

APPROPRIATION BILL 2001

EXPLANATORY NOTES

GENERAL OUTLINE

Policy Objectives of the Bill

Section 21(a) of the *Financial Administration and Audit Act 1977* provides that for each financial year, the Treasurer is to present to the Legislative Assembly a Bill for an ordinary Annual Appropriation Act.

The policy objectives of the Bill, the reasons for those objectives and the ways in which the policy objectives will be achieved by the Bill are detailed in the Budget Speech and the accompanying Budget Papers.

The Bill provides for:

- Appropriation for 2001-02 to fund the cost of delivering departmental outputs, administered items and equity adjustment in that year and certain outputs, administered items and equity adjustment delivered in the previous year but not previously funded; and
- Initial supply for 2002-03 to allow the normal operations of government to continue until the Appropriation Bill for 2002-03 receives assent.

NOTES ON PROVISIONS

Clause 1 provides for the short title of the Act.

Clause 2 (1) authorises the Treasurer to pay a total of \$16,541,232,000 from the Consolidated Fund to departments for the financial year 2001-02 as itemised in Schedule 1.

Clause 2 (2) provides that for each department, the vote amount mentioned for the department in Schedule 2 is appropriated for the

financial year for the department for application to its departmental outputs, equity adjustment and administered items as stated in Schedule 2.

It also provides that part of the vote amount may be applied for some payments necessary in respect of departmental outputs, equity adjustments and administered items delivered in 2000-01 for which departments were not paid by the end of that financial year because the quantum of the payments could not be finalised by then.

Clause 2 (3) provides that the total amount of \$16,541,232,000 includes the amount already authorised by the *Appropriation Act 2000*, section 3, to be paid for the financial year starting 1 July 2001.

Clause 3 provides initial supply for 2002-03 and authorises the Treasurer to pay \$8,271,000,000 from the Consolidated Fund to departments for that financial year to allow the normal operations of government to continue until the Appropriation Bill for 2002-03 receives assent.

Clause 4 repeals the *Appropriation Act 1998 (1998 Act No. 35)* which has had its effect.

Schedule 1 sets out how the total which the Treasurer is authorised to pay from the Consolidated Fund for the year starting on 1 July 2001 is to be distributed between departments.

Schedule 2 details the total amount appropriated for each department for application to its outputs, equity adjustment and administered items for the financial year.

Accountable Officers may apply the total of funds received from the Treasurer for departmental outputs across the individual outputs of the department.

Under section 24 of the *Financial Administration and Audit Act 1977*, the Treasurer may pay a department's appropriation in amounts different to those set out in the Annual Appropriation Act, provided that the total Vote amount is not exceeded. If the Treasurer considers there is a surplus in one or more of the headings of a department for a financial year and a deficiency in another heading or headings of a department, the Treasurer may allocate an amount to one or more of the headings that are deficient from the heading or headings in surplus.

Under section 24A of the Act, where an amount for a Treasurer's Advance is included in the Vote for the Treasury Department for purposes that may be delivered by any department, the Treasurer may pay to a department that is to achieve those purposes by delivering a departmental output, equity adjustment or administered item, the amount involved. When

this occurs, the Treasury Department's Vote is decreased and the delivering department's Vote is increased by the amount involved.

LEGISLATIVE STANDARDS

Consultation

Appropriate consultation has been undertaken with departments in establishing the appropriations payable to them pursuant to this Bill.