

Appropriation Bill (No. 2) 2021

Explanatory Notes

Short title

The short title of the Bill is the *Appropriation Bill (No. 2) 2021*.

Policy objectives and the reasons for them

Background

Payments from the Consolidated Fund, including unforeseen expenditure, must be formally authorised under an Act of Parliament in accordance with section 66 of the *Constitution of Queensland 2001* (Qld).

The *Appropriation (2020–2021) Act 2021* (Qld) (assented to on 8 March 2021) appropriated the amount of \$60,857,652,000 from the Consolidated Fund for departments for the financial year starting 1 July 2020. This amount included amounts already authorised to be paid for the financial year starting 1 July 2020 under each of the following provisions:

- the *Appropriation Act 2019* (Qld), section 3 - \$27,349,450,000;
- the *Appropriation (COVID-19) Act 2020* (Qld), section 3(1) - \$1,614,800,000;
- the *Appropriation Act 2020* (Qld), section 3(1) - \$28,635,094,000.

2020-21 Supplementary appropriation

This Bill provides for supplementary appropriation for unforeseen expenditure that occurred in the 2020-21 financial year.

On the recommendation of the Treasurer, the Governor in Council authorised unforeseen expenditure that occurred in the 2020-21 financial year, that is, expenditure from the Consolidated Fund in excess of the amount already authorised, in accordance with section 35 of the *Financial Accountability Act 2009* (Qld).

Timely consideration of unforeseen expenditure enhances transparency and accountability of Government expenditure. As such, supplementary appropriation is sought via a separate Appropriation Bill as soon as possible after the end of the financial year rather than combined with the annual Appropriation Bills introduced next year at Budget time.

The supplementary appropriation sought is based on the Consolidated Fund Financial Report, noting unforeseen expenditure to be appropriated, which has been prepared by the Treasurer and reported on by the Auditor-General in accordance with section 23 of the *Financial Accountability Act 2009* (Qld).

Explanations of unforeseen expenditure requirements by departments have been provided as part of the 2020-21 Consolidated Fund Financial Report.

Achievement of policy objectives

The policy objectives of the Bill in relation to supplementary appropriation for unforeseen expenditure are achieved as payments from the Consolidated Fund, including unforeseen expenditure, must be formally authorised under an Act of Parliament in accordance with section 66 of the *Constitution of Queensland 2001* (Qld). The Bill provides the appropriation authorisation for unforeseen expenditure.

Alternative ways of achieving policy objectives

The policy objectives can only be achieved by legislation.

Estimated cost for government implementation

There are not any additional administrative costs in implementing the Bill as it seeks Parliamentary approval for expenditure incurred in the 2020-21 financial year.

Consistency with fundamental legislative principles

The Bill is consistent with fundamental legislative principles.

Consultation

Consultation has been undertaken with departments in establishing the appropriation payable to them pursuant to this Bill.

Consistency with legislation of other jurisdictions

The Bill is specific to the State of Queensland, and is not complementary to legislation of the Commonwealth or another state.

Notes on provisions

Clause 1 provides for the short title of the Act.

Clause 2(1) authorises the Treasurer to pay \$447,456,000 from the Consolidated Fund for departments as stated in Schedule 1, for the financial year starting 1 July 2020.

Clause 2(2) provides that for each department, the total amount mentioned in Schedule 1 is appropriated for the department for application to its departmental services, administered items and equity adjustment for the year as stated in the Schedule.