



The Federal Assembly — The Swiss Parliament

HSLU Hochschule
Luzern

Budgeting and financial supervision at the Federal level: the role of the Finance Committees of Swiss Parliament

PEMPAL – IACOP, Bern Switzerland, 22 March 2023

Roland Fischer

Member of Parliament, President of the Finance Committee of the National Council

Lecturer, Lucerne University of Applied Sciences and Arts HSLU

The Swiss Parliament

National Council



The 200 seats in the National Council are allotted to the 26 cantons according to their respective populations (total number of residents = resident population).

Council of States



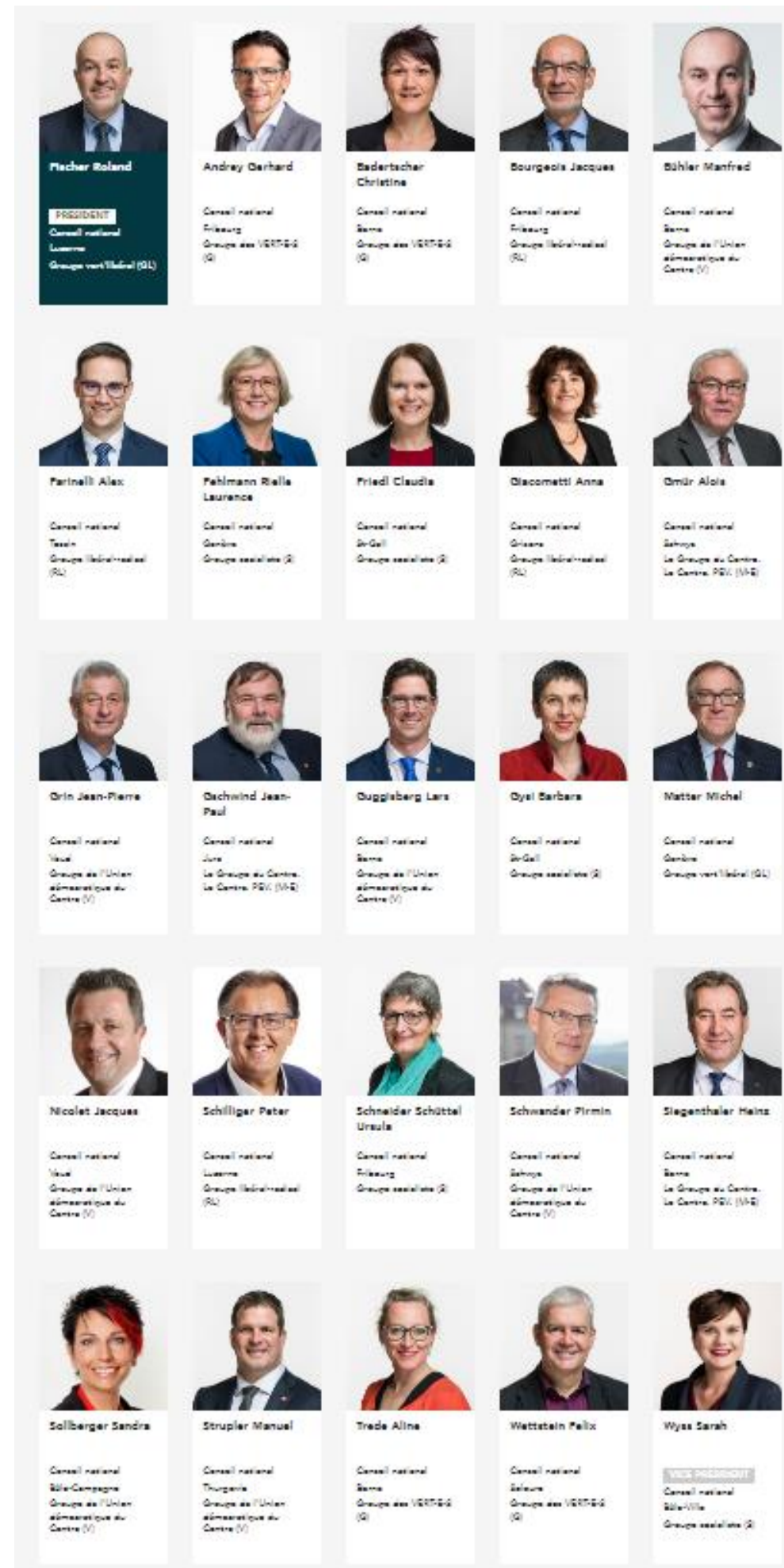
The Council of States has 46 members who represent the cantons. The cantons each send two representatives, with the exception of Obwalden, Nidwalden, Basel-Stadt, Basel-Landschaft, Appenzell Ausserrhoden and Appenzell Innerrhoden, which each send one.

The Committees of Swiss Parliament

- The National Council has 12 standing committees:
 - 9 specialist committees
 - 2 supervisory committees
 - The immunity committee
- The Council of States has 11 standing committees:
 - 9 specialist committees
 - 2 supervisory committees
- The finance committees are supervisory committees

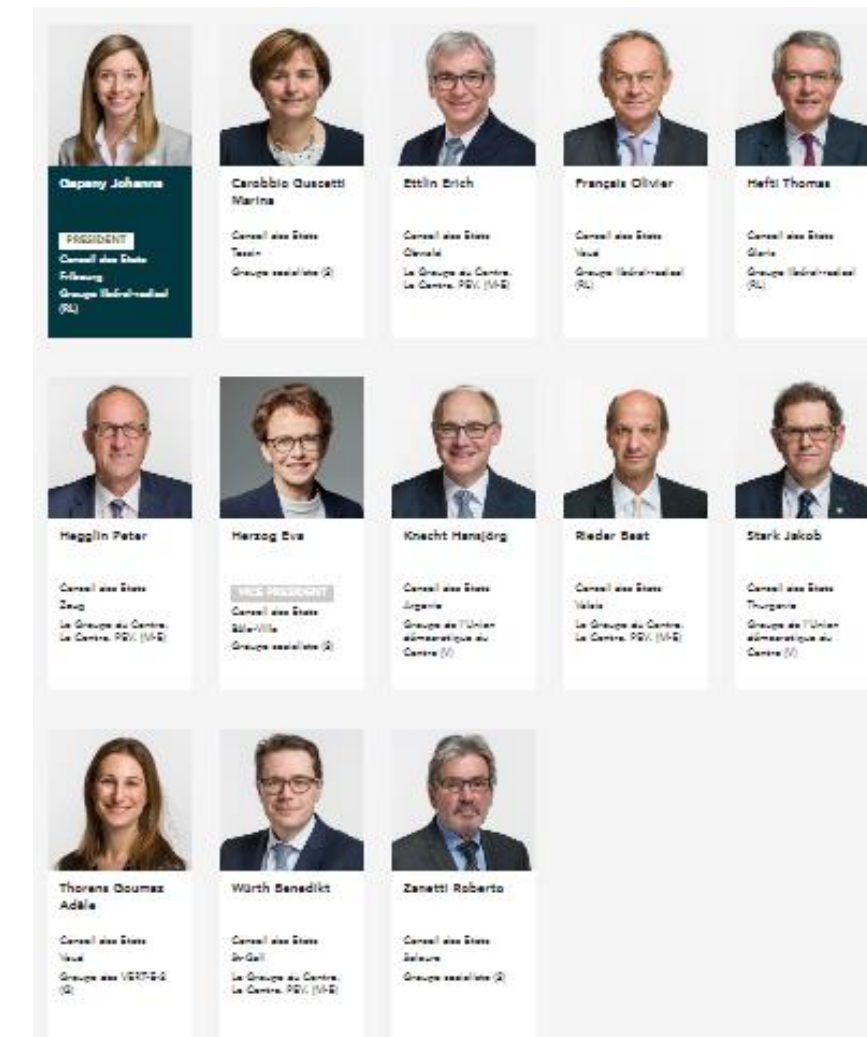


The Finance Committees



Finance Committee of the National Council

- 25 members
- 4 sub-committees



Finance Committee of the Council of States

- 13 members
- 4 sub-committees

The Finance Committees

- examine budgets, supplementary credits and accounts of the federal government
- exercise **supervisory control over the finances of the Federal Administration** and – in conjunction with the Control Committees CC – oversight over the autonomous government owned companies (e.g. SwissPost, SBB).
- advise on bills on financial matters (e.g. Financial Budget Act) and on accompanying reports on financial policy bills to the legislative commissions.

Parliament Act, Art. 26 (Supervisory control)

¹ The Federal Assembly shall exercise supervisory control over the conduct of business by the Federal Council and the Federal Administration, the federal courts, the Supervisory Authority for the Office of the Attorney General of Switzerland, the Office of the Attorney General of Switzerland and by other persons entrusted with tasks of the Confederation.

² **It shall exercise supervisory control over the financial budget** in the context of Article 8 of the Federal Auditing Act of 28 June 1967.

³ The Federal Assembly shall exercise supervisory control according to the following criteria:

- a. legality;
- b. regularity;
- c. expediency;
- d. effectiveness;
- e. economic efficiency.

⁴ Supervisory control shall not include the power to revoke or alter decisions. It shall not include control over the content of the judicial decisions of the Office of the Attorney General of Switzerland.

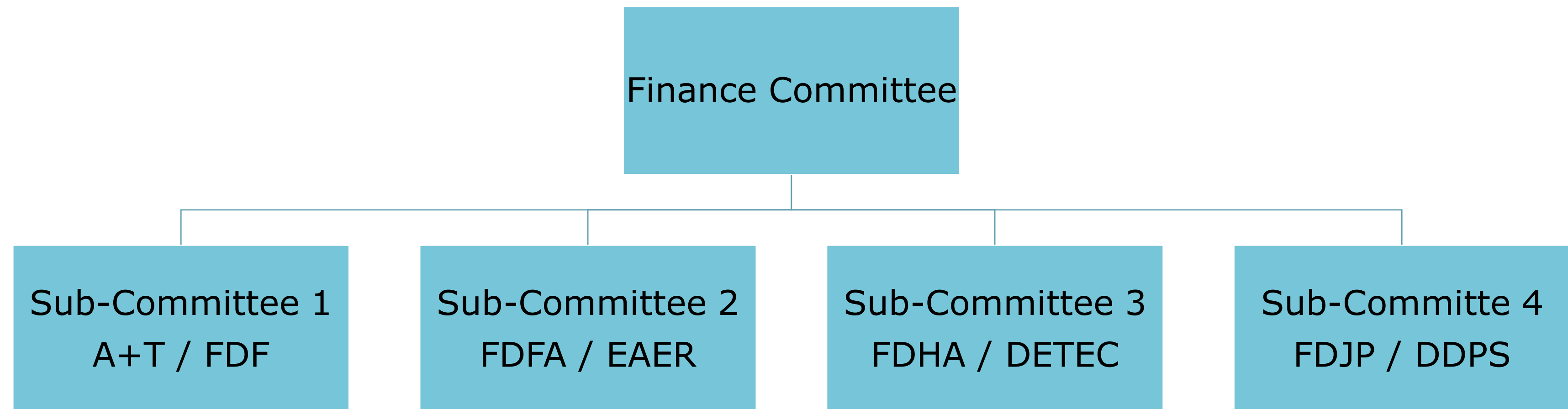
Parliament Act, Art. 50 (Duties of the Finance Committees)



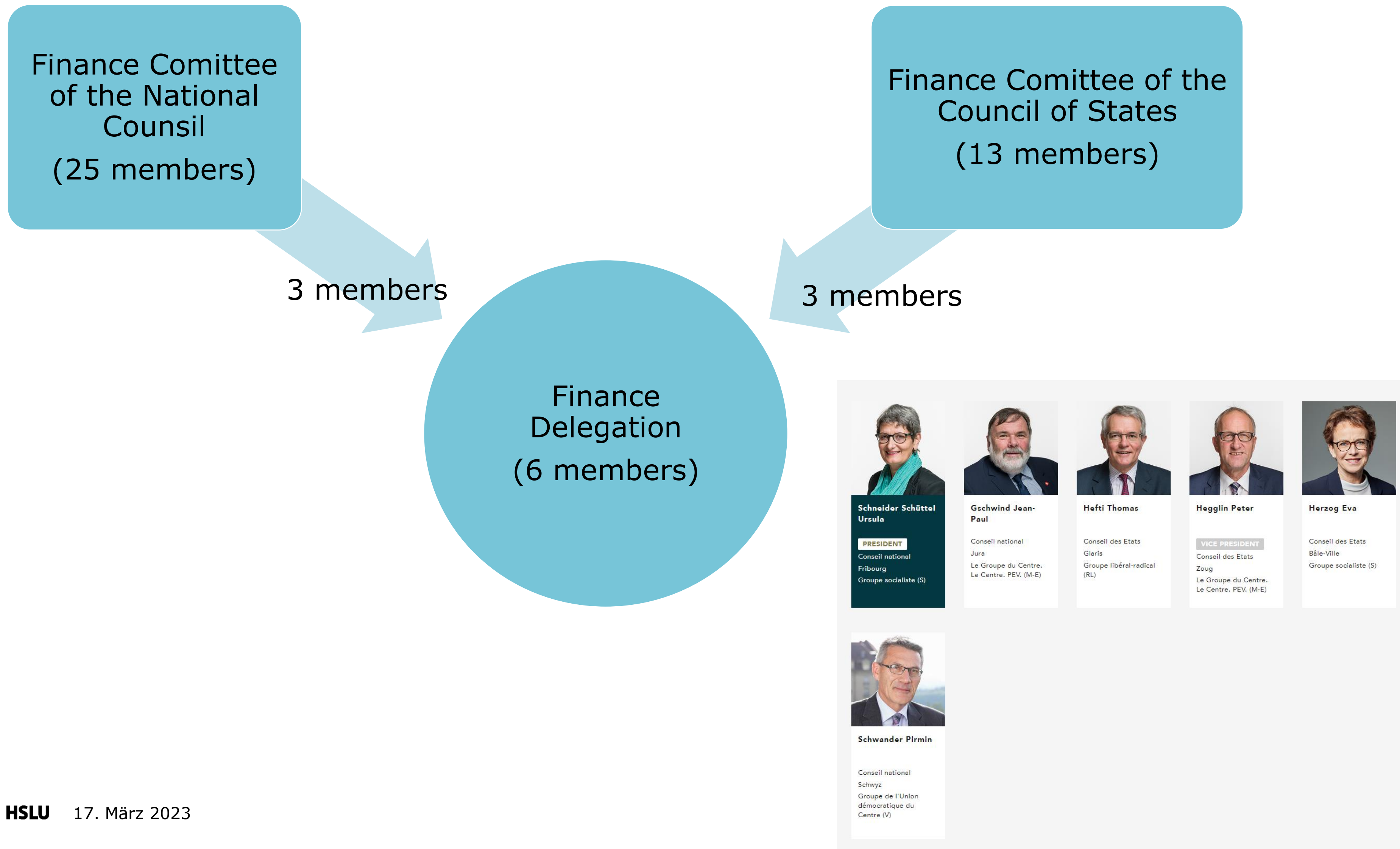
¹ The Finance Committees (FCs) are responsible for the financial management of the Confederation; they shall conduct a preliminary examination of the financial planning, the draft budget and its supplements and the state accounts. **They exercise supervisory control over the entire financial budget** in accordance with Article 26 paragraph 2, unless this Act provides otherwise.

Role of the Sub-Committees

- Preliminary discussion of the budget and the accounts for the attention of the Finance Committees
- Monitoring of federal administration projects with significant financial implications
- On-site inspections of administrative units



The Finance Delegation



Parliament Act, Art. 51 (Finance Delegation)

¹ The Finance Committees shall each appoint three of their members and a permanent deputy for each of those members to the Finance Delegation (FinDel). The Delegation constitutes itself.

² The Finance Delegation is responsible for the **detailed examination and supervision of the entire financial budget.**

³ The dealings between the Finance Delegation and the Federal Audit Office are governed by Articles 14, 15 and 18 of the Federal Act of 28 June 1967 on the Federal Audit Office.

⁴ The Finance Delegation shall submit reports and proposals to the Finance Committees.

⁵ It may consider other items of business and notify the Finance Committees or other committees of its findings.

⁶ It shall reach decisions by a simple majority of its voting members.

Role of the Finance Delegation (FinDel)

- Does not scrutinise budget or national accounts
- Ensures that the budget is correctly implemented (over the course of the year)
- Ensures that the legislation on public finance (Financial Budget Act) and public procurement is correctly applied
- Monitors major IT projects
- Receives the audit reports of the Swiss Federal Audit Office.
- Can remunerate and award emergency credit

Relations between the FinDel and other institutions

=> Finance Committees

- Regular oral reporting
- Extracts from minutes sent on important issues (budget and accounts)
- Carries out tasks set by finance committees

=> Other Committees

- Passes on Swiss Federal Audit Office reports when necessary
- Indicates finance-related problems in given area (e.g. social insurance; potential problems with invalidity insurance)

=> Government

- Regular and confident hearings of ministers and directors of federal offices on major financial matters
- Ministers may be called to meetings on urgent and sensitive matters
- Frequent communications and requests for reports for ministers or the whole government
- Main issues: IT projects, public procurement, HR



The Federal Assembly — The Swiss Parliament



Thank You!

HSLU Hochschule
Luzern



Roland Fischer

Member of Parliament, National Council

Mobile +41 79 422 76 60
roland.fischer@parl.ch

**Lucerne University of Applied Sciences and Arts
School of Business**

Institute for Business and Regional Economics IBR

Roland Fischer

Lecturer

T direct +41 41 228 99 43
roland.fischer@hslu.ch