

# APPROPRIATION BILL (No. 2) 1996

## EXPLANATORY NOTES

Section 21 of the *Financial Administration and Audit Act 1977* provides that the Treasurer is to present to the Legislative Assembly for each financial year a Bill for an Annual Appropriation Act. It also provides that at the time of presenting this Bill, estimates of receipts relating to the proposed expenditure must be tabled by the Treasurer.

This Bill provides for:

- appropriation for 1996-97;
- supplementary appropriation for 1995-96 to provide for unforeseen expenses that occurred in that financial year, authorised by the Governor in Council under Section 25 of the *Financial Administration and Audit Act 1977* pending supplementary appropriation by the Legislative Assembly; and
- initial appropriation for 1997-98, in anticipation of the next Appropriation Bill to be presented to Parliament in 1997.

*Clause 1* provides for the short title of the Act.

*Clause 2* authorises the Treasurer to issue from the public accounts and apply for services, as specified in Schedule 1, in the financial year starting 1 July 1996, the sum of \$20,187,577,000.

*Clause 3* authorises the Treasurer to issue from the public accounts and apply for the supplementary services, as specified in Schedule 2, the sum of \$915,414,000 in the financial year commencing 1 July 1995.

*Clause 4* authorises the Treasurer to issue from the public accounts and apply for services in the financial year starting 1 July 1997, the sum of \$8,747,950,000.

Schedule 1 details appropriation for 1996-97 for the Consolidated Fund and Trust and Special Funds and also presents this information in Ministerial Portfolio format. The information presented in the Ministerial Portfolio Summary is grouped in accordance with the scope of each Estimates Committee.

Schedule 1 also details allocations for specific Program Areas within Policy Areas (Parts 2 and 3). A Policy Area is a broad aggregation of Program Areas representing the main areas of Government endeavour

whilst Program Areas are groupings of Programs representing a particular direction of Government within a Policy Area. A full explanation of the structure is contained in Budget Paper No. 2—Budget Overview and Statements of Receipts and Expenditure.

In terms of the *Financial Administration and Audit Act 1977*, the following structure applies for the Consolidated Fund:

- each Policy Area constitutes a single Vote;
- each Program Area within a Policy Area is a Subdivision; and
- departmental allocations within each Program Area are Subdivisional Items.

Within Trust and Special Funds each fund comprises the basic unit of appropriation.

Allocation and reallocation of resources is possible under Section 24 of the *Financial Administration and Audit Act 1977* as follows:

- allocation and reallocation of resources within a Program is a matter for determination by the accountable officer irrespective of the nature of the expenditure;
- allocation and reallocation of resources between a department's Programs within the same Program Area is also a matter for the accountable officer, except that transfers are not permitted between Trust and Special Funds;
- reallocation of resources within the same fund and between Programs in different Program Areas but the same Policy Area requires the approval of the Treasurer.

Additional reallocations are also available under Section 24A of the Act which provides for certain appropriations of Treasury to be transferred to other departments.