

## DRAFT SECOND READING SPEECH

HON. PETER GUTWEIN MP

### *Consolidated Fund Supply Bill (No. 1) 2018*

*\*check Hansard for delivery\**

Madam Speaker

As members are aware, the 2018-19 Budget will be handed down on 14 June 2018. This is later than has been the case in recent years and reflects the time required, following the 2018 State Election, to finalise Budget estimates and the preparation of Budget Papers.

As a consequence of this timing, it is not expected that Royal Assent for the Appropriation Bills will be received until late July or early August 2018. It is therefore necessary for Supply Bills to be passed by Parliament to appropriate funding to agencies so that the Government can continue to provide ongoing services from 1 July 2018 through to the eventual date of the receipt of the Royal Assent.

Since the introduction of a May Budget in 1999, a Supply Bill has only been required twice, in 2006 and 2014, with both of these occasions also being a result of the timing of the State Election. This is because Section 14A of the Public Account Act 1986 provides the Treasurer with the capacity to approve a limited level of supply funding in any financial year before the passing of an Appropriation Act without the need for a Supply Bill.

Section 14A of the Public Account Act authorises the Treasurer to issue funds to agencies for a period not extending beyond the first two months of a financial year. The amount of funding that may be issued by the Treasurer to a particular agency cannot exceed an amount equivalent to that agency's expenditure for the month of June of the immediately preceding financial year. Given this restriction and the requirement of a number of agencies to make significant additional payments in the first month of the financial year, Section 14A, in practice, can only now provide Supply funding for a maximum period of up to two to three weeks. Given the normal timing of the State Budget in late May, this means that the Royal Assent to the Appropriation Bills is generally received either prior to the commencement of the new Budget year or very shortly after the commencement of that year. As outlined above, this will not be the case in the current post-election year.

In accordance with current appropriation conventions, two Supply Bills have been prepared. Consolidated Fund Supply Bill (No.1) 2018 provides funding for the services of the Government and Consolidated Fund Supply Bill (No.2) provides funding for the services of the Parliament and Statutory Offices.

The Consolidated Fund Supply Bill (No.1) 2018 seeks Parliament's approval for the provision of funding of \$945.9 million for expenditure on Recurrent Services and Works and Services. Funding for Recurrent Services in Bill No.1 is \$912.1 million. This amount has been based on consultation with agencies and reflects actual expenditure trends for the first two months of the Budget year. As such, the amount does not reflect a consistent proportion of the annual funding amount for each agency.

The Consolidated Fund Supply Bill 2018 (No.1) also provides \$33.8 million for works and services. This will allow the Government's important Capital Investment Program to continue to be roll-out in the new Budget year. It is important to emphasise that no new capital projects have been funded in the Supply Bill.

Madam Speaker

I draw to the attention of Honourable Members that the Consolidated Fund Supply Bill 2018 (No.1) has been prepared on the basis of the new agency structure that will be in existence on 1 July 2018. This is consistent with the basis on which the 2018-19 Budget will be presented.

The Consolidated Fund Supply Bill 2014 (No. 2) seeks Parliament's approval for an amount of \$4.8 million for expenditure on Recurrent Services and \$100 000 on Works and Services.

Madam Speaker

These Supply Bills are administrative in nature as they provide for the continued provision of existing Government services and capital expenditure pending Parliament's consideration of the Budget for the 2018-19 financial year.

I commend the Bill to the House.