



PARLIAMENT OF TASMANIA

PARLIAMENTARY STANDING COMMITTEE OF PUBLIC ACCOUNTS

Tasmanian Government's Spending

Unallocated COVID-19 Funding

Members of the Committee

Legislative Council

Hon Ruth Forrest MLC
(Chair)

Hon Meg Webb MLC

Hon Josh Willie MLC

House of Assembly

Ms Lara Alexander MP

Dr Shane Broad MP
(Deputy Chair)

Mr John Tucker MP
(until 21 November 2022)

Mr Dean Young MP
(from 23 November 2022)

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Charter of the Committee

The Public Accounts Committee (the Committee) is a Joint Standing Committee of the Tasmanian Parliament constituted under the *Public Accounts Committee Act 1970* (the Act).

The Committee comprises six Members of Parliament, three Members drawn from the Legislative Council and three Members from the House of Assembly.

Under section 6 of the Act the Committee:

- **must** inquire into, consider and report to the Parliament on any matter referred to the Committee by either House relating to the management, administration or use of public sector finances; or the accounts of any public authority or other organisation controlled by the State or in which the State has an interest; and
 - **may** inquire into, consider and report to the Parliament on any matter arising in connection with public sector finances that the Committee considers appropriate; and any matter referred to the Committee by the Auditor-General.
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Abbreviations, Acronyms and Glossary

capex	capital expenditure
CCMF	Community Case Management Facilities
Committee	Public Accounts Committee
Constitution Act	<i>Constitution Act 1934</i>
COVID-19	Coronavirus Disease 2019
DoH	Department of Health
DPAC	Department of Premier and Cabinet
DPFEM	Department of Police Fire and Emergency Management
ex post	after the fact or event
FMA	<i>Financial Management Act 2016</i>
GMAF	Government Managed Accommodation Facilities
MLC	Member of the Legislative Council
MP	Member of Parliament
NPA	National Partnership Agreement [on COVID-19 Response] ¹
opex	operating expenditure
PPE	personal protective equipment
Public Account	Under the FMA, the Public Account of the State comprises: <ul style="list-style-type: none">• receipts and expenditure of the General Government Sector, that do not form part of a Specific Purpose Account or an Agency Trust Account; and• any Specific Purpose Accounts established under the Act.
RAFs	requests for additional funding
RER	Revised Estimates Report
TAFR	Treasurers Annual Financial Report
the Act	<i>Public Accounts Committee Act 1970</i>

¹ See COVID-19 Response, Federal Financial Relations: <https://federalfinancialrelations.gov.au/agreements/covid-19-response> [Accessed 17 November 2022]

Executive Summary

The Government's response to the COVID-19 pandemic during the 2021/22 financial year required significant additional expenditure across many areas of government. As many of the potential additional costs required by each government department and agency could not be accurately determined in advance, an additional \$100 million, was appropriated to the Treasurer's Reserve to meet unanticipated and unexpected costs related to the COVID-19 pandemic. This was in addition to the \$50 million appropriated to the Treasurer's Reserve to meet non-COVID-19 related expenditure which could not reasonably have been foreseen and is necessary for efficient financial administration (section 21 *Financial Management Act 2016*)(FMA).

Similar mechanisms were utilised by most States, Territories and other countries to ensure funding was available to support the response to the pandemic. A primary function of the Joint Standing Committee on Public Accounts (the Committee) is to provide oversight of the use of public monies and the actions of government in the allocation and expenditure of public funds through the scrutiny of the executive government's implementation and use of public resources, financial management and related reporting. In light of the significant additional appropriation, the Committee resolved to inquire into the additional \$100 million appropriated to the Treasurer's Reserve and the spending of this unallocated additional funding in the 2021-22 Budget.

The Committee invited the Treasurer and Mr Tony Ferrall (Secretary, Department of Treasury and Finance) to a public hearing to provide detail regarding the expenditure of the additional unallocated funds. These funds were provided to relevant agencies through the *Appropriation (Supplementary Appropriation for 2021-22) Act 2022* and requests for additional funding (RAFs) under the FMA.

The Committee sought further information regarding the financial management of agencies with regard to the management of their budgets and use of the retained revenue roll-over provisions in the FMA.

The evidence in this Report provides details regarding the expenditure of the unallocated funds appropriated to Finance General in the 2021-22 State Budget and the *Appropriation (Supplementary Appropriation for 2021-22) Act 2022*. Further detail related to the *Appropriation (Supplementary Appropriation for 2021-22) Act 2022* expenditure can be found on Hansard related to the debate and passage of this Bill in September 2022.



Hon Ruth Forrest MLC
Chair

16 February 2023

Summary of Findings

The Committee found that:

- F1. Additional funding for COVID-19 related expenditure during the 2021-22 Financial Year was reported in the 2021-22 Revised Estimates Report released in February 2022 and reflected major new Government expenditure commitments totalling \$227.1 million primarily related to COVID-19.
 - F2. Unbudgeted COVID-19 related expenditures exceeded the appropriation for the Treasurer's Reserve of \$150 million.
 - F3. In June 2022, a total of 56 requests for additional funds (RAFs) from the Treasurer's Reserve were approved by the Treasurer for expenditure totalling \$143.6 million, of which \$65.1 million was provided for COVID-19 related expenditure.
 - F4. In May 2022, Parliament passed the Appropriation (Supplementary Appropriation for 2021-22) Bill 2022 (14 of 2022) including \$253.56 million for COVID-19 related expenditure.
 - F5. The Report and transcript of evidence provide a breakdown of above budget COVID-19 related expenditure by department and purpose.
 - F6. Funds allocated above budgeted amounts supported all relevant areas of service delivery, as well as providing ongoing financial support for businesses impacted by COVID-19.
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Summary of Recommendations

Whilst the Committee makes no recommendations to the Government, it notes that the extraordinary circumstances that led to the additional appropriation to the Treasurer's Reserve and such action should only occur in exceptional circumstances.

Background

Government Funding of General Government Sector Public Services

The *Constitution Act 1934* (Constitution Act) establishes the monetary powers of Parliament. In relation to financial matters Part IV – Money Bills: Powers of Houses² covers the following:

- defines Appropriation Act as an Act that authorises the issue and application of any money from the Public Account to meet:
 - the cost of the ordinary annual services of the Government;
 - expenditure on public works or any property required for public purposes; or
 - the making of a loan authorised by law;
- provides that Appropriation Acts shall not authorise the appropriation of money for a period longer than one year;
- requires that a Bill for the appropriation of any money, or for the imposition of a tax, rate, duty, or impost, shall originate in the House of Assembly;
- provides that the House of Assembly shall not appropriate any money unless the purpose of the appropriation is recommended to the House of Assembly by the Governor;
- provides that the Legislative Council may not amend a provision of a Bill for an Appropriation Act related to the ordinary annual services of the Government or an Income Tax Rating Act or a Land Tax Rating Act;
- provides that the Legislative Council may not amend a Bill to insert any appropriation of moneys, or impose or increase any burden on the people; and
- provides that the Legislative Council may return a Money Bill to the House of Assembly requesting amendment of the Bill.

The *Financial Management Act 2016* (FMA) amongst other key features provides:

- for the management of the public finances of the State in an economical, efficient and effective manner consistent with contemporary accounting standards and financial practices;
- for the establishment of minimum requirements for the supporting statements required in respect of Bills for Appropriation Acts (section 19); and
- the authority for the Treasurer to manage appropriations under certain circumstances (section 21) and to report supplementary estimates to Parliament (section 24).³

The Constitution Act and the FMA provide the legal framework to support the State's appropriation process.

Through an Appropriation Act, Parliament authorises the Treasurer, in respect of a financial year, to issue a sum of money from the Public Account and apply that sum for the purposes specified in the Schedule to that particular act.

² See *Constitution Act 1934*, <https://www.legislation.tas.gov.au/view/html/inforce/current/act-1934-094#HPIV@EN> [Accessed 28 October 2022]

³ See *Financial Management Act 2016*, <https://www.legislation.tas.gov.au/view/whole/html/asmade/act-2016-042> [Accessed 28 October 2022]

The purposes of appropriation are classified by Agency, Appropriate Minister and Services. Services are further classified as:

- Operating Services – the ordinary annual services of the Government; and
- Capital Services:
 - public works or property required for public purposes; or
 - a loan authorised by law.

The FMA requires a Bill for an Appropriation Act to be accompanied by a statement in the Budget Papers showing, for the Budget year, the total amounts of:

- estimated receipts of the Public Account;
- estimated expenditure from the Public Account; and
- the major General Government Sector financial statements, prepared in accordance with Australian Accounting Standards.

Annually, on Budget day, the Treasurer presents two Bills to Parliament for Appropriation Acts, which are supported by the Budget Papers. The first Bill is for the appropriation for the services of the Government. The second Bill is for the appropriation for the services of the Government in respect of the Parliament and Statutory Offices.

Parliament may also pass Supplementary Appropriation Acts authorising the Treasurer to issue money from the Public Account for expenditure for new purposes not contained in a Budget Appropriation Act. When necessary, Supply Appropriation Acts may be passed to provide an appropriation for the first two months of the coming Budget year so the normal operations of government can continue until the Budget Appropriation Acts are in place.

As part of the State's budget process, there is an annual Parliamentary review of the Budget. Following the introduction of the Appropriation Bills into Parliament, the Budget Papers are reviewed through a series of Parliamentary Estimates Committees to examine and report on the expenditures proposed in the Bills. This review process informs general parliamentary debate on the Budget and provides accountability and transparency of the overall Budget process.

The House of Assembly and the Legislative Council each undertake an Estimates Committee process, arranged by Ministerial portfolio, with Committees comprising Government, the Opposition and other members. Each Estimates Committee prepares a report to its respective House of Parliament for further debate.

Once the Appropriation Bills are passed through both Houses of Parliament, they are presented to the Governor for Royal Assent. Following Royal Assent, the Treasurer is authorised to appropriate money from the Public Account for the purposes specified in the Appropriation Acts.

During the course of a Budget year, changes may be required to agency allocations to reflect changing circumstances, new information and emerging priorities. Where additional appropriation is required, the FMA provides that, in certain circumstances, the Treasurer may

authorise the issue of money from the Public Account in addition to amounts appropriated by the Appropriation Acts.

The FMA allows the Treasurer to consider the provision of additional funding to agencies through the Treasurer's Reserve for unforeseen and necessary expenditure (section 21 – Treasurer's Reserve). The Treasurer may also approve expenditure of receipts from the Australian Government in excess of those budgeted (section 22 – Variation of appropriations for Commonwealth grants).

The FMA allows the Treasurer to transfer appropriations to make good deficiencies in a purpose of appropriation from any savings effected in another purpose of appropriation (section 20 – Transfer of appropriations of Public Account). The FMA also authorises the Treasurer to 'roll over' an amount of unexpended appropriation for an Agency, not exceeding five per cent of the Agency's appropriation, to be issued and applied from the Public Account in the following financial year (section 23(1) – Rollover of unexpended balance of an appropriation).

Any adjustments to appropriations approved by the Treasurer after the passing of the Appropriation Acts must be disclosed in supplementary estimates and reported to Parliament. The FMA requires supplementary estimates to be included in the Preliminary Outcomes Report and the Treasurer's Annual Financial Report.

(Further information around the Tasmania's Financial Management Framework is available from the Department of Treasury of Finance publication: [Overview: Tasmania's Financial Management Framework](#) (2019)).⁴

Scrutiny of unallocated appropriated funds by Public Accounts Committee

One of the Committee's primary functions is to provide oversight of the use of public monies and the actions of government in the allocation and expenditure of public funds through the scrutiny of the executive government's implementation and use of public resources, financial management and related reporting.

As noted by the Commonwealth Parliamentary Association, as the global economy begins to recover from the lasting implications of the COVID-19 pandemic, the unprecedented levels of public spending and debt incurred in recent years has drawn attention to the importance of financial oversight.⁵

With this in mind, the Committee resolved to scrutinise the Tasmanian Government's spending of unallocated additional funding in the 2021-22 Budget to meet unexpected costs related to COVID-19 in 2021-22 and the outcomes achieved by this expenditure.

The Committee sought details related to the expenditure of unallocated funds held in the Treasurer's Reserve, appropriated in the 2021-22 State Budget to Finance General for

⁴ See <https://www.treasury.tas.gov.au/Documents/Tasmanias%20Financial%20Management%20Framework%20Booklet.pdf> [Accessed 28 October 2022]

⁵ [Handbook on Parliamentary Financial Oversight: Adapting PAC Best Practices to Legislatures in Small Jurisdictions](#), Commonwealth Parliamentary Association 2022

COVID-19 related purposes. Expenditure of the unallocated funds was scrutinised with particular focus on the departments or agencies receiving funds, the purpose for the expenditure of the additional funds, outcomes achieved to date through this expenditure and how agencies are accounting for funds received.

Conduct of Review

On 7 September 2022, the Committee resolved to invite the Treasurer to a public hearing to brief the Committee on the Government's spending of unallocated additional funding in the 2021-22 Budget Finance General (under Output Group 4.2 Treasurers Reserve (\$100 million)) to meet unexpected costs related to COVID-19 in 2021-22 and the outcomes achieved by this expenditure.

On Friday, 21 October 2022, the Hon Michael Ferguson MP (Deputy Premier and Treasurer) accompanied by Mr Tony Ferrall (Secretary, Department of Treasury and Finance) attended a public hearing held in Committee Room 2, Parliament House, Hobart.

The Committee wrote to the Treasurer with respect to a question taken on notice during that hearing and the Committee received a response on 16 November 2022. The Committee also wrote to Hon Jeremy Rockliff MP (Premier and Minister for Health) and Hon Felix Ellis MP (Minister for Police, Fire and Emergency Management) and the Committee received a response on 30 November 2022.

A copy of the transcript of the public hearing is available on the Committee's website: <https://www.parliament.tas.gov.au/ctee/joint/PAC/PAC.html>.

Evidence

At the public hearing on Friday 21 October 2022, the Treasurer Hon Michael Ferguson MP and Mr Tony Ferrall (Secretary, Department of Treasury and Finance) provided the following evidence:

Mr FERGUSON - ...Thank you for the invitation to be here to discuss the spending in the 2021-22 Treasurer's Reserve to meet the 2021-22 COVID-19 related expenditure. As the committee would recall, the Budget was handed down in August 2021 at a time when there was still uncertainty regarding the COVID-19 pandemic. The health and economic challenges posed by the pandemic were an immediate and real threat to the State even at that time. In response to that set of circumstances, the 2021-22 Budget included a \$150 million allocation to the Treasurer's Reserve to meet expenditure that could not reasonably be foreseen at the time of the development of that budget.

The allocation to the Treasurer's Reserve was substantially more than those made in prior years, particularly to provide flexibility to ensure the Government was able to respond to those emerging issues and the uncertainty presented by COVID-19. The uncertainty of that situation did continue following the publication of the Budget with the emergence of the Omicron variant in late 2021.

The 2021-22 RER⁶ published in February this year reflected major new Government expenditure commitments totalling \$227.1 million primarily related to COVID-19. These expenditures were well in excess of the capacity of that Treasurer's Reserve, of \$150 million.

Accordingly, in May 2022 the Parliament debated and passed a supplementary appropriation bill for 2021-22 which provided for an appropriation of \$441.7 million from the Public Account. If you segment the COVID-19 related expenditure, my advice is that amount is \$253.6 million of the \$441 million. At the time of preparing the supplementary appropriation bill, a range of agency budget risks and issues that would potentially require funding from the Reserve were being monitored by Treasury as part of its 'within year budget management processes'.

In June 2022, I approved a total of 56 requests for additional funds from the reserve for expenditure totalling \$143.6 million; \$116.5 million of this was for operating services expenditure and \$27.1 million was for capital services expenditure. Of that, \$65.1 million, about 45 per cent of that total, was provided for COVID-19 related expenditure.

CHAIR - Is that across operating and capex?

Mr FERGUSON - Yes, it is. I am not sure if there was any capital but it certainly is from that total figure.

Mr FERRALL - I don't think there's any COVID-19 capital.

⁶ Revised Estimates Report

Mr FERGUSON - It sounds like it was 100 per cent operating and no capital. We'll just confirm that, if that's okay.

Information supporting the Supplementary Estimates was provided to the Tasmanian Audit Office earlier this month, including the RAFs⁷ from the Treasurer's Reserve. My advice is that by 31 October we will be in a position to publish the 2021-22 Treasurer's Annual Financial Report, as required, which will contain the audited supplementary Estimates statement as well...

CHAIR - ... Can you clarify, Minister, of the request for additional funding, you said there was \$143.6 million, I believe, \$116.5 million was opex⁸?

Mr FERGUSON - Yes.

CHAIR - Did you then say that 45 per cent of that was for COVID-19-related -

...

Mr FERGUSON - Yes, \$65.1 million of that \$143.6 million was the figure.

...

CHAIR - From my perspective I'd like you, or the Secretary, to provide a breakdown of both the supplementary appropriation funding, \$253.6 million and the \$65.1 million separately, for the RAFs, into the areas. Start with the departmental areas where that funding was expended, with the health, biosecurity, whatever, and then we might go deeper beyond that.

...

Mr FERRALL - At departmental level of the \$65.12 million, there was \$2.3 million which was for Department of Communities; \$51.3 million which was Department of Health; \$110 000 which was Department of Justice; \$1.2 million which was Department of Police, Fire and Emergency Management; ...

...

Mr FERRALL - ... \$3.7 million which was Department of Premier and Cabinet; and nearly \$6.5 million which was Department of State Growth.

...

Mr FERRALL - This is effectively from the Treasurer's Reserve. This is the COVID-19 related RAFs that are effectively funded from the Treasurer's Reserve.

CHAIR - ...Can I ask then for as much detail as you can regarding the breakdown of the \$51.3 million in Health? Not necessarily every mask that was bought and that sort of thing but the high-level areas that Health was supported through the RAF?

Mr FERRALL - ...of the \$51.3 million for Health the detailed information on that is -

...

Mr FERRALL - ...Health had two components to that, which was the Health-managed COVID-19 costs. That was the additional funding required to meet the increased cost of the State supporting the health system during COVID 19 response and recovery. That related to matters such as vaccinations, testing, hospital and ambulance resources, contact

⁷ Requests for additional funding

⁸ Operating expenditure

tracing, quarantine, and purchasing PPE and other equipment. The costs reflect the State's share of the cost that was not reimbursed under the National Partnership Agreement for the COVID-19 response. That is \$47.64 million for that component.

The second component is the Winter Strategy and free flu vax program, which was \$3.65 million.

Mr WILLIE - That excludes wages, does it? Wages was a significant component for the State in the vaccinations.

Mr FERRALL - Wages could be in these numbers. These are the costs of those items that Health has reported back to us.

Mr WILLIE - There could be additional wages cost?

Mr FERRALL - Not additional; it would be embedded in that, in terms of the COVID-19.

...

Mr FERRALL - Wages are a major component of almost all agencies so, yes, it would be but I don't have the details of a breakdown between wages and other expenditure.

CHAIR - The Winter Strategy would have included the staffing required to administer the vaccinations, which are health professionals, which are workers, yes?

Mr FERRALL - It is also the costs through the pharmacies and the GP clinics as well.

CHAIR - And, obviously, the cost of purchasing the flu vax as well would be in that, yes?

Mr FERGUSON - That is a cover-all cost for each of those initiatives, regardless of its components, yes, taking all of its components into account.

CHAIR - Was the cost of the flu vax subsidised by the Commonwealth at all?

Mr FERGUSON - We wouldn't have that information. It may well not have been because we were actually targeting over and above the National Immunisation Program in some cases.

...

Dr BROAD - ... does this take into account possible refunds from the Federal Government under the COVID-19 response agreement?

Mr FERRALL - This is the cost to the State after allowing for anything that came back from the Commonwealth.

Dr BROAD - Do we have a figure for how much was spent in total?

Mr FERRALL - No, I don't have that with me.

CHAIR - What was the percentage of the Commonwealth contribution to our COVID-19 related costs?

...

Mr FERGUSON - Under the NPA⁹, it was effectively half-half. Usual hospital funding is 45-55. With this particular NPA it was 50-50. ... in preparing for our hearing here today, we're looking at net costs that are being provided out of the public account so we haven't attempted to capture the broader expense, nor offset for revenues received.

Mr FERRALL - There are some components that the State met in terms of COVID-19, costs which would not be eligible for claiming back under the NPA as well. You can't necessarily just pick up the State number and double it to get to the total figure.

CHAIR - ... I will go to State Growth.

Mr FERRALL - In State Growth, there were effectively four items that broke up their COVID-19 related costs.

...

Mr FERRALL - There is the additional AFL games, that was \$2.6 million. There was a live performance support program, that was \$351,000. There was support for Metro Tasmania and passenger transport, which was \$7.05 million. There was the Taste of Summer Festival 2021 and 2022, which was \$3.88 million.

Mr WILLIE - So the business grant program was in the appropriation?

Mr FERRALL - It would be. I'll have to go back....

CHAIR - In the supplementary appropriation? ...

Mr FERRALL - Of the \$7 million for Metro, just to correct that, only \$3.09 million of the total Metro Tasmania passenger transport expenditure was COVID-19 related. So, it was not \$7 million, but \$3 million. It is just that it has all been detailed as COVID-19 in this table.

CHAIR - So, \$3.09 million was the COVID-19 related RAFs for Metro and passenger transport.

...

CHAIR - ...if we can then go to DPAC.¹⁰

Mr FERRALL - The Department of Premier and Cabinet had \$3.7 million of pandemic leave disaster payments. That was to reimburse the Australian Government the cost of pandemic leave disaster payments made to temporary visa holders residing in Tasmania.

CHAIR - So the Commonwealth made those; we had to reimburse. Is that our component? That was the entire DPAC?

Mr FERRALL - Yes, the \$3.702 million.

⁹ National Partnership Agreement

¹⁰ Department of Premier and Cabinet

CHAIR - Department of Communities?

Mr FERRALL - Department of Communities: there were COVID-19 care packages of \$230,000; COVID-19 Tasmania hotel quarantine extension, \$1 million; pandemic isolation grants, \$850,000; and securing the Hobart Show for 2021, \$250,000.

CHAIR - ... DPFEM¹¹ is probably the next one in order of magnitude ...

Mr FERRALL - Police, Fire and Emergency Management had a COVID-19 coordination centre, \$600,000; then monitoring, containment cost and extended cleaning, \$613,000.

CHAIR - So, this was a RAF for the COVID-19 coordination centre? Wouldn't that have been understood? These are requests for additional funding where the costs were unexpected and unanticipated.

Mr FERGUSON - Or higher than expected, or higher than budgeted.

...

Mr FERRALL - The COVID-19 coordination centre additional funding was required to meet the costs incurred for the operation of the COVID-19 coordination centre for 2021-22. This is related to salaries for police, including overtime; State Service policy, logistics and coordination staff; and operating costs of the units such as equipment supplies and consumables. It also included costs for the public information unit, which included software, licences and, some contractual payments.

CHAIR - Some of that was unanticipated?

Mr FERRALL - Yes.

Ms WEBB - What does that represent in terms of an increase on what had been budgeted?

...

Mr FERGUSON - ... This relates to the additional expense above budget. If you like, we could take that on notice.¹²

In replying to a Question Taken on Notice, the Treasurer provided the Committee with the following with respect to the total actual costs to date of the State's COVID-19 Emergency Coordination Centre:¹³

¹¹ Department of Police Fire and Emergency Management

¹² See Transcript of Evidence [Public Hearings \(21 October 2022\) – \(Deputy Premier Ferguson\)](#), p.1-7

¹³ Letter to Hon Ruth Forrest MLC Chair – COVID-19 Public Hearing - Responses to Questions taken on Notice, 16 November 2022

Since its inception in 2020, the total actual cost of the COVID-19 Emergency Coordination Centre as at 31 October 2022 was \$11.573 million which is composed of:

Classification	\$'000s
Employee Benefits	4,528
Consultants	43
Communications	55
Information Technology	155
Travel and Transport	37
Public Information Unit	5,673
Other Supplies and Consumables	1,082
Total	11,573

This expenditure totalled \$2.065 million in 2020-21, \$7.925 million in 2021-22, and \$1.584 million in 2022-23 to date.

Expenditure for the Public Information Unit includes the cost of advertising and promotion costs incurred on behalf of Department of Health (DoH) for COVID-19 advertising (including television, print and online).

The total cost of the COVID-19 Emergency Coordination Centre has been funded by a combination of Budgeted appropriation, RAFs, eligible reimbursements under the COVID-19 NPA and other recoveries.

Funding Type	\$'000s
DPFEM Appropriation	5,656
DPFEM RAF	600
DoH RAF	2,652
COVID-19 NPA	2,651
Other Recoveries	14
Total	14,573

DPFEM invoiced DoH for COVID-19 eligible expenditure. DoH then claimed 50 per cent of that expenditure through the COVID-19 NPA and submitted a RAF for the remainder.

The Committee questioned the Treasurer and the Secretary, Department of Treasury and Finance as to whether additional expenditure may have been related to the increased transmissibility of COVID-19 associated with the COVID-19 Omicron variant:

Mr WILLIE - Is some of that attributable to the Omicron wave? A lot of the modelling was done on Delta. The Kirby Institute -

CHAIR - This is before Omicron we're talking?

Mr FERGUSON - This comes to June 2022.

Ms WEBB - It is across the Omicron wave.

...

Mr FERRALL - Yes, James has mentioned to me that it is of the order of about \$3.5 million but we will need to get that accurately.

CHAIR - Justice? It is only \$110,000 ...

Mr FERRALL - That was the Rent Relief Fund.¹⁴

In replying to a request for further information, the Premier provided the Committee with the following with respect to the additional expenditure that may have been related to the increased transmissibility of COVID-19 associated with the COVID-19 Omicron variant:¹⁵

The COVID-19 response activities and associated costs cannot be identified against a specific strain of COVID. The total cost of the COVID-19 response was \$94.3 million for 2019-20, \$139 million for 2020-21 and \$367.5 million for 2021-22. The increase in cost in 2021-22 was due to measures put in place to prepare for State border reopening and the subsequent increase in COVID-19 cases.

The Committee asked for a breakdown of the additional expenditure appropriated through the *Appropriation (Supplementary Appropriation for 2021-22) Bill 2022*:

CHAIR - If we can go to the supplementary appropriation and the related expenditure there

...

Mr FERRALL - Department of Communities, \$42.8 million, this is in the sup appropriation bill, which obviously went through both Houses and there was discussion and debate.

...

Mr FERRALL - ... Department of Communities: the Tasmanian hotel quarantine extension, \$42.8 million was to support the extension of the Tasmanian hotel quarantine program in 2021-22. That included providing hotel quarantine for the domestic program, repatriation flights, Tasmanian seasonal workers, Victorian seasonal workers, interstate and international supporting groups and Antarctic expeditioners. Costs include the wages subsidy provided to workers, such as hotel and security staff and includes the cost associated with the State's agreement with the Victorian Government to provide entry and pathway for 1,809 Victorian seasonal workers.

Department of Education is \$8 million, which is additional education measures to keep Tasmanians safe. Additional funding was required to implement a range of facilities related initiatives to assist in responding to COVID-19. It included improvements to ventilation, such as air purifiers, air conditioning repairs, window audits and repairs. It was effectively across a range of schools.

Department of Health was COVID-19 health managed costs, which is \$125 million. The additional funding of \$125 million was required by the department to support the Tasmanian health system during the COVID-19 response and recovery. The funding was

¹⁴ See Transcript of Evidence [Public Hearings \(21 October 2022\) – \(Deputy Premier Ferguson\)](#), p.7

¹⁵ Letter to Hon Ruth Forrest MLC Chair – COVID-19 Public Hearing - Responses to Further Questions, 30 November 2022

used to support departmental activities such as vaccinations, testing, hospital and ambulance resources, contact tracing, quarantine, and purchase of equipment including PPE.¹⁶ As the Treasurer mentioned earlier, we do not have the details of individual procurements at that level. We can give you at a high level those costs, but not go down into what PPE was purchased, et cetera. The costs included testing clinics, public health and operational response including call centre, hospital service costs, personal protective equipment, vaccination program, non-clinical costs, and ambulance costs.

Department of Natural Resource and Environment is \$21.8 million. The \$21.8 million covered their COVID-19 border response, the border response which was the airport expansion, Parks and Wildlife Service revenue loss, and TasTraveller Management System. The border response was \$11 million, the airport expansion was \$3 million, Parks and Wildlife Service revenue loss was \$7 million, and the TasTraveller Management System is \$829 000. If you would like details or further commentary on those?

CHAIR - In regard to the airport expansion, can you tell me what that actually involved? Which airport and what were they doing, if it is COVID-19 related?

Mr FERRALL - The additional funding was required to meet the increased costs associated with the Government's initiative to support the State's ongoing border control to COVID-19 pandemic, provided for the expansion of the passenger processing infrastructure at Tasmanian airports to cater for the processing of passengers, including surge capacity. I do not have details of the airports.

...

Ms WEBB - What was the figure on that part?

Mr FERRALL - \$7.3 million.

Mr TUCKER - The Parks and Wildlife Revenue loss ...?

Mr FERRALL - Park entry fees, it was leases and licences, because there were a range of fees and charges which earlier in the pandemic were effectively waived. All those revenues go towards supporting the Parks and Wildlife Service and effectively we had to support their revenue loss.

Mr TUCKER - Is Parks and Wildlife the only entity that had a loss like that?

Mr FERRALL - No, there would be a range. ... there was a range of revenues that would have been collected by various departments that were waived during the pandemic. In some cases, the departments would have absorbed that revenue loss. In other cases, such as Parks and Wildlife where it was very significant and they still had all of their costs incurred, they needed supplementation.

...

Mr FERRALL - Department of State Growth, \$45.5 million.

...

¹⁶ personal protective equipment

Mr FERRALL - There is \$2.5 million for the COVID-19 JobTrainer extension, \$3 million for the Southern Tasmanian Lockdown Business Support program, and \$40 million for the Supercharged Micro and Small Business Border Closure Critical Support Grant.

...

Mr FERRALL - ...The JobTrainer extensions was funding required for the extension and expansion of the JobTrainer fund which provided for key VET courses in skills training in areas that were currently experiencing shortages which include aged care, IT and childcare.

Mr WILLIE - That is just the State contribution, isn't it? ...

Mr FERRALL - The Southern Tasmania Lockdown Business Support program was to meet the cost to providing assistance to businesses impacted by the southern Tasmanian COVID-19 lockdown and in October 2021. The Micro and Small Business program was additional funding to meet the cost of extending that support for Tasmanian small businesses under that grant program. That was an extended grant program as well.

CHAIR - That included the West Coast businesses that were impacted by the cancellation of Unconformity.

Mr FERRALL - Yes, under that program.

CHAIR - I know that the State's stepped into the aged care area quite significantly at times. I am asking if any of that aged care related expenditure was really the remit of the Federal Government and if it was, was anything done about that?

Mr FERGUSON - The advice is we would not be able to comment on that here and now. I will point out the reason we have just brought up aged care was in respect of the JobTrainer fund which was the federal initiative that we were asked to provide matching funds for and that is what this component is. No doubt, there would be a component of the health-related expenditure which related to the aged care interventions.

Mr FERRALL - Finance General, \$10.5 million. There was the interstate quarantine costs, that is \$8.5 million and there was the Tourism, Hospitality and Ancillary Industry Support program of \$2 million.

CHAIR - What was the need for that extra \$2 million there?

Mr FERRALL - That was the introduction of payroll tax relief for businesses impacted by the border closures. It is tourism, hospitality and ancillary industries and that is what that was.

CHAIR - The \$2 million is related entirely to the payroll tax relief?

Mr FERGUSON - That was the initiative that provided the shorter-term relief up until December.

...

Mr FERGUSON - That brings us up to date. We have outlined the RAFs and the supplementary appropriations for COVID-19.

Mr WILLIE - The \$150 million to the Treasurer's Reserve was for the last financial year. I think this year it goes back down to \$50 million -

CHAIR - This current year we are in there is \$150 million.

Mr WILLIE - Okay, then the following year I think goes down to \$50 million. My question is, is that going to be sufficient if we have another wave or there may be other costs?

...

Mr WILLIE - It's quite a significant difference because you've spent \$143.6 million in the current environment - ...

Mr FERGUSON - ...the provision for the current financial year is \$150 million. As we approach the next Budget there will be fresh consideration given to what the Reserve ought to be in future years as well, even though the Estimates for the following financial years are well stepped down from the current \$150 million.

Mr WILLIE - Re-evaluate on a year-by-year basis?

Mr FERRALL -The obvious answer is, if there was a completely unanticipated significant outbreak, then we would look at coming back to Parliament with a sup[plementary] appropriation.

...

Dr BROAD - Is the assumption that the major expenditures due to COVID-19 are over?

Mr FERGUSON - I don't think we can quite say that, Dr Broad, but we would hope so. The provision in the Budget currently is for the circumstances that were identified in the lead up to the May Budget. We would certainly hope so, but we'll have to maintain a watching brief on that. I wouldn't be expert enough to guess but, in the event that a variant emerged that was unlike the recent variants where they seem to have been less severe, if a variant were to emerge that was more severe, or a different germ altogether, we would be having to give fresh thinking to that again, with potentially a provision for a higher amount, but I would be speculating. ...

...

Mr WILLIE - We may have to reintroduce vaccination programs and things like that, once the vaccination status wanes in the population?

Mr FERRALL - Quite possibly.¹⁷

Community Case Management Facilities

The Committee further sought information related to the State's COVID-19 Community Case Management Facilities (CCMF):

¹⁷ See Transcript of Evidence [Public Hearings \(21 October 2022\) – \(Deputy Premier Ferguson\)](#), p.7-11

Dr BROAD - ... I do have some other questions. I am wondering about your C[CMF], your community [case] management facilities. I know you have wound up all your vaccination centres, so are all those then disbanded?

Mr FERGUSON - That would have to be asked of the Health Department, I feel.

...

Dr BROAD - Was there any expenditure ...

Mr FERGUSON - We are not in the period where we would be receiving the request for additional funds if there was a need for additional funds. The financial management and the budget management for those kinds of matters continue to be within those line agencies but we do not have visibility on that today.

Dr BROAD - Would you say the same about the surge planning in the hospitals and so on? The funding for that?

Mr FERGUSON - I would give a similar answer, Dr Broad. The agencies continue to manage with their budgets as authorised under the Budget that has been through Parliament. In the event that there was less expenditure needed than required then there is a mechanism for that to be reported. In the event that there was a greater need then there is a mechanism for us to supplement them through a RAF or potentially a supplementary appropriation bill if it was a large amount. I do not have any evidence on that today here and now. If the Committee wanted us to explore that, well we could take it on notice and it may be easier for you to go to the relevant minister.¹⁸

In replying to a request for further information, the Premier provided the Committee with the following with respect to whether the State's COVID-19 Community Case Management Facilities had been disbanded similar to the vaccination centres:¹⁹

The Department of Health has been responsible for managing the State's Community Case Management Facilities (CCMF) as a hospital avoidance strategy. The CCMFs provide healthcare support in a hotel setting to people who test positive for COVID-19 but do not require hospitalisation.

Since 1 April 2022, the Department has also been responsible for managing the State's Government Managed Accommodation Facilities (GMAF), previously managed by the Department of Communities Tasmania as 'Quarantine Hotels', to provide accommodation for close contacts and COVID-19 positive cases unable to isolate at suitable premises.

Changes to public health management of COVID-19 cases and close contacts throughout 2022 has resulted in a significant decline in demand for CCMFs and GMAFs.

As part of the Department's COVID-19 Emergency Management Transition and Stand Down Plan, and proportionate to the declining demand, GMAF and CCMF operations across the State were consolidated to the Fountainside Hotel in Hobart from

¹⁸ See Transcript of Evidence [Public Hearings \(21 October 2022\) – \(Deputy Premier Ferguson\)](#), p.11-16

¹⁹ Letter to Hon Ruth Forrest MLC Chair – COVID-19 Public Hearing - Responses to Further Questions, 30 November 2022

30 September 2022. This included the stand down of operations at the Ibis Styles in Hobart, the Coach House and Peppers Seaport in Launceston and the Sunrise Motel in Devonport.

As at 9 November 2022, the Fountainside Hotel remains in operation as a GMAF and CCMF.

Aero-Medical Facilities

The Committee also sought more information around the State's aero-medical retrieval capability:

Dr BROAD - ... Another thing from your submission, it says that Ambulance Tasmania has also increased its aero-medical retrieval capability. I thought the aero-medical was actually controlled by the Police in terms of where it is funded from?

Mr FERGUSON - That is a good question. I am working on dated knowledge on this one, but I set it up as health minister. The Police had the contract for the actual helicopter service, but then there was the aero-medical retrieval teams, which is a medical-based capacity, which is vested in the THS. There may be a combination of expenditure on that, but I would not like to be definitive about that today. Again, that would be a question for the relevant departments.²⁰

In replying to a request for further information, the Premier provided the Committee with the following with respect to the total funding around the State's aero-medical retrieval capability:²¹

While the contract for helicopter services is shared between the Department of Health and the Department of Police, Fire and Emergency Management, the costs for aero-medical retrieval services are paid for exclusively by the Department of Health.

The actual expenditure by the Department of Health for aero-medical retrieval capability in 2021-22 was \$24.2 million. This includes fixed and rotary wing contracts, staffing and related expenditure and is the total aero-medical cost, rather than the COVID-19 related cost.

The estimated expenditure by the Department of Health for aero-medical activity in 2022-23, on the same basis as above, is forecast to be \$28.5 million.

Requests for Additional Funding

The Committee further sought information related to the *Financial Management Act 2016* regarding the management of funds received by agencies, including access to funds by way of RAFs or Supplementary Appropriation Bills:

²⁰ See Transcript of Evidence [Public Hearings \(21 October 2022\) – \(Deputy Premier Ferguson\)](#), p.16

²¹ Letter to Hon Ruth Forrest MLC Chair – COVID-19 Public Hearing - Responses to Further Questions, 30 November 2022

CHAIR - ... I want to ask a few broader questions around how this all works in terms of the budgetary management and the Financial Management Act. ... most of the information I've got is out of the supplementary Estimates statement from the preliminary outcomes and referring to the 2020-21 report and the previous year's report, as well.

The unexpended appropriation rose by \$112 million during 2022, to reach \$237 million by 30 June 2022. So, why is it necessary to spend the Treasurer's Reserve? If you look - on this supplementary appropriation - that's the rollovers -

Mr FERRALL - Yes.

CHAIR - That's it. This is a new thing under the FMA, the money can now sit up to, I think it's up to 5 per cent of their budget.... So, whilst they've basically increased - is it rather than use that and maintain that probably pretty close to 5 per cent of their budget, which is not insignificant number in Health, for example - that sits there and we use the Treasurer's Reserve instead?

Mr FERRALL - The rollover provision effectively provides for automatic appropriation in the next year. So, it is effectively reappropriated the next year and then in the year where the rollover is, it effectively falls in, or is in unexpended in the year that you've rolled forward from.

CHAIR - Okay, to clarify and make sure I'm clear on this. Whatever the amount is sitting in the unspent funds, essentially, of each department, rolls forward into the next year but forms part of their budget allocation. It is not in addition to?

Mr FERRALL - In the Budget you will see that there are estimates of the rollover and that is automatically appropriated. I will break it down to an example. If I took Treasury and we had a \$100 appropriation this year and we had a particular program or expenditure which needed to occur next year, because of timing issues it's slipped across a year, and say it was \$10, just to keep it simple, so -

CHAIR - That's 10 per cent, not five, anyway, yes.

Mr FERRALL - But I've got bigger than \$100 appropriation, but let's just use the \$100. Let's say I spent \$90 this year against the \$100, and then I used the rollover provision for next year. There is a provision in the act which provides for automatic appropriation next year. What you would see in a budgetary sense is Treasury expenditure in this year: budget \$100; actual: \$90; and in 'next year' you would see appropriation revenue effectively increased by \$10, because you get it through the automatic [rollover] -

...

Mr FERRALL - That's effectively how those provisions operate.

CHAIR - ... I assume you can't roll over unexpended Treasurer's Reserve, can you?

Mr FERRALL - No.

CHAIR - So, that just disappears?

Mr FERRALL - Without making it too esoteric, in reality, the Treasurer's Reserve is actually never really spent. What happens is, the Treasurer approves additional expenditure wherever that expenditure might occur. So, if Treasury put in a RAF for \$5, the Treasurer would approve additional expenditure against a particular output for Treasury of \$5. Treasury's appropriation would go up by \$5, and Treasury would spend an extra \$5. The way it works in practice is we would cross \$5 off the Treasurer's Reserve, but the actual reserve itself - which is in Finance General - is never really spent. The additional expenditure occurs wherever else it occurs within the public account.

...

Mr FERGUSON - So, it's appropriated once at the beginning of the Budget.

CHAIR - As a parliament we approve the appropriation, and we note the significant increase over last year and this year to meet what has been claimed to be unexpected expenditure related to COVID-19, predominantly, otherwise the \$50 million should be enough, as a back-stop, if you like. Does it mean then that where it's preferable, or the strategy is to actually use the Treasurer's Reserve, and expend that money through the process, rather than run down the agency's retained revenues, and then can roll over into the next year to be used, like the \$5 for Treasury?

Mr FERRALL - The preferred strategy is for the appropriation to be expended where Parliament has approved those appropriations. Agencies are able to retain revenue as well, depending on the sources, but they can retain revenue. Where there is revenue retention that is ordinarily or normally for the purposes of meeting expenditure. Using the Parks example, it has some appropriation funding, it has retained revenues and it uses the combination of those effectively to meet its expenditures. We don't have a particular preference to say you should be using this as opposed to that. Our preference - or our requirement - is that the funding that agencies have is used for the purposes that Parliament has approved, or indicates that reserved revenue retained for the purposes that the Treasurer has approved for the expenditure of those revenues.

CHAIR - That takes me to the point, if an agency had at the end of the financial year greater than 5 per cent of their allocated budget, ... some of them do have pretty big operating accounts, because they have big budgets as well. You would then use the above 5 per cent portion under our Section 20 transfer, to cross to other agencies that may need topping up? ... I am just trying to understand what happens to that above 5 per cent in the operating budgets or retained revenue of agencies at the end of the financial year.

Mr FERRALL - If an agency has an appropriation, effectively what happens is that the appropriation falls in. If we go back to the \$100 example, so I have an appropriation for \$100, and let's just say I spent \$80 through the year. Nominally, there might be, call it, \$20 left. I would be able to use the example to rollover 5 per cent, \$5, that is appropriated for the next year. But in the current year, what happens is that \$20 of appropriation effectively just falls in. So that the appropriation ceases as at 30 June.

CHAIR - So the money is not spent?

Mr FERRALL - That is right. The appropriation is an authority. The appropriation does not create money per se. Behind the scenes, in how Treasury operates, well when we know

an agency is drawing down an appropriation, we have to ensure that effectively through the Westpac banking system, that there is cash there to support it. We manage the cash behind the scenes. But the appropriation is the authority to spend; it does not actually create the money.

CHAIR - ... The money - let's say there is 10 per cent left in an account at the end of the financial year, rather than lose that money from the system, ... [the] unexpended appropriation ...

CHAIR - Would you be likely to use a Section 20 transfer to move that funding to another agency?

Mr FERRALL - It could go to another agency, but it tends to be rare to do that. What you would more likely see is within - if you take the appropriation bill, it is supported by the budget papers, and the budget papers detail a range of outputs, which are effectively the reasons for the appropriation, that, essentially, is what those outputs are.

Again, I use a Treasury example, we might have a particular output that appears that is going to be \$5 over in expenditure against the appropriation, we might have another one that is \$5 under in terms of appropriation. So, as a head of agency, then I could go to the Treasurer and say, look this output looks like \$5 over, and this one looks \$5 under, then I use the transfer provisions with the approval of the Treasurer to transfer between those appropriations. So, at the end of the year -

Mr WILLIE - This is a transfer of authority, not funds, isn't it?

Mr FERRALL - Yes, that is right. At the end of the year, the total Treasury appropriation would all have been expended using that example, but one output might be \$5 up and the other output \$5 down. It is the Treasurer's authority under the transfer provision which allows that movement across outputs.

CHAIR - It also allows movements across agencies.

Mr FERRALL - It does. My point is that it can be facilitated by the Act, but it rarely happens that it goes across agencies.

CHAIR - If you go to the preliminary outcomes, the Section 20 transfer is there. Don't they relate to transfers between agencies?

Mr FERRALL - I have to check if there were any like that. Last year there were a couple across agencies. There was Finance-General: there was a \$7.5 million that went from Finance-General to State Growth, and there was one between Justice, and Premier and Cabinet. They are examples of ones that were large that went across agencies. I would have to go back to get the detail.

CHAIR - How were they reported, the inter-agency transfers?

Mr FERRALL - They are shown in the Supplementary Estimates table.

CHAIR - Under table 3.3?

Mr FERRALL - Yes, it is on the second page of that table. It is before the Section 21 Treasurer's Reserve.

...

Mr FERRALL - It does occur. It tends to be where there is a particular activity that has occurred in an agency or might have been a change through the year and the actual output might be within another agency. In that case the transfer from Finance General to State Growth, without remembering the detail of it, I would say that there was an activity in State Growth that was occurring in terms of a grant program or similar but the originating appropriation and output might have been in Finance General.

Mr TUCKER - So it is a transfer of costs between the agencies.

Mr FERGUSON - Again, the money was appropriated once and there has been transfer of authority.

...

CHAIR - This is why we have often made the comment that a very large Treasurer's Reserve does need following up to see where the money has gone and for what purpose. Otherwise how do you justify appropriating \$150 million, just in case?

Mr FERGUSON - It is routinely and uniformly reported ...

Mr FERGUSON - ... there is no capacity for a Treasurer today or in the future to not have a full disclosure about those transfers.

Mr FERRALL - All of the approvals are provided to the Auditor-General and the Auditor-General uses that effectively as part of his review of agencies. We provide the Auditor-General all RAFs that have been approved by the Treasurer. When he is undertaking audits within agencies and an agency says, well I have a RAF of \$10 on this output he can trace back to his authority and the approval for that. Then they are reported to Parliament as well.

...

Treasurer's Reserve

At the public hearing, the Committee was provided with further information around the use of the Treasurer's Reserve:

CHAIR - Going back to understanding the use of the Treasurer's Reserve. Looking particularly at the unexpended appropriation, the unexpended appropriation for Health on June 2021, was \$9.5 million and it received \$51.8 million from the Treasurer's Reserve. This is in the previous year, and there was a \$75.8 million unexpended appropriation at June 2022. Does this mean the Treasurer's Reserve was not needed, because they had enough money there that it actually covered what they received from the Treasurer's Reserve, or is it effectively being used to keep the retained appropriations within that 5 per cent band? ...

Mr FERRALL - There are a couple of issues on these things. One is a question of timing. An agency might, say in terms of the budget, indicate to us that in March for the upcoming budget that effectively they are going to be over- or under-expended by June and that would be generally reflected in the estimated outcome that is published with the budget. Subsequent to that when you have gone past June and they have an actual outcome, and those initial opening and closing balances get updated, for whatever the actual outcome is in some cases, you will see - I guess from your point of view, anomalies in terms of how that might appear because you are looking at, effectively, the estimated outcome. Then when you finally do the final budget and go forward it is different. That can occur across years.

At an agency level, in terms of expenditure of their retained earnings and expenditure of appropriation, again, sometimes what can happen with the agencies is they think a particular component would be expended from their own sourced revenues, but they end up expended legitimately from the appropriation and that can also move those numbers.

Under the legislative framework we have, we do not control at the very agency level. The whole purpose of the legislation in part was to step back and provide agencies with the capacity and flexibility to manage appropriately at that level.

Our role is ensuring the appropriation is properly spent and those sorts of things. Not what might be occurring in an agency level with own sourced revenues. ...

CHAIR - I am trying to understand the strategy and if there was unexpended appropriation greater than the value of the dollars that were provided from the Treasurer's Reserve to meet unexpected expenditure, why wouldn't you use that up first?

Mr FERRALL - An agency probably would.

CHAIR - But then they end up at the end of the financial year with up to 5 per cent of their retained appropriation, which in some agencies is a very large amount.

Mr FERRALL - Yes, I think you also have to understand that when the Treasurer has to approve RAFs, you don't have perfect 30 June information. Again, you're still in a situation where RAFs are approved prior to 30 June and it's really on the basis of what agencies believe they need.

...

CHAIR - ... Our job here is to ensure that money we agree to appropriate is spent for the purposes for which it's appropriated. Hence, \$150 million sitting in the Treasurer's Reserve, which is appropriated for unexpected expenditure, it's important that we understand where it goes and for what purpose -

Mr FERRALL - Absolutely.

CHAIR - Particularly when you have big operating balances sitting in some of these agencies' accounts, within 5 per cent of their budget they can roll over, and getting topped up from the Treasurer's Reserve of an amount less than that, from the 2021-22 example I gave you.

...

Mr FERRALL - For there to be a roll-over, there should be an upcoming commitment. In the old legislative framework, effectively there would be. Treasury might say, 'Look, I need to roll over some funding', and we used to actually roll it over, rather than an automatic appropriation. That could be because a particular payment or commitment didn't have to be met in the current financial year but had moved into the next financial year. So, we used to roll funding over through what was the special deposit trust fund and the appropriation would be moved from the consolidated fund to the special deposit trust fund. In the special deposit trust fund, that was effectively then rolled over post-30 June, even though the appropriation fell in. That was the old provisions.

The new provisions effectively provide for automatic appropriation in the next year but it is still based on the similar concept that there should be a commitment or requirement that it is largely moved from one year into the next year.²²

²² See Transcript of Evidence [Public Hearings \(21 October 2022\) – \(Deputy Premier Ferguson\)](#), p.17-18