

Australian Broadcasting Corporation (ABC) Review of the Draft Financial Framework Legislation Amendment Bill

Submission to Joint Committee of Public Accounts & Audit

In accordance with the letter of invitation of 13 February 2003, the Australian Broadcasting Corporation (ABC) has examined the draft Financial Framework Legislation Amendment Bill, and makes the following submission.

Changes to the Australian Broadcasting Corporation Act 1983

The ABC notes that all changes to the ABC Act 1983 are in Part IV – Finance.

With one exception the intention of the changes was to substitute reference to the ‘Treasurer’ or ‘Minister for Finance’ with ‘Finance Minister’.

ABC notes that a new section (s71A) is defined for the end of the Part IV- Finance. This section allows the Finance Minister to delegate their powers to approve and guarantee borrowings by the ABC, to an ‘official’.

In defining the term ‘official’, the section refers to the Financial Management & Accountability Act 1997, and the FMA defines an official as ‘...a person who is in an Agency or is part of an Agency’.

Whilst the ABC adheres to the principles and requirements of the FMA Act 1997, it should be noted that the ABC is incorporated under the requirements of the Commonwealth Authorities and Companies (CAC) Act 1997. Under the CAC Act 1997, there is no definition of an ‘official’, rather, an ‘officer’ is more specifically defined as a director of the authority, or any other person who is concerned in, or takes part in the management of the authority.

The ABC requests that in light of the submission above, and in reviewing the Financial Framework Legislation Amendment Bill 2003, the JCPAA considers the reference to FMA Act 1997 in the ABC Act 1983.