

Second Reading Speech

Consolidated Fund Appropriation (Supplementary Appropriation for 2013-14) Bill 2014

Madam Speaker / Mr President

As members would be aware, for a range of reasons, a Government will sometimes be required to expend more monies in a given financial year than was originally budgeted for and appropriated by Parliament.

A Supplementary Appropriation Bill is one mechanism that can be used to provide additional funding in the current financial year for the operations of Government. Such Bills have been used regularly in recent years to provide additional funding to agencies. The amount of funding provided through these Bills has varied considerably from year to year. For example, in 2012-13 an amount of \$62.9 million was provided by Supplementary Appropriation and in 2011-12 the amount was \$45.5 million.

Madam Speaker/ Mr President

In the 2013-14 Supplementary Appropriation Bill it will be necessary to address costs that have arisen since the release of the 2013-14 Budget under the former Government and since the State Election. The Supplementary Appropriation Bill seeks to appropriate \$92.6 million. Of this total amount, the majority, \$68.8 million, relates either to funding that was committed by the previous Government and included in the Revised Estimates Report 2013-14 or funding that involves offsetting revenues and is related to areas of Australian Government funding or asset sales.

This Bill includes \$39.2 million for adjustments in Australian Government programs and \$6.5 million for the return of asset sale proceeds to agencies. Both of these expenditures are offset by the receipt of additional funding by the Government.

An amount of \$23.1 million represents commitments made by the previous Government and included in the Revised Estimates Report 2013-14. Most significant amongst these commitments is an allocation of \$18.5 million to assist in addressing projected budget overspends by two Tasmanian Health Organisations.

Madam Speaker/ Mr President

The Bill includes additional expenditure of \$8.9 million in 2013-14 relating to a change in the administrative arrangements between the Government and Aurora Energy for the funding of the Energy Concession. Funding for these concessions will now be provided to Aurora Energy on a monthly rather than quarterly basis. This does not represent an increase in the cost of these concessions or any change to the payments provided to eligible Tasmanians.

This Bill provides \$4.8 million for transitional costs in relation to the change in Government following the 2014 State Election. These costs were not previously included in the 2013-14 Budget and include termination payments for ministerial and support staff.

The Bill also provides \$3.9 million for fire suppression activities that have been conducted by the Parks and Wildlife Service during 2013-14. Due to the highly uncertain nature of these costs each year, it has been established practice for these costs to be addressed in this manner once a clear indication of the cost for the year is known.

The Bill also provides an additional \$4.7 million to meet increased costs associated with the First Home Owners Grant Scheme.

Madam Speaker/ Mr President

In addition to these commitments, the Government is also providing \$710 000 for Major Events funding to support iconic events such as Dark MOFO and the Tall Ships Festival, \$400 000 in funding for the Mount Lyell Assistance Package to support approximately 150 employees affected by the suspended operations of Copper Mines of Tasmania at Queenstown. The Bill also provides \$250 000 for operational losses at Princes Wharf No.1, \$119 000 for TasRail and \$39 000 to the Department of Police and Emergency Management for the return of funds in relation to a seized vessel.

Madam Speaker/ Mr President

The Bill before the House is required to ensure that the Government honours its commitments, including those made by the previous Government and continues the vital services of the Government.

I commend the Bill to the House.