



# Legislative Assembly

## Appropriation (Budget Variations)

### Bill Hansard

### Extract

28/02/2001

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#### Second Reading

**Mr GAUDRY** (Newcastle—Parliamentary Secretary), on behalf of Mr Aquilina [9.27 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 allow the Parliament to scrutinise anticipated additional funding requirements prior to expenditures being incurred. Not always is it possible to seek Parliament's authority in advance for pressing expenditure needs. However, 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.

By introducing a further Appropriation Bill in this session, it is possible for the Government to account to the Parliament for how the advance to the Treasurer has been applied and to seek an adjustment of the advance prior to the end of the financial year. It is also possible to seek appropriations to cover expenditures approved under section 22 before the year's end. The further Appropriation Bill also seeks additional appropriations to provide for payments which are intended to be made during the remaining period of the current financial year and in respect of which provision was not made in the annual Appropriation Bill.

The Appropriation (Budget Variations) Bill in respect of the 2000-2001 financial year seeks appropriations of \$168,429,000 in adjustment of the advance to the Treasurer, and \$100,623,000 for services approved by the Governor under section 22 of the Public Finance and Audit Act 1983. Under the bill appropriations totalling \$478,138,000 have been sought for additional recurrent services. An appropriation of \$236.5 million is required to enable a further contribution to be made to various rail entities for essential improvements and a range of measures to be introduced, following Justice McInerney's inquiry into rail safety and the establishment of the Office of the Co-ordinator General of Rail.

An amount of \$63.9 million is needed for agencies which had previously been allocated capital works and services funding at budget time and now find that the funding applied for should have been classed as recurrent funding. The additional appropriations required in relation to the First Home Owner Grants Scheme, \$60 million, and \$62 million for additional administration costs in relation to the goods and services tax, will both ultimately be repaid to the State by the Commonwealth. The Department of Education and Training requires \$43.7 million to assist in financing the teachers' salary increase and \$12 million to fund the teachers' career transition scheme.

The bill also seeks appropriations to adjust certain payments made during the 1999-2000 financial year either from that year's advance to the Treasurer, 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 1999-2000 audited financial statements of the agencies making those payments. The practice of introducing further appropriation bills has enhanced accountability for the expenditure of public moneys 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.