

TASMANIA

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**FINANCIAL MANAGEMENT AMENDMENT  
(FISCAL RESPONSIBILITY MEASURES) BILL  
2025**

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**FINANCIAL MANAGEMENT AMENDMENT  
(FISCAL RESPONSIBILITY MEASURES) BILL  
2025**

*(Brought in by Joshua Barton Willie, MP, Member for Clark)*

**A BILL FOR**

**An Act to amend the *Constitution Act 1934* and the  
*Financial Management Act 2016* and to consequentially  
amend the *Audit Act 2008***

Be it enacted by Her Excellency the Governor of Tasmania, by  
and with the advice and consent of the Legislative Council and  
House of Assembly, in Parliament assembled, as follows:

**PART 1 – PRELIMINARY**

**1. Short title**

This Act may be cited as the *Financial  
Management Amendment (Fiscal Responsibility  
Measures) Act 2025*.

**2. Commencement**

This Act commences on the day on which this  
Act receives the Royal Assent.

**3. Repeal of Act**

This Act is repealed on the first anniversary of  
the day on which this Act commenced.

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Measures) Act 2025  
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Part 2 – Audit Act 2008 Amended

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**PART 2 – AUDIT ACT 2008 AMENDED**

**4. Principal Act**

In this Part, the *Audit Act 2008*\* is referred to as the Principal Act.

**5. Section 23 amended (Examinations and investigations)**

Section 23 of the Principal Act is amended as follows:

(a) by inserting the following subsection after subsection (1):

(1A) The Auditor-General is to carry out an examination of, or an investigation into, a Bill, to which section 40A(2) of the *Constitution Act 1930* applies, to determine –

- (a) if the Bill, and its supporting Budget Papers, have been prepared in accordance with generally accepted accounting principles; and
- (b) if the assumptions on which the Bill, and its

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\*No. 49 of 2008

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Measures) Act 2025*  
*Act No. of 2025*

Part 2 – Audit Act 2008 Amended

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supporting Budget Papers,  
are based –

- (i) are appropriate,  
and reasonable, in  
the circumstances;  
and
  - (ii) reflect generally  
accepted  
accounting  
principles; and
  - (iii) reflect the  
principles of  
sound fiscal  
management  
within the  
meaning of the  
*Charter of Budget  
Responsibility Act  
2007*; and
- (c) if the Bill reasonably, and  
appropriately, reflects  
each policy of the  
Government –
- (i) which has been  
publicly  
announced; and
  - (ii) to which the Bill  
applies, as  
specified, whether  
directly or

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Part 2 – Audit Act 2008 Amended

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indirectly, in the  
supporting Budget  
Papers for the Bill;  
and

(d) whether there is a matter  
in the Bill, or its  
supporting Budget Papers,  
that the Auditor-General  
considers of sufficient  
importance for it to have  
further attention drawn to  
it.

(b) by omitting from subsection (2)  
“subsection (1)” and substituting  
“subsection (1) or (1A)”.

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Measures) Act 2025*  
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Part 3 – Constitution Act 1934 Amended

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**PART 3 – CONSTITUTION ACT 1934 AMENDED**

**6. Principal Act**

In this Part, the *Constitution Act 1934*\* is referred to as the Principal Act.

**7. Section 40A inserted**

After section 40 of the Principal Act, the following section is inserted in Part IV:

**40A. Voting requirements for certain appropriations**

(1) In this section –

*budget or estimates papers*, for a financial year, includes –

- (a) the Budget Papers for an Appropriation Act for the financial year; and
- (b) the agency information provided in support of the estimates for the financial year; and
- (c) a revised estimates report, published in accordance with section 36 of the *Financial Management*

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\*No. 94 of 1934

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Measures) Act 2025*  
*Act No. of 2025*

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Part 3 – Constitution Act 1934 Amended

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*Act 2016*, in respect of the  
financial year;

***Budget Papers***, in relation to an  
Appropriation Act, has the same  
meaning as in the *Financial  
Management Act 2016*;

***cash flow statement*** has the same  
meaning as in the generally  
accepted accounting principles  
and includes any statement that is  
required to be prepared, under the  
generally accepted accounting  
principles, in substitution for a  
cash flow statement;

***general government revenue***, in  
relation to a financial year, means  
the total revenue estimated to be  
received by the State for the  
financial year –

- (a) as specified in the budget  
or estimates papers for the  
financial year; and
- (b) as calculated in  
accordance with generally  
accepted accounting  
principles;

***generally accepted accounting  
principles*** has the same meaning  
as in the *Financial Management  
Act 2016*.



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Part 3 – Constitution Act 1934 Amended

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- (2) If a budget or estimates paper for a financial year estimates a cash deficit of 10% or more of the general government revenue for the financial year and the Treasurer introduces a Bill for an Appropriation Act, for that financial year, after that budget or estimates paper is released –
- (a) the Budget Papers tabled in support of the Bill must include the information specified in subsection (4); and
  - (b) the Treasurer must also table a report of the Auditor-General prepared, under section 30 of the *Audit Act 2008*, as a result of an examination or investigation of the Bill, and its supporting Budget Papers, in accordance with section 23(1A) of that Act; and
  - (c) neither House may pass the Bill unless not less than two-thirds of its Members vote for passing the Bill.
- (3) For the purposes of subsection (2), a budget or estimates paper for a financial year estimates a cash deficit of the general government revenue if the cash flow statement –

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Part 3 – Constitution Act 1934 Amended

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- (a) calculated in accordance with generally accepted accounting principles; and
  - (b) included in the budget or estimates papers –
- estimates a deficit for the financial year.
- (4) The Budget Papers tabled in support of a Bill for an Appropriation Act referred to in subsection (2) must include details of –
  - (a) the reasons for the estimated cash deficit; and
  - (b) the expected time frame in which the cash flow statement, specified in a budget or estimates paper, is estimated to return to a cash surplus; and
  - (c) the measures already taken, or proposed to be taken, to reduce unnecessary expenditure or to improve revenue, in order to reduce the estimated cash deficit.

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Part 4 – Financial Management Act 2016 Amended

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**PART 4 – FINANCIAL MANAGEMENT ACT 2016  
AMENDED**

**8. Principal Act**

In this Part, the *Financial Management Act 2016*\* is referred to as the Principal Act.

**9. Part 5, Division 4 inserted**

After section 49 of the Principal Act, the following Division is inserted in Part 5:

***Division 4 – Additional expenditure reporting***

**49A. Mandatory report on additional expenditure**

(1) In this section –

***existing appropriation*** means an appropriation that has been –

- (a) specifically approved in an Appropriation Act within the meaning of section 36 of the *Constitution Act 1934*; or
- (b) authorised under legislation, other than this Act, in such a way as not to require further appropriation.

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\*No. 42 of 2016

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Part 4 – Financial Management Act 2016 Amended

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- (2) If the Treasurer authorises expenditure from the Public Account, other than under an existing appropriation –
  - (a) the Department must, within 10 days after the expenditure is authorised –
    - (i) prepare a report on the expenditure; and
    - (ii) publish the report on a website maintained by, or on behalf of, the Department; and
  - (b) the Minister must, within 2 sitting-days after the report is prepared under paragraph (a) in respect of the expenditure, table a copy of the report in each House of Parliament.
- (3) A report prepared under subsection (2)(a) in respect of expenditure is to include the following information:
  - (a) the date on which the expenditure was approved by the Treasurer;
  - (b) the amount of the expenditure so approved;
  - (c) the purpose for which the expenditure was approved;

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Part 4 – Financial Management Act 2016 Amended

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- (d) where the funding for the expenditure is coming from including, but not limited to, whether the expenditure is funded through a reallocation of existing funds, from new borrowing or from unallocated funds;
  - (e) the anticipated impact of the expenditure on –
    - (i) the revised estimates for the current financial year; and
    - (ii) the revised forward estimates.
- (4) If the Department or the Treasurer fails to comply with subsection (2) in respect of an authorisation of expenditure, the Treasurer must table, as soon as practicable after becoming aware of the failure, in each House of Parliament –
- (a) a written explanation of the failure; and
  - (b) a copy of the report prepared under subsection (2)(a) in respect of the expenditure, if such a report has not been tabled previously.

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Part 4 – Financial Management Act 2016 Amended

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**49B. Application of *Public Accounts Committee Act 1970***

- (1) For the purposes of section 6(2) of the *Public Accounts Committee Act 1970*, a report under this Division is a matter arising in connection with public sector finances.
- (2) Without limiting subsection (1), the Committee, within the meaning of the *Public Accounts Committee Act 1970*, is to –
  - (a) conduct a review into the operation of this Division at least once in every 4-year period; and
  - (b) report to the Parliament its findings in respect of a review conducted under paragraph (a).