

# FIONA STANLEY HOSPITAL CONSTRUCTION ACCOUNT BILL 2007

## EXPLANATORY MEMORANDUM

### **Introduction**

The purpose of this Bill is give effect to a decision by the Government to set aside an amount of \$1.09 billion from the expected 2006-07 cash surplus to fund the construction and establishment of the Fiona Stanley Hospital.

The Bill, when enacted, will create a statutory account to control and quarantine the money appropriated to it, and to ensure it is used for no purpose other than the construction and establishment of the Fiona Stanley Hospital.

### **Explanation of Clauses**

#### **Clause 1: Short Title**

When enacted, the Bill will be cited as the *Fiona Stanley Hospital Construction Account Act 2007*.

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

The Bill is intended to come into operation on receiving the Royal Assent.

#### **Clause 3: Terms Used in this Act**

Defines terms used in the Act.

#### **Clause 4: Fiona Stanley Hospital Construction Account**

Creates an account called the Fiona Stanley Hospital Construction Account as a Treasurer's special purpose account (Treasurer's special purpose accounts are covered by section 10 of the *Financial Management Act 2006*), and provides that:

- the account is to be administered by the Treasurer;
- sources of funding for the account are limited to money appropriated by Parliament to the account and interest earned on investment of the balance of the account; and
- the money in the account can be applied by the Treasurer for funding the construction and establishment of the Fiona Stanley Hospital and for no other purpose.

**Clause 5: Application of the *Financial Management Act 2006* and the *Auditor General Act 2006***

Ensures that the account will be subject to the normal accountability and audit requirements for the public sector, and provides that the accountability will rest with the department principally assisting in the administration of the Act, which in this case will be the Department of Treasury and Finance.

**Clause 6: Closure of Account and Expiry of Act**

Reflecting the specific nature of the account and its tightly limited purpose, this clause provides that, when the construction and establishment of the hospital are completed, any money remaining in the account is to be returned to the Consolidated Account, from where it will be available to be appropriated by Parliament for other purposes.

Further, when this has been done, the Treasurer is required to make and publish an Order that will cause the account to be closed and the Act to expire.