

DRAFT SECOND READING SPEECH

Supply Bill (No. 1) 2020

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I believe that all Members of this House have a good understanding of the challenges that we are currently facing as a consequence of the COVID-19 pandemic. In addition to the health impacts, this pandemic will clearly have very real and significant economic and social consequences, many of which are just beginning to emerge. I have previously noted that we expect to see increasing economic impacts on a wide range of Tasmanian industry sectors, from tourism and hospitality businesses, seafood exporters and wild fisheries, through to retailers and manufacturers reliant on international supply chains.

As Premier and Treasurer, I have made it very clear that this Government will do everything it can to manage and mitigate the economic and social impacts and we will work to ensure that our businesses, our workforce and our communities are well positioned for a successful recovery. The Government will make available whatever resources are required to combat this virus, to keep people safe and to support our economy and Tasmanian's jobs.

Given these difficult circumstances, I have closely considered the most appropriate approach to the development of the 2020-21 State Budget which was previously scheduled to be delivered on 4 June this year. In particular, note issues such as:

- the current high level of uncertainty in relation to the cost of the Government's response to the COVID-19 pandemic, the nature of the expenditure that will need to be incurred and the timing of that expenditure;
- the current high level of uncertainty in relation to the impact on the Government's revenue including GST receipts, State Taxation Receipts and returns from Government Businesses;
- the importance of the prioritisation of expenditure toward supporting the Tasmanian community in addressing the impact of the coronavirus;
- the potential impact the coronavirus could have on the Budget process including the preparation of the extensive Budget documentation and the consideration of the Budget Papers by Parliament; and
- the importance of having a timely and tailored Budget response that is able to support and drive the recovery of the State once the worst of the impacts have passed.

With these and other issues in mind, I have made the decision to delay the development and tabling of the 2020-21 Budget until later this calendar year. I consider that this approach is both necessary and responsible in the current environment.

As is standard practice when the Budget has not been passed by the commencement of the Budget year, a Supply Bill has been prepared to ensure that Government services can continue to be provided until the Budget has been passed by Parliament. This Supply Bill has been drafted on the basis of the provision of six months of funding and appropriates \$3.02 billion. This amount has been based on the 2019-20 Budget estimate for 2020-21 adjusted to reflect initiatives funded in the Supplementary Appropriation Bill including those detailed in the 2019-20 Revised Estimates Report, the State of the State address and the Economic Stimulus Package. It also takes into account the timing of expenditure during the year by agencies.

Consistent with the approach adopted in the Supplementary Appropriation Bill, an additional appropriation amount for Finance-General of \$180 million has also been provided to facilitate the funding of currently unknown costs in relation to addressing the impact of the COVID-19 pandemic. This provision is in addition to an allocation of \$70 million to the Treasurer's Reserve. In providing a briefing on the Supplementary Appropriation Bill and this Bill, the Secretary of Treasury has provided a commitment in relation to the provision of information in relation to expenditure incurred from these provisions.

Madam Speaker

While we are living in challenging times, the use of Supply Bills is in itself not unusual. Supply Bills have most recently been tabled and passed by parliament following State Elections in 2006, 2014 and 2018.

My Government's aim is to recognise the challenges that we face, protect the Tasmanian community, respond quickly and effectively, support Tasmanian people, businesses and industries and ensure that Tasmania comes out of this event strong, healthy and returns to being the economic powerhouse of the nation. The delay of the 2020-21 Budget and the passage of this Supply Bill are important elements of the Government's considered response to the environment that we currently face.

I commend the Bill to the House.