

## DRAFT SECOND READING SPEECH

HON. PETER GUTWEIN MP

### *Consolidated Fund Appropriation (Supplementary Appropriation for 2017-18) Bill 2018*

*\*check Hansard for delivery\**

Madam Speaker

The Government is committed to strong financial management and to improving the services provided to the Tasmanian community. As a result of the improvement in the Budget position that has been achieved by the Government, it has been able to deliver significant additional funding to improve the services provided to Tasmanians particularly in the areas of health, community, education and support for jobs. The Government remains committed to ensuring that the Budget remains in a surplus position. A Budget surplus has been achieved in the last two years and will be achieved again in 2017-18. The 2018-19 Budget and Forward Estimates that will be tabled in Parliament on 14 June 2018 will have, as its cornerstone, the continuation of strong and responsible financial management over the Budget and Forward Estimates period.

A Supplementary Appropriation Bill is a standard piece of budgetary legislation that facilitates the provision of additional funding to meet the operational costs of Government in the current Budget year. This approach provides early transparency in relation to the additional expenditures that have been incurred by the Government. It is also noted that, in many cases, the additional expenditures being incurred by the Government and included in Bills of this nature are offset by increased revenues or savings compared to those expenditures already included in the existing Budget and Forward Estimates.

Madam Speaker

The Consolidated Fund Appropriation (Supplementary Appropriation for 2017-18) Bill 2018 seeks to appropriate \$168.7 million.

It is important to note that, of this total amount, \$136.7 million was reflected in the 2017-18 Revised Estimates Report that was published in January 2018. Furthermore, at least \$55 million is offset by additional Australian Government Funding, agency savings from previous years or reduced expenditure currently included in the Budget in future years.

There are a number of important additional expenditure items included in this Bill.

#### *Health*

As a Government, improving Tasmania's health system is one of our highest priorities. In order to continue this important task additional funding has been committed in 2017-18 including:

- \$33.9 million to improve services and meet increased demand for services across the State including the unprecedented flu outbreak over the 2017 winter;
- \$14.3 million to increase the delivery of elective surgery; and
- \$4 million to Ambulance Tasmania.

This Bill also includes the administrative transfer of funding provided in the 2017-18 Budget for health services of \$20 million and health infrastructure of \$6.7 million, from Finance-General to the Department of Health and Human Services. This transfer of funding has no net impact on the Budget position.

#### *Education*

The Bill includes approximately \$15 million in additional education related funding. The vast majority of the related additional expenditure is offset by funding received from the Australian Government and savings in allocated funding in future years due to the bringing forward of infrastructure expenditure to 2017-18.

#### *Regional and Community Election Commitments*

The Government is committed to supporting community and sporting groups across Tasmania. As part of the 2018 election process the Government consulted with community and sporting groups across Tasmania and made Regional and Community Election commitments totalling \$21.4 million. The Supplementary Appropriation Bill provides funding of \$10 million to enable almost 50 per cent of these commitments to flow to community and sporting groups in the current Budget year.

#### *Fruit Fly Response*

This Bill includes \$8 million to meet the costs associated with the Government's comprehensive response to the detection of fruit fly on Flinders Island and sites near Spreyton and George Town in northern Tasmania. Ongoing surveillance and control actions are being undertaken, at and around these areas, with the aim of eradication. The Department of Primary Industries, Parks, Water and Environment has established an emergency response taskforce to manage this significant incursion. This funding reflects the Agency's expenditure for the Fruit Fly Response and Grower's Assistance Package across the State.

This funding commitment will now be met from the recently announced \$20 million Biosecurity Emergency Response and Research Fund provided by the Commonwealth Government.

#### *Police, Fire and Emergency Costs*

The Bill also includes additional funding of \$5.1 million to meet the cost of the Police Enterprise Agreement 2018 and \$4.8 million in funding for the Emergency Services Computer Aided Dispatch System project. This latter funding reflects a change in project cash flows and is offset by an equivalent saving that was recognised in 2016-17.

As has been the case in recent years, the Government has also been faced with additional fire and emergency related costs in 2017-18. These include \$1.7 million for bushfire costs in the first half of the Budget year, \$1.7 million for fire suppression activities undertaken by the Parks and Wildlife Service and \$4.2 million in payments to Local Government in relation to the 2016 flood and bushfire events.

#### *Supporting Jobs*

The 2017-18 Revised Estimates Report and this Bill also include significant additional funding to support industry and the growth of jobs in Tasmania. This includes \$2.3 million to support the BioMar Group to construct a new aqua feed processing facility, \$2 million to support the Hermal Group establish a new timber processing facility in Tasmania and \$700 000 to support Houston's Farm develop and expand its Dodge Farm at Forcett.

Madam Speaker

The additional funding that is included in this Bill is delivering increased and better services to the Tasmanian community and, importantly, this is being done within the vital framework of an expected Budget surplus. As I noted earlier, the vast majority of this expenditure has already been reflected in the 2017-18 Revised Estimates Report.

The Government is looking forward to the tabling of the 2018-19 Budget that will see the continuation of the implementation of the Government's important Fiscal Strategy and the outlining of funding for the new commitments that were detailed by the Government as part of the 2018 State Election process.

I commend the Bill to the House.