



Legislative Assembly

Appropriation (Budget Variations)

Bill Hansard

Extract

19/03/2002

Second Reading

Mr AQUILINA (Riverstone—Minister for Land and Water Conservation, and Minister for Fair Trading) [5.04 p.m.]: I move:

That this bill be now read a second time.

The practice of seeking approval for supplementary appropriations to cover payments not provided for in the annual Appropriation Act has now become entrenched. This Government, in presenting further appropriation bills, has sought as far as possible to ensure the Parliament has the opportunity to scrutinise anticipated additional funding requirements prior to expenditures being incurred. However, it is not always possible to seek Parliament's authority in advance for pressing expenditure needs and the Parliament has previously established procedures to provide for this eventuality. Each year Parliament makes an advance available to the Treasurer to meet unforeseen expenditures. In addition, section 22 of the Public Finance and Audit Act 1983 enables the Governor to approve of payments to cater for the exigencies of the Government, in anticipation of appropriations by Parliament.

The introduction of the Appropriation (Budget Variations) Bill in this session enables the Government to account to the Parliament on how the Treasurer's Advance has been applied for recurrent and capital expenditure, seek an adjustment of the advance prior to the end of the financial year, seek appropriation to cover expenditure approved under section 22 before year end and seek additional appropriations for payments that are intended to be made in the current financial year and in respect of which no provision was made in the annual Appropriation Bill. The Appropriation (Budget Variations) Bill in respect of the 2001-02 financial year seeks appropriations of \$288,834,000 in adjustment of the Treasurer's Advance, \$338,250,000 for services approved by the Governor under section 22 of the Public Finance and Audit Act 1983 and additional appropriations of \$469,083,000.

The appropriation required for the Treasurer's Advance is detailed in schedule 1 annexed to this bill, along with a full account of how the advance has been applied this year. The Treasurer's Advance payments in 2001-02 include \$5.25 million to establish the Community Solutions Crime Prevention Fund to undertake crime prevention activities in Miller, Kings Cross, and Redfern and Waterloo. Other items include \$2 million to reduce the cost to some farmers of transporting grain and \$5.8 million for eradicating fire ants. The additional appropriation required under section 22 of the Public Finance and Audit Act 1983 relates to the provision of funds to meet certain expenditures required by the exigencies of Government.

This amount includes an appropriation required in relation to the First Home Owners Grant Scheme of \$142.3 million—this amount will, however, be repaid to the State by the Commonwealth—an appropriation of \$40 million for further rail maintenance on non-metropolitan infrastructure and appropriations for natural disasters, including \$40 million for the February-March floods in northern New South Wales and \$95 million for the December-January bushfires. This sum is in addition to the \$11 million allocated for bushfires in the 2001-02 budget, and makes the total cost of fighting bushfires this year \$106 million. An amount of \$19.95 million has been appropriated to cover capital expenditure for natural disaster advances.

An additional appropriation of \$469,083,000 is required to allow the immediate start of important public projects in 2001-02. The majority of these projects were originally included in the forward estimates for the period 2002-03 to 2005-06. The stronger than anticipated growth in the State economy has improved the estimated budget position for 2001-02. This has enabled the Government to bring forward expenditure or fund pressing new projects. An additional \$70 million has been provided for maintenance and minor works to schools.

The transport portfolio has been provided with \$43.7 million to accelerate the acquisition of land for the Parramatta to Chatswood rail link and for some rail capital works that will improve operations efficiency, and workplace and passenger safety. The funding also allows the State Transit Authority to bring forward major Sydney Ferries projects, including completing the refurbishment of the Manly ferry fleet and re-engineering the JetCat fleet. The program of installing closed-circuit television cameras on wharves will also be undertaken more quickly. New South Wales Health has been provided with \$27.5 million to purchase new hospital equipment including CT scanners for rural hospitals. The Department of Housing has been provided with an additional appropriation of \$25 million for capital grants and a further \$105 million to more rapidly tackle backlog maintenance in public housing.

The Rail Infrastructure Corporation will be provided with \$100 million to help finance its obligations for the construction of the Parramatta to Chatswood rail link. The Ministry of the Arts will be provided with \$39.1 million for works on the Sydney Opera House and the acquisition of land for a performing arts centre at Eveleigh. The bill also seeks appropriations to adjust certain payments made during the 2000-2001 financial year either from that year's

Treasurer's Advance or approved in that financial year by the Governor under section 22 of the Public Finance and Audit Act. Each of the payments made has been included in the 2000-01 audited financial statements of the agencies making those payments. The practice of introducing further appropriation bills has enhanced accountability for the expenditure of public money from the Consolidated Fund. It is further evidence of the Government's commitment to transparent and full financial reporting to the Parliament and the community. I commend the bill to the House.