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THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

**PUBLIC GOVERNANCE, PERFORMANCE AND  
ACCOUNTABILITY (CONSEQUENTIAL  
MODIFICATIONS OF APPROPRIATIONS ACTS  
(No.1), (No.3) AND (No.5)) BILL 2014**

EXPLANATORY MEMORANDUM

(Circulated by authority of the Minister for Finance,  
Senator the Hon Mathias Cormann)

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## **Table of abbreviations and common terms**

<b>Abbreviation or common term</b>	<b>Full term or description</b>
CAC Act	<i>Commonwealth Authorities and Companies Act 1997</i>
CAC Regulations	<i>Commonwealth Authorities and Companies Regulations 1997</i>
Commonwealth entity	An entity as defined in section 10 of the PGPA Act
CRF	The Consolidated Revenue Fund established by section 81 of the Constitution
FMA Act	<i>Financial Management and Accountability Act 1997</i>
FMA Regulations	<i>Financial Management and Accountability Regulations 1997</i>
Finance Minister	The Minister with responsibility for administering the PGPA Act
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i>
PS Act	<i>Public Service Act 1999</i>
Rules or PGPA rules	The rules made under Part 4-1 of the PGPA Act

## ***Public Governance, Performance and Accountability (Consequential Modifications of Appropriation Acts (No.1), (No.3) and (No.5)) Bill 2014***

### **General outline**

1. The *Public Governance, Performance and Accountability (Consequential Modifications of Appropriation Acts (No.1), (No.3) and (No.5)) Bill 2014* (the Bill) would, if enacted, amend the following Acts appropriating money out of the CRF for the ordinary annual services of the Government and related purposes:

- *Appropriation Act (No.1) 2012-2013*;
- *Appropriation Act (No.3) 2012-2013*;
- *Appropriation Act (No.1) 2013-2014*;
- *Appropriation Act (No.3) 2013-2014*;
- *Appropriation Act (No.5) 2013-2014*; and
- *Appropriation Act (No.1) 2014-2015* (the Appropriations Acts).

2. Appropriations are currently approved by Parliament on the basis of an entity's operation under the FMA or CAC Acts. From 1 July 2014, the PGPA Act will replace the FMA Act and the CAC Act as the primary financial legislation of the Commonwealth.

3. To support the transition to the PGPA Act, the Bill contains consequential amendments to the Appropriations Acts to replace references to or reliance on provisions in the FMA and CAC Acts with equivalent provisions in the PGPA Act.

### **Financial Impact Statement**

4. The Bill would contribute to the PGPA Act and associated reforms to improve and modernise the operation of the Commonwealth financial framework, which includes simplifying regulatory requirements for Commonwealth entities.

5. Achieving improved governance, transparency and accountability arrangements for Commonwealth entities (including both non-corporate Commonwealth entities and corporate Commonwealth entities) within the Australian Government will over time lead to long term efficiencies, although the impact is difficult to quantify.

### **Statement of compatibility with human rights**

6. The Bill, if enacted, will not affect any of the applicable rights or freedoms outlined in the *Human Rights (Parliamentary Scrutiny) Act 2011*, such as those in the *International Covenant on Civil and Political Rights*.

7. The Bill does not propose any offences or penalties that limit any human rights.

8. The Bill is therefore compatible with the human rights and freedoms recognised or declared in the international instruments listed in subsection 3(1) of the *Human Rights (Parliamentary Scrutiny) Act 2011*.

### **The Bill in the context of broader reform activities**

9. The Commonwealth's financial framework provides rules for the governance of Commonwealth entities and Commonwealth companies and for the proper management and use of public resources. The framework supports the government in meeting its obligations and responsibilities to the public and the Parliament. It is an important feature of an

accountable and transparent public sector and guides the daily work of Commonwealth entities and Commonwealth companies, office holders and employees.

10. The Bill supports the introduction of the PGPA Act as the primary financial legislation of the Commonwealth from 1 July 2014. The PGPA Act is the cornerstone of a broad, integrated package of reforms to the Commonwealth's financial framework. Taken together, the reforms seek to deliver long-lasting benefits, including:

- improved quality of information to Parliament to support its constitutional role in relation to Commonwealth expenditure;
- a more mature approach to risk across the Commonwealth;
- improved productivity and performance of the Commonwealth public sector with accompanying benefits for a broad range of stakeholders; and
- reduced red tape within the Commonwealth and for partners who contribute to delivering Australian Government programs and services, including grant recipients.

11. It will take several years to implement the reforms and integrate them fully into the practices and processes of Commonwealth entities and Commonwealth companies. Gradual introduction of the reforms will ensure that they are appropriately tested and refined in light of experience.

### **Related legislative activity**

12. The PGPA Act was passed by the previous Parliament and was given Royal Assent on 29 June 2013, with the first five sections coming into effect on 1 July 2013. Sections 6 to 112 of the Act are subject to delayed implementation and are to come into effect 12 months later, on 1 July 2014, if not fixed by Proclamation before 1 July 2014.

13. The intervening 12 month period has been taken up with the development of supporting rules to give effect to the operation of the Act and an assessment of any consequential amendments that may be required to the legislation of Commonwealth entities arising from the introduction of the PGPA Act and the replacement of the FMA and CAC Acts.

### **PGPA Amendment Bill**

14. The *Public Governance, Performance and Accountability Amendment Bill 2014* is scheduled for presentation to Parliament in the same sittings as this Bill. It is intended to add to and amend a number of provisions in the PGPA Act to clarify, simplify, enhance and improve the understanding and operation of the Commonwealth's financial management framework within the context of a modernised financial regime.

### **PGPA rules and other instruments**

15. The PGPA rules and other instruments made by the Finance Minister under the PGPA Act will replace a range of instruments under current legislation, including the FMA Regulations, CAC Regulations and Finance Minister's Orders. They will be used to prescribe the requirements and procedures necessary to give effect to the governance, performance and accountability matters covered by the PGPA Act.

### **Consequential amendments**

16. The *Public Governance, Performance and Accountability (Consequential and Transitional Provisions) Bill 2014* (Consequential and Transitional Bill) is scheduled for presentation to Parliament in the same sittings as this Bill. The intent of the Consequential

and Transitional Bill is to amend the enabling legislation of Commonwealth entities and companies so as to:

- replace references to the FMA and CAC Acts with the equivalent provisions in the PGPA Act;
- simplify enabling legislation where provisions of the PGPA Act cover a matter previously dealt with in enabling legislation; and
- amend enabling legislation to clarify which matters are covered by the PGPA Act and which matters are covered by the enabling legislation, such as in the case of planning and reporting, or disclosure of interest arrangements where an entity may have additional obligations over and above those imposed through the PGPA Act.

## **Consultation**

17. The PGPA Act was presented to Parliament following two years of consultation and consideration of issues. The period since its passage has provided an opportunity for reflection and consultation on the provisions of the Act and the consequential and transitional arrangements necessary to support its operation.

18. The Department of Finance engaged in and continues to engage in an extensive consultation program with stakeholders within and outside government, including the establishment of a Project Board supported by steering committees with wide representation from across government.

19. These consultation efforts have been supplemented through workshops and consultations with entities in Sydney, Melbourne, Adelaide, Alice Springs and Darwin, as well as ongoing conversations with, and feedback from, Commonwealth entities across Australia about their views on the legislation and how to develop and implement the aims of the broader reform agenda.

## **Structure of the Bill**

20. The structure of the Bill involves:
- a clause that provides for the short title of the legislation;
  - a commencement clause;
  - a clause that provides for the Schedules to the Bill to amend or repeal the Appropriations Acts as specified; and
  - Schedules 1 to 6 to the Bill.
21. An explanation of the amendments proposed in Schedules 1 to 6 is provided in sequential order in the Bill and in this Explanatory Memorandum.

## **Main features of the Bill**

22. The Bill, if enacted, would make a number of technical amendments to replace references to the FMA and CAC Acts in the Appropriations Acts with the equivalent provisions in the PGPA Act.

## NOTES ON CLAUSES

### ***Clause 1: Short title***

24. Under this clause, if the Bill is enacted, it may be cited as the *Public Governance, Performance and Accountability (Consequential Modifications of Appropriations Acts (No.1), (No.3) and (No.5)) Act 2014*.

### ***Clause 2: Commencement***

25. This clause provides that if the Bill is enacted:

- Sections 1 to 3 will commence on the day that the Bill receives Royal Assent.
- Items in Schedules 1 to 5 will commence immediately after the commencement of section 6 of the *Public Governance, Performance and Accountability Act 2013*.
- Items in Schedule 6 will commence on the later date between immediately after the commencement of section 6 of the *Public Governance, Performance and Accountability Act 2013* or immediately after the commencement of the *Appropriation Act (No.1) 2014-2015*.

### ***Clause 3: Schedule(s)***

26. This clause provides that a Schedule to the Bill may amend or repeal the Appropriation Acts as specified.



## NOTES ON SCHEDULE 1 – Appropriation Act (No.1) 2012-2013

27. **Item 1** explains that a reference in Schedule 1 to “Principal Act” means the *Appropriation Act (No.1) 2012-2013*. The notes on Schedule 1 in this Explanatory Memorandum do the same.
28. **Items 2 to 5** would amend definitions in section 3 of the Principal Act to update references to the FMA Act and CAC Act with the equivalent provisions in the PGPA Act.
29. **Item 2** would amend the definition of “Agency” to replace the reference to “an Agency within the meaning of the *Financial Management and Accountability Act 1997*” to “a non-corporate Commonwealth entity within the meaning of the *Public Governance, Performance and Accountability Act 2013*”; or the Australian Competition and Consumer Commission; or the Australian Human Rights Commission; or the Australian Pesticides and Veterinary Medicines Authority; or the Australian Securities and Investments Commission; or the Clean Energy Regulator; or the Corporations and Markets Advisory Committee; or the High Court of Australia; or the Independent Hospital Pricing Authority; or the Murray-Darling Basin Authority; or the National Health Performance Authority; or the National Offshore Petroleum Safety and Environmental Management Authority, to recognise FMA Act body corporate entities that are becoming corporate Commonwealth entities.
30. **Item 3** would amend the definition of “CAC Act body” to replace the reference to “a Commonwealth authority within the meaning of the *Commonwealth Authorities and Companies Act 1997*” to “a corporate Commonwealth entity within the meaning of the *Public Governance, Performance and Accountability Act 2013*”. The reference to a Commonwealth company being defined by the CAC Act would also be updated to refer to the PGPA Act.
31. **Item 4** would define the “Chief Executive” of an Agency to mean the accountable authority of the Agency within the meaning of the PGPA Act.
32. **Item 5** would update terminology so that a reference to the FMA Act in the definition of “Special Account” would be substituted by a reference to the PGPA Act.
33. **Item 6** would update note 2 to section 6 to explain that sections 30 to 32 of the FMA Act will continue to apply because of the *Public Governance, Performance and Accountability (Consequential and Transitional Provisions) Act 2014*. There would also be an additional note to reference provisions in the PGPA Act that provide for adjustments.
34. **Item 7** would omit the note to section 7 as the PGPA Act does not require drawing rights to access an appropriation.
35. **Item 8** would omit the note to subsection 8(1) as the PGPA Act does not require drawing rights to access an appropriation.
36. **Item 9** would omit the note to subsection 9(1) as the PGPA Act does not require drawing rights to access an appropriation.
37. **Item 10** would explain that the operation of the Principal Act continues to be affected by those sections of the FMA Act that continue to apply because of Schedule 2 to the *Public Governance, Performance and Accountability (Consequential and Transitional Provisions) Act 2014*. In addition, the Principal Act is now also affected by the PGPA Act.

## NOTES ON SCHEDULE 2 – Appropriation Act (No.3) 2012-2013

38. **Item 1** explains that a reference in Schedule 2 to “Principal Act” means the *Appropriation Act (No.3) 2012-2013*. The notes on Schedule 2 in this Explanatory Memorandum do the same.
39. **Items 2 to 5** would amend definitions in section 3 of the Principal Act to update references to the FMA Act and CAC Act with the equivalent provisions in the PGPA Act.
40. **Item 2** would amend the definition of “Agency” to replace the reference to “an Agency within the meaning of the *Financial Management and Accountability Act 1997*” to “a non-corporate Commonwealth entity within the meaning of the *Public Governance, Performance and Accountability Act 2013*”; or the Australian Competition and Consumer Commission; or the Australian Human Rights Commission; or the Australian Pesticides and Veterinary Medicines Authority; or the Australian Securities and Investments Commission; or the Clean Energy Regulator; or the Corporations and Markets Advisory Committee; or the High Court of Australia; or the Independent Hospital Pricing Authority; or the Murray-Darling Basin Authority; or the National Health Performance Authority; or the National Offshore Petroleum Safety and Environmental Management Authority, to recognise FMA Act body corporate entities that are becoming corporate Commonwealth entities.
41. **Item 3** would amend the definition of “CAC Act body” to replace the reference to “a Commonwealth authority within the meaning of the *Commonwealth Authorities and Companies Act 1997*” to “a corporate Commonwealth entity within the meaning of the *Public Governance, Performance and Accountability Act 2013*”. The reference to a Commonwealth company being defined by the CAC Act would also be updated to refer to the PGPA Act.
42. **Item 4** would define the “Chief Executive” of an Agency to mean the accountable authority of the Agency within the meaning of the PGPA Act.
43. **Item 5** would update terminology so that a reference to the FMA Act in the definition of “Special Account” would be substituted by a reference to the PGPA Act.
44. **Item 6** would update note 2 to section 6 to explain that sections 30 to 32 of the FMA Act will continue to apply because of the *Public Governance, Performance and Accountability (Consequential and Transitional Provisions) Act 2014*. There would also be an additional note to reference provisions in the PGPA Act that provide for adjustments.
45. **Item 7** would omit the note to section 7 as the PGPA Act does not require drawing rights to access an appropriation.
46. **Item 8** would omit the note to subsection 8(1) as the PGPA Act does not require drawing rights to access an appropriation.
47. **Item 9** would omit the note to subsection 9(1) as the PGPA Act does not require drawing rights to access an appropriation.
48. **Item 10** would explain that the operation of the Principal Act continues to be affected by those sections of the FMA Act that continue to apply because of Schedule 2 to the *Public Governance, Performance and Accountability (Consequential and Transitional Provisions) Act 2014*. In addition, the Principal Act is now also affected by the PGPA Act.

## NOTES ON SCHEDULE 3 – Appropriation Act (No.1) 2013-2014

49. **Item 1** explains that a reference in Schedule 3 to “Principal Act” means the *Appropriation Act (No.1) 2013-2014*. The notes on Schedule 3 in this Explanatory Memorandum do the same.
50. **Items 2 to 5** would amend definitions in section 3 of the Principal Act to update references to the FMA Act and CAC Act with the equivalent provisions in the PGPA Act.
51. **Item 2** would amend the definition of “Agency” to replace the reference to “an Agency within the meaning of the *Financial Management and Accountability Act 1997*” to “a non-corporate Commonwealth entity within the meaning of the *Public Governance, Performance and Accountability Act 2013*”; or the Australian Competition and Consumer Commission; or the Australian Human Rights Commission; or the Australian Pesticides and Veterinary Medicines Authority; or the Australian Securities and Investments Commission; or the Clean Energy Regulator; or the Corporations and Markets Advisory Committee; or the High Court of Australia; or the Independent Hospital Pricing Authority; or the Murray-Darling Basin Authority; or the National Health Performance Authority; or the National Offshore Petroleum Safety and Environmental Management Authority, to recognise FMA Act body corporate entities that are becoming corporate Commonwealth entities.
52. **Item 3** would amend the definition of “CAC Act body” to replace the reference to “a Commonwealth authority within the meaning of the *Commonwealth Authorities and Companies Act 1997*” to “a corporate Commonwealth entity within the meaning of the *Public Governance, Performance and Accountability Act 2013*”. The reference to a Commonwealth company being defined by the CAC Act would also be updated to refer to the PGPA Act.
53. **Item 4** would define the “Chief Executive” of an Agency to mean the accountable authority of the Agency within the meaning of the PGPA Act.
54. **Item 5** would update terminology so that a reference to the FMA Act in the definition of “Special Account” would be substituted by a reference to the PGPA Act.
55. **Item 6** would update note 2 to section 6 to explain that sections 30 to 32 of the FMA Act will continue to apply because of the *Public Governance, Performance and Accountability (Consequential and Transitional Provisions) Act 2014*. There would also be an additional note to reference provisions in the PGPA Act that provide for adjustments.
56. **Item 7** would omit the note to section 7 as the PGPA Act does not require drawing rights to access an appropriation.
57. **Item 8** would omit the note to subsection 8(1) as the PGPA Act does not require drawing rights to access an appropriation.
58. **Item 9** would omit the note to subsection 9(1) as the PGPA Act does not require drawing rights to access an appropriation.
59. **Item 10** would explain that the operation of the Principal Act continues to be affected by those sections of the FMA Act that continue to apply because of Schedule 2 to the *Public Governance, Performance and Accountability (Consequential and Transitional Provisions) Act 2014*. In addition, the Principal Act is now also affected by the PGPA Act.

## NOTES ON SCHEDULE 4 – Appropriation Act (No.3) 2013-2014

60. **Item 1** explains that a reference in Schedule 4 to “Principal Act” means the *Appropriation Act (No.3) 2013-2014*. The notes on Schedule 4 in this Explanatory Memorandum do the same.
61. **Items 2 to 5** would amend definitions in section 3 of the Principal Act to update references to the FMA Act and CAC Act with the equivalent provisions in the PGPA Act.
62. **Item 2** would amend the definition of “Agency” to replace the reference to “an Agency within the meaning of the *Financial Management and Accountability Act 1997*” to “a non-corporate Commonwealth entity within the meaning of the *Public Governance, Performance and Accountability Act 2013*”; or the Australian Competition and Consumer Commission; or the Australian Human Rights Commission; or the Australian Pesticides and Veterinary Medicines Authority; or the Australian Securities and Investments Commission; or the Clean Energy Regulator; or the Corporations and Markets Advisory Committee; or the High Court of Australia; or the Independent Hospital Pricing Authority; or the Murray-Darling Basin Authority; or the National Health Performance Authority; or the National Offshore Petroleum Safety and Environmental Management Authority, to recognise FMA Act body corporate entities that are becoming corporate Commonwealth entities.
63. **Item 3** would amend the definition of “CAC Act body” to replace the reference to “a Commonwealth authority within the meaning of the *Commonwealth Authorities and Companies Act 1997*” to “a corporate Commonwealth entity within the meaning of the *Public Governance, Performance and Accountability Act 2013*”. The reference to a Commonwealth company being defined by the CAC Act would also be updated to refer to the PGPA Act.
64. **Item 4** would define the “Chief Executive” of an Agency to mean the accountable authority of the Agency within the meaning of the PGPA Act.
65. **Item 5** would update terminology so that a reference to the FMA Act in the definition of “Special Account” would be substituted by a reference to the PGPA Act.
66. **Item 6** would update the reference concerning notional payments to the PGPA Act.
67. **Item 7** would update note 2 to section 6 to explain that sections 30 to 32 of the FMA Act will continue to apply because of the *Public Governance, Performance and Accountability (Consequential and Transitional Provisions) Act 2014*. There would also be an additional note to reference provisions in the PGPA Act that provide for adjustments.
68. **Item 8** would omit the note to section 7 as the PGPA Act does not require drawing rights to access an appropriation.
69. **Item 9** would omit the note to subsection 8(1) as the PGPA Act does not require drawing rights to access an appropriation.
70. **Item 10** would omit the note to subsection 9(1) as the PGPA Act does not require drawing rights to access an appropriation.
71. **Item 11** would explain that the operation of the Principal Act continues to be affected by those sections of the FMA Act that continue to apply because of Schedule 2 to the *Public Governance, Performance and Accountability (Consequential and Transitional Provisions) Act 2014*. In addition, the Principal Act is now also affected by the PGPA Act.

## NOTES ON SCHEDULE 5 – Appropriation Act (No.5) 2013-2014

72. **Item 1** explains that a reference in Schedule 5 to “Principal Act” means the *Appropriation Act (No.5) 2013-2014*. The notes on Schedule 5 in this Explanatory Memorandum do the same.
73. **Items 2 to 5** would amend definitions in section 3 of the Principal Act to update references to the FMA Act and CAC Act with the equivalent provisions in the PGPA Act.
74. **Item 2** would amend the definition of “Agency” to replace the reference to “an Agency within the meaning of the *Financial Management and Accountability Act 1997*” to “a non-corporate Commonwealth entity within the meaning of the *Public Governance, Performance and Accountability Act 2013*”; or the Australian Competition and Consumer Commission; or the Australian Human Rights Commission; or the Australian Pesticides and Veterinary Medicines Authority; or the Australian Securities and Investments Commission; or the Clean Energy Regulator; or the Corporations and Markets Advisory Committee; or the High Court of Australia; or the Independent Hospital Pricing Authority; or the Murray-Darling Basin Authority; or the National Health Performance Authority; or the National Offshore Petroleum Safety and Environmental Management Authority, to recognise FMA Act body corporate entities that are becoming corporate Commonwealth entities.
75. **Item 3** would amend the definition of “CAC Act body” to replace the reference to “a Commonwealth authority within the meaning of the *Commonwealth Authorities and Companies Act 1997*” to “a corporate Commonwealth entity within the meaning of the *Public Governance, Performance and Accountability Act 2013*”. The reference to a Commonwealth company being defined by the CAC Act would also be updated to refer to the PGPA Act.
76. **Item 4** would define the “Chief Executive” of an Agency to mean the accountable authority of the Agency within the meaning of the PGPA Act.
77. **Item 5** would update terminology so that a reference to the FMA Act in the definition of “Special Account” would be substituted by a reference to the PGPA Act.
78. **Item 6** would update the reference concerning notional payments to the PGPA Act.
79. **Item 7** would update note 2 to section 6 to explain that sections 30 to 32 of the FMA Act will continue to apply because of the *Public Governance, Performance and Accountability (Consequential and Transitional Provisions) Act 2014*. There would also be an additional note to reference provisions in the PGPA Act that provide for adjustments.
80. **Item 8** would omit the note to section 7 as the PGPA Act does not require drawing rights to access an appropriation.
81. **Item 9** would omit the note to subsection 8(1) as the PGPA Act does not require drawing rights to access an appropriation.
82. **Item 10** would omit the note to subsection 9(1) as the PGPA Act does not require drawing rights to access an appropriation.
83. **Item 11** would explain that the operation of the Principal Act continues to be affected by those sections of the FMA Act that continue to apply because of Schedule 2 to the *Public Governance, Performance and Accountability (Consequential and Transitional Provisions) Act 2014*. In addition, the Principal Act is now also affected by the PGPA Act.

## NOTES ON SCHEDULE 6 – Appropriation Act (No.1) 2014-2015

84. **Item 1** explains that a reference in Schedule 6 to “Principal Act” means the *Appropriation Act (No.1) 2014-2015*. The notes on Schedule 6 in this Explanatory Memorandum do the same.
85. **Items 2 to 4** would amend definitions in section 3 of the Principal Act to update references to the FMA Act and CAC Act with the equivalent provisions in the PGPA Act.
86. **Item 2** would amend the definition of “Agency” to replace the reference to “an Agency within the meaning of the *Financial Management and Accountability Act 1997*” to “a non-corporate Commonwealth entity within the meaning of the *Public Governance, Performance and Accountability Act 2013*”; or the Australian Competition and Consumer Commission; or the Australian Human Rights Commission; or the Australian Pesticides and Veterinary Medicines Authority; or the Australian Securities and Investments Commission; or the Clean Energy Regulator; or the Corporations and Markets Advisory Committee; or the High Court of Australia; or the Independent Hospital Pricing Authority; or the Murray-Darling Basin Authority; or the National Health Performance Authority; or the National Offshore Petroleum Safety and Environmental Management Authority, to recognise FMA Act body corporate entities that are becoming corporate Commonwealth entities.
87. **Item 3** would amend the definition of “CAC Act body” to replace the reference to “a Commonwealth authority within the meaning of the *Commonwealth Authorities and Companies Act 1997*” to “a corporate Commonwealth entity within the meaning of the *Public Governance, Performance and Accountability Act 2013*”. The reference to a Commonwealth company being defined by the CAC Act would also be updated to refer to the PGPA Act.
88. **Item 4** would update terminology so that a reference to the FMA Act in the definition of “Special Account” would be substituted by a reference to the PGPA Act.
89. **Item 5** would update note 2 to section 6 to explain that sections 30 to 32 of the FMA Act will continue to apply because of the *Public Governance, Performance and Accountability (Consequential and Transitional Provisions) Act 2014*. There would also be an additional note to reference provisions in the PGPA Act that provide for adjustments.
90. **Item 6** would omit the note to section 7 as the PGPA Act does not require drawing rights to access an appropriation.
91. **Item 7** would omit the note to subsection 8(1) as the PGPA Act does not require drawing rights to access an appropriation.
92. **Item 8** would clarify that subsection 9(1) provides for direct appropriations of money for CAC Act bodies to be paid directly from the CRF.
93. **Item 9** would omit the note to subsection 9(1) as the PGPA Act does not require drawing rights to access an appropriation.
94. **Item 10** would explain that the operation of the Principal Act continues to be affected by those sections of the FMA Act that continue to apply because of Schedule 2 to the *Public Governance, Performance and Accountability (Consequential and Transitional Provisions) Act 2014*. In addition, the Principal Act is now also affected by the PGPA Act.