



Treasury

Contact: Jennv Merklev  
Telephone:  
Our Reference: P19/2007

The Hon. Tara Moriarty, MLC  
Parliament House  
Macquarie St  
SYDNEY NSW 2000

Dear Ms Moriarty

Thank you for your query in relation to the NSW Parliament Budget Allocation process.

The Legislature is classified as a special or independent office and are funded through separate appropriations to maintain their independence to government. The response from Treasury during the budget estimates committee hearing stated that the Parliament's budget is primarily decided by the Premier and Cabinet cluster including analysis of key funding decisions. Note that while the budgets for Ministerial Offices and the NSW Parliamentary Counsels Office do form part of the Premier and Cabinet Cluster, the actual Parliamentary budget is maintained separately in the Legislature Cluster.

The budget process for the Legislature is consistent with the budget process for all other NSW entities. Generally, an entity's base budget is confirmed on the basis of ongoing operational requirements and adjusted for indexation each year. The entity is required to make a submission to Government for any new /incremental funding over and above the four-year budget estimates.

The new and incremental spending (policy or parameter changes) are subject to the same level of rigour and scrutiny as all other entity proposals seeking to spend taxpayer funds.

In relation to the annual appropriation bills, which are passed by Parliament each financial year to appropriate money from the Consolidated Fund (in effect 'the public purse'). These bills provide funds for government and parliamentary expenditure. Parliament is constitutionally separate and independent from the government and has a separate funding by means of its own appropriations.

The practice for separating the Appropriation (Parliament) Bill from the main Government Appropriation Bill is to ensure that if the main Appropriation Bill does not pass before the commencement of the financial year, the Appropriation (Parliament) Bill may be separately passed to ensure the continuity of Parliament.

As Outcomes Budgeting is implemented across the sector and outcomes business planning is embedded across clusters, Treasury will encourage The Legislature to undertake a process of review and business planning to ensure its Budget is best aligned to the delivery of outcomes for the citizens of NSW.

Thank you for taking the time to bring these matters to my attention.

Yours sincerely

**Michael Pratt AM**  
Secretary

11.9.19.