



Speech By  
**Hon. Tim Nicholls**


**MEMBER FOR CLAYFIELD**

---

Record of Proceedings, 10 September 2014

## **APPROPRIATION BILL (NO. 2)**

### **Message from Governor**

 **Hon. TJ NICHOLLS** (Clayfield—LNP) (Treasurer and Minister for Trade) (3.34 pm): I present a message from His Excellency the Governor.

**Mr DEPUTY SPEAKER** (Mr Berry): The message from His Excellency the Governor recommends the Appropriation Bill (No. 2) 2014, the contents of which will be incorporated in the records of the parliament. I table the message for the information of members.

---

#### MESSAGE

APPROPRIATION BILL (NO. 2) 2014

*Constitution of Queensland 2001, section 68*

I, PAUL de JERSEY AC, Governor, recommend to the Legislative Assembly a Bill intitled—

A Bill for an Act authorising the Treasurer to pay amounts from the consolidated fund for particular departments for the financial year starting 1 July 2013


(sgd)

GOVERNOR

Date: 9 SEP 2014

*Tabled paper:* Message, dated 9 September 2014, from His Excellency the Governor, recommending the Appropriation Bill (No. 2) 2014 [[5907](#)].

### **Introduction**

 **Hon. TJ NICHOLLS** (Clayfield—LNP) (Treasurer and Minister for Trade) (3.34 pm): I present a bill for an act authorising the Treasurer to pay amounts from the Consolidated Fund for particular departments for the financial year starting 1 July 2013. I table the bill and explanatory notes. I nominate the Finance and Administration Committee to consider the bill.

*Tabled paper:* Appropriation Bill (No. 2) 2014 [[5908](#)].

*Tabled paper:* Appropriation Bill (No. 2) 2014, explanatory notes [[5909](#)].

The Appropriation Bill (No. 2) 2014 provides supplementary appropriation for unforeseen expenditure in 2013-14. Unforeseen expenditure is expenditure from the Consolidated Fund above the amount approved by annual appropriation on an individual department basis. Supplementary appropriation sought is based on the 2013-14 Consolidated Fund Financial Report, which I will refer to as the CFFR, which I have just tabled today. The CFFR outlines appropriation from the Consolidated Fund and provides explanations by department for variations from the amount approved by annual appropriation. Aligning the introduction of appropriation bills for supplementary

appropriation with the tabling of the CFFR enhances parliamentary scrutiny of unforeseen expenditure.

This government remains committed to transparency and accountability. The introduction of a separate bill for supplementary appropriation demonstrates this commitment by ensuring timely consideration by parliament of unforeseen expenditure incurred during 2013-14, just shortly after the end of the financial year. Under the approach used by the previous Labor government, parliamentary approval would not have been sought until mid-2015, resulting in less scrutiny and an unnecessary delay between when the expenditure is incurred and when it is approved by parliament—a deliberate attempt to avoid scrutiny cynically introduced by the last Labor government at a time when its unforeseen expenditure was over \$9 billion. Today this bill seeks parliamentary approval of supplementary appropriation for unforeseen expenditure incurred by nine departments in the 2013-14 financial year of \$442 million. Over half of this is for Queensland Treasury and Trade under the 'Administered items' heading and primarily relates to Treasury's responsibility as the whole-of-government financial manager. In particular, the appropriation covers increases in superannuation benefit payments and long service leave scheme claims, including payments to the defined benefit fund superannuation scheme as public servants retire. This is considered normal practice.

Departments also incurred unforeseen expenditure related to this government's support for those affected by natural disasters and drought—specifically additional expenditure for natural disaster recovery, the emergency water infrastructure rebate and Queensland's donation to the people of the Philippines as a result of Typhoon Haiyan. Other unforeseen expenditure related to this government's commitment to revitalise front-line services and included additional expenditure for the One Stop Shop, Smart Services Queensland, New Generation Rollingstock project—that is, 75 new six-car train sets—as well as the Government Wireless Network and planning ahead of the G20 event for November 2014. Along with the Appropriation (Parliament) Bill (No. 2) 2014, supplementary appropriation totalling \$447.6 million will be provided for 2013-14. This represents less than one per cent of total appropriation approved as part of the 2013-14 budget. Unforeseen expenditure in the first year of this government, in 2012-13, and in the second year of this government, in 2013-14, as a percentage of total appropriation is the lowest and third lowest respectively over the past 15 years, demonstrating this government's commitment to fiscal discipline. By financial year, total unforeseen expenditure sought in prior years was \$327.489 million in 1999-2000; \$295.912 million in 2000-01; \$375.910 million in 2001-02; \$1.530 billion in 2002-03; \$2.376 billion in 2003-04; \$77.538 million in 2004-05; \$1.874 billion in 2005-06; \$3.990 billion in 2006-07; \$2.152 billion in 2007-08; \$2.957 billion in 2008-09, and there seems to be a pattern here; \$1.054 billion in 2009-10; \$9.305 billion in 2010-11; and \$2.826 billion in 2011-12. Members can see how former Labor governments failed to keep their expenditure under control and to bring in balanced budgets.

For 2012-13, unforeseen expenditure—as I said, at this time last year—was only \$63.445 million, the lowest level in over 15 years. Further, while nine departments and the Legislative Assembly and Parliamentary Service required a supplementary appropriation in 2013-14, most departments did not reach their appropriation limit last year. Overall, total appropriation in 2013-14 was actually less than the total amount approved as part of the 2013-14 budget.

This is an outstanding result. I want to place on the record my thanks to my ministerial colleagues for their hard work in ensuring that the profligate ways of the past Labor government, which put Queensland on the path to an \$85 billion debt, are a thing of the past. We continue to cut the waste, we continue to plan and deliver better services and better front-line services for Queensland as we promised.

### **First Reading**

**Hon. TJ NICHOLLS** (Clayfield—LNP) (Treasurer and Minister for Trade) (3.40 pm): I move—

That the bill be now read a first time.

Question put—That the bill be now read a first time.

Motion agreed to.

Bill read a first time.

### **Referral to the Finance and Administration Committee**

**Mr DEPUTY SPEAKER** (Mr Berry): Order! In accordance with standing order 131, the bill is now referred to the Finance and Administration Committee.

## **Portfolio Committee, Reporting Date**

**Hon. TJ NICHOLLS** (Clayfield—LNP) (Treasurer and Minister for Trade) (3.41 pm), by leave, without notice: I move—

That under the provisions of standing order 136 the Finance and Administration Committee report to the House on the Appropriation Bill (No. 2) by 9 October 2014.

Question put—That the motion be agreed to.

Motion agreed to.