



The Queensland Parliament and the Financial Process

Parliamentary Scrutiny

The scrutiny by Parliament of the Government’s annual financial requirements is an important and powerful feature of the legislature’s role in Westminster systems. Parliament has not always had this role and the House of Common’s ‘long, arduous battle’ eventually saw it gain control over the British Sovereign’s revenues and expenditures. The Queensland Parliament similarly has a scrutiny and overview role over the Crown’s (i.e. the Queensland Government’s) appropriations and expenditure estimates.

priorities or outcomes. Key outcome indicators are established to measure the effectiveness of service delivery.

Ministers, together with their departmental heads and other officers, negotiate with the CBRC regarding their annual budgetary allocation and any new initiatives. After finalisation, the Budget is presented to Cabinet for approval, before being presented to the Parliament.

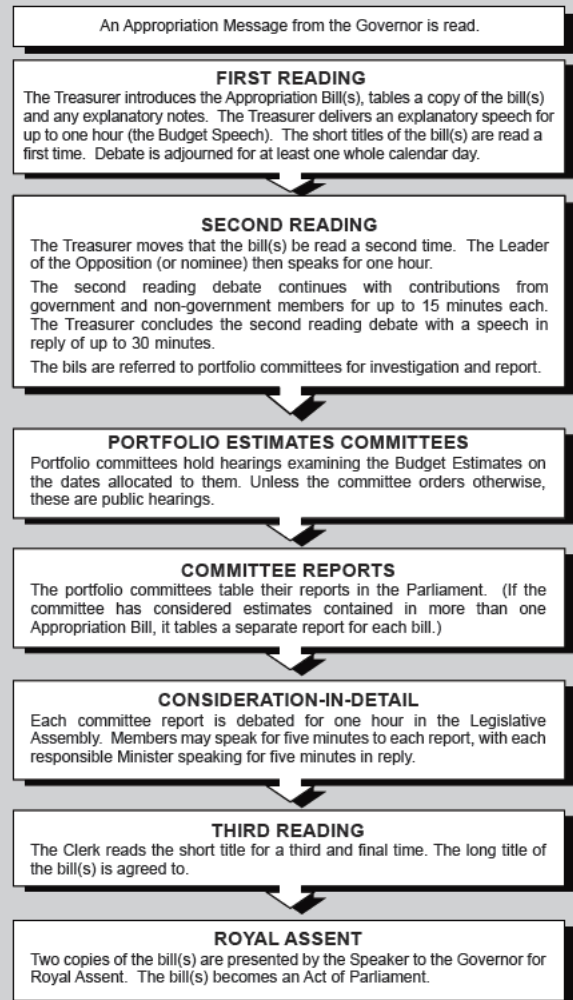
Because the Crown is solely responsible for the State’s expenditure, Section 68 of the Constitution of Queensland Act 2001 provides that prior to the Parliament scrutinising and passing the required annual grant, it must be recommended by a message from the Governor. Subsequently, the Governor’s recommendation that ‘a Bill for the appropriation of the Consolidated Fund,’ precedes the presentation of the Appropriation Bill(s) and the Treasurer’s Budget Speech.

Budget Preparation

At various stages throughout the year, the Government’s Budget has already been the subject of extensive preparation by the Treasury Department, Government Ministers and Departmental officials. A Cabinet Budget Review Committee (CBRC), comprising the Premier, the Treasurer, two senior Ministers and several departmental advisers, oversee the macro budget strategy in relation to the submissions from Government departments regarding new initiatives and savings. Acting as a central coordinating body, the Treasury’s responsibilities involve monthly monitoring of the budgets of Government departments, quarterly reporting to the CBRC, a major mid-year review and the maintenance of four-year forward estimates to ensure that annual budgets reflect the long-term goals of the Government.

Resources are allocated by output with the objective of achieving certain preset Government

The Budget Legislation Process



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Budget Procedures In The Parliament

On Budget Day, the Treasurer tables the related Budget documents. The message from the Governor is read, and the Treasurer presents the Appropriation Bill(s), in which the Government's fiscal policy for the past financial year and the Government's policy proposals and estimated revenue and expenditure for the forthcoming year are outlined to the Parliament. Also outlined are the proposed methods of raising the necessary funds. The two Bills are the Appropriation Bill and the Appropriation (Parliament) Bill.

In parliamentary terms, the Budget Speech equates to the explanatory speech in the first reading stage, which occurs during the passage of non-urgent legislation in the House. At the conclusion of the Treasurer's speech, the House is adjourned for at least one day. This allows the Opposition and the public to consider the Appropriation Bill(s) and accompanying Budget documents in detail and formulate their responses.

When the House returns, the Second Reading debate is opened by the Leader of the Opposition or nominee with their 'Reply to the Budget'. In this speech, the Opposition has the opportunity to criticise the Government's budget proposals.

A general debate between Government and Opposition Members then ensues in the House for the next two days. The Appropriation Bill(s) is then referred to the Portfolio Committees to examine the Budget Estimates.



An example of an Appropriation Budget Bill as introduced into the Legislative Assembly

Estimate Committees Process

Each committee examines and reports on the proposed expenditures for its particular portfolio. One day is allowed for each committee to hold a public hearing.

Members of the Legislative Assembly who are not members of the particular portfolio committee are able, with leave of the committee, to ask questions at the public hearing. In theory, at least, any Member can ask questions at each of the Estimates Committee hearings.

The Minister and the Chief Executive Officer of the relevant Department or Authority must attend the committee's hearings and may be questioned directly by Members. Members cannot ask questions of other public officials. However, a Minister or the Chief Executive Officer, may refer a question to another public official.

There is a provision for Questions on Notice which must be answered by 10am on the day prior to the hearing. Each Minister must provide answers to up to 20 Questions on Notice. At least 10 of the questions on notice are to be allocated to non-Government Members of the committee.

Questioners at Estimates Committee hearings are allowed a wide range of scope, with questions ranging from items of detail to broad policy. The Minister may inform the committee that a question will be taken on notice and provided at a later date.

When the committee's hearings are completed, the members meet, discuss the information gained and compile a final report. Any committee member can incorporate in the report a statement of reservations or a dissent to the majority committee report. The final report is tabled in Parliament and each one is debated in the House during the Consideration-in-Detail stage before it is adopted.

Following the Consideration-in-Detail stage, the Treasurer then seeks leave of the House to move for the Third Reading of the Appropriation Bill(s). After the Third Reading the Bill has been passed by the Parliament and it is then taken by the Speaker to the Governor to receive Royal Assent. This then becomes the Government's Budget for the next financial year.