**Supplementary material for**

Maritza Lozano Man Hing, Michael Atkinson and Haizhen Mou, **Democratic Accountability in Times of Crisis: Executive Power, Fiscal Policy, and COVID-19**

(article published in *Government and Opposition*)

**APPENDIX**

**Formal Accountability Mechanisms**

|  |
| --- |
| 1. **Limits on Emergency Spending**
 |
| Whether there is a limit on the duration and level of emergency spending. |
| 1 = limits on both duration and level; 0.5 = limits on either duration or level; 0 = no limits |

**Australia – 1 Limits on both duration and level**

The flexibility needed to deal with unforeseen expenditures is provided through the budget in the Advance to the Finance Minister (AFM) and the Contingency Reserve (Mather and Chowns 2019). The Minister of Finance is allowed to make a determination under the AFM mechanism, which cannot be rejected by Parliament provided that the Minister can prove an urgent need for expenditure. This mechanism has long existed. The main difference during COVID has been the increase in the authorized spending limit, and because the AFMs are approved within appropriation and supply acts, their duration is limited to the end of the corresponding financial year (i.e., June 30).

The AFM “is a legislated funding source of last resort, enabling the withdrawal of money from the Consolidated Revenue Fund within broad purposes identified in the annual Appropriation Acts” (Cormann 2020). The combined limit to the AFM in the Appropriation Acts passed in March as part of the Coronavirus Economic Response Package is **$2 billion**. Additionally, *Supply Act (No. 1) 2020‑2021* provides an Advance to the Finance Minister (AFM) for $16 billion, and *Supply Act (No. 2)* *2020‑2021* provides an additional AFM not to exceed $24 billion. These two acts total **up to $40 billion** in AFMs, which is “almost 20 times the amount provided in association with normal appropriations in any given year” (ANAO 2020).

**Canada – 0.5 Limits on the duration only**

Section 30 (Payments urgently required) in the *Financial Administration Act* states that the Governor in Council may direct the preparation of a special warrant to be signed by the Governor General, authorizing a payment to be made from the Consolidated Revenue Fund, when 1) Parliament is dissolved for an election, 2) there is no other appropriation to make the payment, and 3) the payment is urgently needed for the public good (Smith 2020). *Bill C-12 - An Act to amend the Financial Administration Act (special warrant)* was introduced in the House of Commons and assented on March 13 to amend Section 30. Bill C-12 eliminates the election period requirement, allowing the federal government to use spending powers even when Parliament is not sitting. Bill C-12’s provisions expire on June 24, 2020. Additionally, the *Public Health Events of National Concern Payments Act* (enacted within the *COVID-19 Emergency Response Act*) authorizes government to pay from the Consolidated Revenue Fund “all money required to do anything in relation to that public health event of national concern. This Act was repealed on September 30, 2020.

**New Zealand – 1 Limits on both duration and level**

Section 25 (Expenses or capital expenditure may be incurred in emergencies) of the *Public Finance Act 1989* provides that “The Minister may approve expenses or capital expenditure to be incurred to meet the emergency or disaster and, whether or not there is an appropriation by Parliament available for the purpose and despite sections 4, 8, and 9, the expenses or capital expenditure may be incurred accordingly” (New Zealand Legislation 2020). These spending powers can be applied only when a state of emergency has been declared under the *Civil Defence Emergency Management Act 2002*, or during an emergency that affects the public health or safety of New Zealand. A state of emergency was declared on March 25, and Section 25 was invoked for a period of four weeks from March 27 to April 23 (Controller and Auditor-General of New Zealand 2020a). Additionally, on March 25, 2020, the *Imprest Supply (Third for 2019/20) Act* was approved by Parliament, authorizing government to spend up to NZ$52 billion (NZ$40 for operating expenditures; NZ$12 for capital) on COVID-related measures. All expenditure will be subject to future appropriation.

**United Kingdom – 0.5 Limit on the level and duration, but the duration extends for a year**

Chapter 34 (Public Expenditure and Supply) of the book on Parliamentary Procedure (i.e., Erskine May) states that the Contingencies Fund provides “an exception to the rule that Parliament must vote money for a service before any expenditure in incurred” (UK Parliament 2019). The *Contingencies Fund Act 2020* provides a temporary (i.e., until April 21, 2021) increase of the capital limit on the Contingencies Fund from 2% to 50% “of the authorized supply expenditure for the year ending on the previous 31 March” (UK Legislation 2020). The Act will provide the government with £260 billion to fund the support packages announces in light of COVID-19 (Brien 2020).

|  |
| --- |
| 1. **Reporting**
 |
| Whether there is a timely government fiscal and economic update and a 2020 budget delivered between January 1 and June 30, 2020. |
| 1 = yes; 0 = no |

**Australia – 0 No**

An Economic and Fiscal Update was provided on July 23. The 2020-21 Budget was presented on October 6, 2020.

**Canada – 0 No**

An Economic and Fiscal "Snapshot" was presented on July 8, 2020, but no date to table the Budget was provided.

**New Zealand – 1 Yes**

New Zealand’s Budget Economic and Fiscal Update was released on May 14, 2020, along with the 2020 Budget documents.

**United Kingdom – 0 No**

The United Kingdom tabled the 2020 Budget on March 11, but the “forecast does not reflect the now global spread of COVID-19 or an outbreak in the UK” (HM Treasury 2020).

|  |
| --- |
| 1. **Independent Verification**
 |
| Whether there are frequent reviews on the government emergency responses from auditors. |
| 1 = monthly reviews; 0.5 = at least one review; 0 = no review |

**Australia – 1 Monthly reviews**

On March 31, 2020, Senator Katy Gallagher asked the Auditor General to develop an audit program for the Australian Government’s economic response to COVID-19 (ANAO 2020). The Auditor General (AG) replied on April 23, stating that the Annual Audit Work Program (AAWP) 2020-21 would contain the audit approach related to the government’s COVID response. Additionally, the AG indicated that the Australian National Audit Office (ANAO) would conduct assurance reviews of the Advances to the Finance Minister (AFMs) in accordance with Section 19A of the *Auditor General Act 1997*. These reports (i.e., assurance reviews) would be tabled to Parliament each month.

**Canada – 0 No review**

On May 12, 2020, Sylvain Ricard, Interim Auditor General of Canada, indicated that the OAG would be performing two COVID-related audits, as requested by the House of Commons: 1) An audit on special warrants that could be issued under Bill C-12, and 2) an audit on the COVID-19 emergency response. Findings should be reported no later than June 1, 2021 by their Office as they faced budget constraints and were forced to decrease the number of performance audits (OAG 2020).

**New Zealand – 1 Monthly reviews**

The Office of the Controller and Auditor General of New Zealand published on April 2020 a Draft Annual Plan 2020/21 for consultation with members of Parliament. The final annual plan will be presented to Parliament before the end of June.

*“Monitor spending against parliamentary appropriations*

*Our Controller function provides independent assurance to Parliament that spending by government departments and Offices of Parliament is lawful and within the scope, amount, and period of the appropriation or other authority. Our Controller function is a core part of the Auditor-General’s role as “public watchdog”. It supports the important constitutional principle that the government cannot spend, borrow, or impose a tax without Parliament’s approval. We normally publish six-monthly reports on our Controller function work (described in Part 3). However,* ***in response to the unprecedented spending associated with COVID-19, we are currently publishing monthly Controller updates****.”* – Draft Annual Plan 2020/21 (Controller and Auditor-General 2020b)

**United Kingdom – 0.5 At least one review**

On May 21, 2020, the National Audit Office (NAO) of UK published the report *Overview of the UK Government’s Response to the COVID-19 Pandemic*. The report is the first one in the NAO’s approach to examining the UK government response to COVID-19 (NAO 2020).

|  |
| --- |
| 1. **Independent Analysis**
 |
| Whether there are frequent analyses on the impact of government fiscal measures by an independent fiscal institution. |
| 1 = two or more analyses; 0.5 = one analysis; 0 = no analysis |

**Australia – 1 Two or more analyses**

The Parliamentary Budget Office (PBO) in Australia published Medium-term fiscal projection scenarios reflecting the impact of COVID-19 pandemic, and monthly reports to track government finances.

**United Kingdom – 1 Two or more analyses**

The Office for Budget Responsibility (OBR) in the UK prepared an economic and fiscal outlook 2020, a Coronavirus reference scenario: analysis and commentary, a fiscal sustainability report, and a coronavirus policy monitoring database.

**Canada – 1 Two or more analyses**

The Parliamentary Budget Office (PBO) in Canada prepared the following reports: Costing of Canada’s COVID-19 Economic Response Plan, Scenario Analysis: COVID-19 Pandemic and Oil Price Shocks, and costings requested by parliamentarians.

**New Zealand – 0 No analysis**

There is no Parliamentary Budget Office in New Zealand.

**Political Accountability Mechanisms**

|  |
| --- |
| 1. **Political Participation in Parliament**
 |
| Whether the majority of MPs have participated, physically or virtually, in the process of passing emergency bills. |
| 1 = more than 50% of MPs participated in at least one emergency legislative sitting; 0 = less than 50% of MPs participated |

**Australia – 0.5**

On March 23, 2020, eight bills were introduced and considered by the House of Representatives as part of the Coronavirus Economic Response Package, plus another three supply bills for FY 2020-21 providing Advances to the Finance Minister for a total of $40 billion. The Votes and Proceedings Record No. 51 of the House of Representatives reports 61 absences, meaning that 89 members (59%) attended at some time during the sitting (Australia 2020a). The vote count on March 23 totals 87. On April 8, 2020, two more bills were introduced as part of the Coronavirus Economic Response Package, as well as two appropriation bills for FY 2019-20. The Votes and Proceedings Record No. 52 of the House of Representatives reports 92 absences, meaning that 58 members (39%) attended at some time during the sitting (Australia 2020b). The vote count on April 8 totals 53. Normal parliamentary sittings were adjourned until August without an alternative (i.e., virtual) means.

**Canada – 0 Less than 50% of MPs participated**

Emergency lawmaking sessions held on March 24 and 25 had the participation of approximately 30 MPs, which accounts for less than 10% of the total (Samara Centre for Democracy 2020).

**New Zealand – 0 Less than 50% of MPs participated**

Less than 20 of the 120 MPs attended the emergency lawmaking session held on March 25 (Samara Centre for Democracy 2020).

**United Kingdom – 1 More than 50% of MPs participated in at least one emergency legislative sitting**

The UK was "sitting as usual" during sessions in March and carried a "virtual hybrid parliament" during April and May.

|  |
| --- |
| 1. **Political Deliberation**
 |
| Whether MPs have had an opportunity to review and amend any of the emergency bills before they were passed. |
| 1 = MPs reviewed and amended legislation; 0.5 = MPs reviewed and agreed to pass legislation with no amendments; 0 = no opportunities for MPs to review and/or amend legislation |

**Australia – 1 MPs reviewed and amended legislation**

Bills were introduced, debated and had proposed amendments at the House of Representatives and the Senate on March 23 and April 8, and they were assented the following day (Samara Centre for Democracy 2020).

**Canada – 1 MPs reviewed and amended legislation**

Bills were introduced and assented on the same day, except for *Bill C-15, Canada Emergency Student Benefit Act*. The details of these bills were discussed in private by small groups of MPs and then ratified in Parliament (Samara Centre for Democracy 2020). Amendments were made to the proposed legislation during these discussions (e.g., changes to the sunset clauses in Bill C-12 and Bill C-13).

**New Zealand – 0.5 MPs reviewed and agreed to pass legislation with no amendments**

Emergency legislation considered on March 25 and April 30 was introduced and assented on the same day. Parties agreed to pass the bills without major deliberation or any amendments (Samara Centre for Democracy 2020). Bills introduced in May took longer. There was agreement across parties to expedite legislation, but this changed after MPs mistakenly approved the wrong draft bill during one of their sittings (Tibshraeny 2020).

**United Kingdom – 1 MPs reviewed and amended legislation**

Between March 19 and March 25 when it received Royal Assent, the Coronavirus Bill was introduced and debated in the House of Commons and the House of Lords (UK Parliament 2020).

|  |
| --- |
| 1. **Political Transparency**
 |
| Whether deliberations in Parliament have been made available to the public. |
| 1 = all debates are made available; 0.5 = some debates are made available; 0 = no debate was available |

**Australia – 1 All debates are made available**

Videos of debates at the Senate are available via *ParlView*. Transcripts of debates at the House and the Senate are recorded in the Parliament Hansard.

**Canada – 0.5 Some debates are made available**

Canada’s sitting on March 24 to debate Bill C-13 was not televised through *ParlVU*.

**New Zealand – 1 All debates are made available**

Videos of debates at the House of Representatives are available at the *Parliament on Demand* website.

**United Kingdom – 1 All debates are made available**

Videos of debates are available at *ParliamentLive TV* and transcripts of debates in the House Hansards.

|  |
| --- |
| 1. **Opposition Oversight**
 |
| Whether there is an Opposition-led oversight committee to scrutinize government actions during the emergency. |
| 1 = a COVID-specific committee led by the Opposition; 0.5 = an existing standing committee led by the Opposition; 0 = a committee not led by the Opposition. |

**Australia – 1 COVID-specific committee led by the Opposition**

On April 8, 2020, the Senate established a *Select Committee on COVID-19* to inquire and report (no later than June 30) on the Government’s response (Parliament of Australia 2020a). The Committee is chaired by Senator Hon. Katy Gallagher, member of the Opposition (i.e., Labor Party).

Additionally, the existing Senate Standing Committee for the Scrutiny of Delegated Legislation is responsible for providing parliamentary oversight of all delegated legislation, e.g., executive-made laws to implement COVID-19 measures (Parliament of Australia 2020b). The Committee is chaired by Senator Hon. Concetta Fierravanti-Wells, member of the Liberal Party. The Committee resolved to meet and report regularly to the Senate on the laws made by the executive while Parliament is not sitting.

*“Parliamentary scrutiny of executive-made laws is essential in critical times like these. By continuing to scrutinize legislative instruments which would ordinarily be subject to parliamentary oversight, the committee will play its part in ensuring that the government remains accountable to the Parliament during this time.”* – Committee Chair (Parliament of Australia 2020b, para. 2)

**Canada – 0 Whole of Government Committee not led by the Opposition**

On April 20, 2020, the House of Commons adopted a motion to establish a *Special Committee on the COVID-19 Pandemic (COVI)*. The Special Committee was chaired by the Speaker, Hon. Anthony Rota, Liberal MP, and comprises all members of the House (Canada 2020). The Committee was extended until June 18.

**New Zealand – 1 COVID-specific committee led by the Opposition**

The *Epidemic Response Committee* was established on March 25, 2020 to review and report on the Government’s response to COVID-19 (New Zealand Parliament 2020). It was determined that the Committee would be chaired by the Leader of the Opposition, Hon. Simon Bridges, and that it would include an Opposition majority. On May 26, 2020, the Committee was disestablished.

**United Kingdom – 0.5 Existing Committee led by the Opposition**

UK’s *COVID-19 Committee* was established on June 11 to consider long-term economic, social, and international implications of the pandemic. The Committee is chaired by Baroness Lane-Fox of Soho (Crossbench, i.e., non-party affiliation). An existing committee of Parliament, the *House of Commons Public Accounts Committee*, chaired by a member of the Opposition, scrutinized the government response to COVID-19 (UK House of Commons Public Accounts Committee).

|  |
| --- |
| 1. **Public Communications**
 |
| Whether the government provides frequent, clear, and coherent information to the public. |
| 1 = yes; 0.5 = to some extent; 0 = no |

**Australia – 0.5 To some extent**

PM Scott Morrison’s early public communications “sent out too many mixed messages” (Strangio 2020) but improved as the government sought and followed expert advice (Mao 2020).

**Canada – 1 Yes**

PM Justin Trudeau’s early communications during the crisis were consistent, simple, and direct (Aiello 2020).

**New Zealand – 1 Yes**

In an analysis of Prime Minister Jacinda Ardern’s early crisis communication approach, McGuire et al. (2020, 374) conclude that her leadership “seeks to reassure the public in relation to the government’s decisiveness and evidence-based approach.” Ardern’s leadership communication has been praised for its clarity and frequency (Wilson 2020) through daily televised briefings and regular live Facebook sessions.

**United Kingdom – 0 No**

In general, the UK Government’s communication with the public during the emergency has been regarded as “muddled” (Freedman 2020) and inconsistent (Maddox 2020).

**References for the Appendix**

Aiello, Rachel. 2020. “110 days, 81 addresses to the nation. What PM Trudeau’s COVID-19 messaging reveals.” *CTVNews*. July 13. <https://www.ctvnews.ca/politics/110-days-81-addresses-to-the-nation-what-pm-trudeau-s-covid-19-messaging-reveals-1.5019550>

ANAO (Australian National Audit Office). 2020. Request for Audit - The Australian Government’s economic response to COVID-19. <https://www.anao.gov.au/work/request/the-australian-government-economic-response-to-covid-19>

Australia. House of Representatives. 2020a. Votes and Proceedings. 46th Parliament. 1st Session, 2019-2020, No. 51, March 23. Canberra: House of Representatives. <https://parlinfo.aph.gov.au/parlInfo/download/chamber/votes/a8862a7a-ba99-4d05-9a82-9bc4de4b9493/toc_pdf/reps-vp.pdf;fileType=application%2Fpdf#search=%22chamber/votes/a8862a7a-ba99-4d05-9a82-9bc4de4b9493/0000%22>

Australia. House of Representatives. 2020b. Votes and Proceedings. 46th Parliament. 1st Session, 2019-2020, No. 52, April 8. Canberra: House of Representatives. <https://parlinfo.aph.gov.au/parlInfo/download/chamber/votes/10809330-3aa5-4ad3-bea2-d703672cee60/toc_pdf/reps-vp.pdf;fileType=application%2Fpdf#search=%22chamber/votes/10809330-3aa5-4ad3-bea2-d703672cee60/0000%22>

Brien, Philip. 2020. *Contingencies Fund Bill*. House of Commons Library. March 24. <https://commonslibrary.parliament.uk/research-briefings/cbp-8869/>

Canada. House of Commons. 2020. Journals. 43rd Parliament. 1st Session, 2019-2023, vol. 149, No. 034, April 20. Ottawa: Canadian Government Publishing. <https://www.ourcommons.ca/DocumentViewer/en/43-1/house/sitting-34/journals>

Controller and Auditor-General of New Zealand. 2020a. Media Centre - Controller update on Government spending on Covid-19. May 12. <https://oag.parliament.nz/media/2020/controller-may>

Controller and Auditor-General of New Zealand. 2020b. *Draft Annual Plan 2020/21.* <https://oag.parliament.nz/2020/draft-annual-plan/docs/draft-annual-plan-2020-21.pdf>

Cormann, Mathias. 2020. Media Release -- Advances to the Finance Minister in the week ending Friday 3 April 2020. April 3. <https://www.financeminister.gov.au/media-release/2020/04/03/advances-finance-minister-week-ending-friday-3-april-2020>

Freedman, Lawrence. 2020. “Muddled messages as Britain seeks to stay alert.” *The Interpreter*. May 14. <https://www.lowyinstitute.org/the-interpreter/muddled-messages-britain-seeks-stay-alert>

HM Treasury. 2020. Policy Paper – Budget 2020. <https://www.gov.uk/government/publications/budget-2020-documents/budget-2020#budget-report>

Maddox, Bronwen. 2020. “Boris Johnson’s leadership is on the line in second coronavirus lockdown.” *Institute for Government*. <https://www.instituteforgovernment.org.uk/blog/boris-johnson-second-coronavirus-lockdown>

Mao, Frances. 2020. “Scott Morrison: How Australia’s PM rebuilt his reputation.” *BBC News*. May 19. <https://www.bbc.com/news/world-australia-52703265>

Mather, Dinty, and Jonathan Chowns. 2019. Budget concepts—Advance to the Finance Minister: a quick guide. Parliamentary Library – Research Paper Series, 2018-19. Economic Policy Section. March 28. <https://parlinfo.aph.gov.au/parlInfo/download/library/prspub/6583512/upload_binary/6583512.pdf>

McGuire, David, James E. A. Cunningham, Kae Reynolds, and Gerri Matthews-Smith. 2020. “Beating the virus: an examination of the crisis communication approach taken by New Zealand Prime Minister Jacon Ardern during the COVID-19 pandemic.” *Human Resource Development International* 23 (4): 361-379. https://doi.org/[10.1080/13678868.2020.1779543](https://doi.org/10.1080/13678868.2020.1779543)

NAO (National Audit Office). 2020. *Overview of the UK government’s response to the COVID-19 pandemic*. May 21. <https://www.nao.org.uk/wp-content/uploads/2020/05/Overview-of-the-UK-governments-response-to-the-COVID-19-pandemic.pdf>

New Zealand Legislation. 2020. *Public Finance Act 1989 (version as at 30 April 2020)*.

New Zealand Parliament. 2020. “COVID-19: What is the Epidemic Response Committee?” March 30. <https://www.parliament.nz/en/get-involved/features/covid-19-what-is-the-epidemic-response-committee/>

OAG (Office of the Auditor General). 2020. Opening Statement to the Standing Committee on Finance - Government’s response to the COVID-19 pandemic. May 12. <https://www.oag-bvg.gc.ca/internet/English/osh_20200512_e_43563.html>

Parliament of Australia. 2020a. *Select Committee on COVID-19*. <https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/COVID-19>

Parliament of Australia. 2020b. Media Statement - Senate committee to continue to scrutinize delegated legislation, including COVID-19 related legislation. April 1. <https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Scrutiny_of_Delegated_Legislation/Scrutiny_of_COVID-19_instruments/Media_statement>

Samara Centre for Democracy. 2020. *Westminster Parliaments Compared – Four Approaches to Emergency Lawmaking and Scrutiny*. April 21. <https://www.samaracanada.com/democracy-monitor/westminster-parliaments>

Smith, Alex. 2020. *Legislative Summary of Bill C-12: An Act to amend the Financial Administration Act (special warrant).* Library of Parliament. <https://lop.parl.ca/sites/PublicWebsite/default/en_CA/ResearchPublications/LegislativeSummaries/431C12E#txt2>

Strangio, Paul. 2020. “Thanks to coronavirus, Scott Morrison will become a significant prime minister.” *The Conversation*. April 2. <https://theconversation.com/thanks-to-coronavirus-scott-morrison-will-become-a-significant-prime-minister-135314>

Tibshraeny, Jenée. 2020. “Jenée Tibshraeny on what was worse than Parliament mistakenly passing a law enabling taxpayers to lend billions to business.” *Interest.co.nz*. May 2. <https://www.interest.co.nz/opinion/104814/jen%C3%A9e%C2%A0tibshraeny-what-was-worse-parliament-mistakenly-passing-law-enabling-taxpayers>

UK House of Commons Public Accounts Committee. 2020. “Whole of Government Response to COVID-19.” July 23. https://committees.parliament.uk/publications/2024/documents/22788/default/

UK Legislation. 2020. *Contingencies Fund Act 2020*. <http://www.legislation.gov.uk/ukpga/2020/6/data.pdf>

UK Parliament. 2019. “Chapter 34: Public Expenditure and Supply. In Erskine May 25th Edition, 2019”. <https://erskinemay.parliament.uk/section/5739/contingencies-fund/>

UK Parliament. 2020. Bill stages — Coronavirus Act 2020. <https://services.parliament.uk/Bills/2019-21/coronavirus/stages.html>

Wilson, Suze. 2020. “Three reasons why Jacinda Ardern’s coronavirus response has been a masterclass in crisis leadership.” *The Conversation*. April 6. <https://theconversation.com/three-reasons-why-jacinda-arderns-coronavirus-response-has-been-a-masterclass-in-crisis-leadership-135541>