (adequate resourcing)

❑ Adequate resourcing is critical for success. EU's minimum standards for IFIs:

To ensure sufficient and stable financial resources (at constant prices), the budget of IFIs should not be subject to discretionary cuts

- “Legal provisions should guarantee immunity from the discretion of policy makers”
- “the IFI should be provided a multiyear budgetary appropriation that supersedes the government's electoral cycle. Provisions related to the stability and sufficiency of financial resources should also be reflected in law, in order to be taken into account when the budget is discussed and approved”

❑ Current Act and amendments fail to clarify budget tabling, negotiation (?) and approval process – certainly don't provide protections

- Possible approach: take costed current structure as baseline and agree that this should increase at inflation. Baseline could be increased, with caution, by regulation?



Advisory board and acting Director appointment

- ❑ The proposed replacement of committees with advisory board is *not* desirable:
 - contradicts principles of non-partisanship and transparency
 - Aware that this is current practice...
 - Nature of problem is most evident in relation to appointment of an acting Director
- ❑ Acting Director
 - Process for appointment of acting Director should be open and transparent
 - Suggest that Act more explicitly states that requirements for Director apply to acting Director



Revenue proposals and revenue Bills



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Approving revenue proposals then rejecting revenue Bills?

- ❑ The current oversight process contains an oddity: finance committees have to report on revenue proposals (/fiscal framework) in 16 days, but actual legislation only appears and is subject to oversight many months later
 - Is the reporting requirement meaningless?
 - Does the superficial analysis possible in 16 days constrain subsequent decisions on detailed legislative provisions?
- ❑ Seems logical that ultimate objective should be to table proposed legislation with the Budget documents in February
 - Can this be reflected in the current amendments?



Norms and standards for provincial legislatures



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From unconstitutionality to ineffectiveness?

- ❑ Recognition that schedule of norms and standards for provincial legislatures may be unconstitutional if imposed
 - But besides that, what does the shift from “must adhere to the norms and standards” to “must take into account” actually achieve?
- ❑ May be appropriate to revisit the purpose of these norms and standards
 - Provinces should, arguably, have clear and legislated processes
 - Provincial processes should reflect relevant, binding decisions at national level
 - There are certain principles that it may be desirable for provincial legislatures to adhere to in relation to decisions within their domain
- ❑ Do the amended norms and standards address this? Not clear...



Points for clarification and minor issues

- ❑ The written submission contains links between the points made above and particular amendments and clauses
- ❑ In addition, written submission notes some important issues where there appears to be a lack of clarity
 - Would be desirable to ensure that shared understanding of these is clear and/or relevant clauses are rephrased to ensure that is the case
- ❑ Some minor issues/inconsistencies are noted for benefit of drafters



Questions?

