




Speech By
Hon. Curtis Pitt

MEMBER FOR MULGRAVE

Record of Proceedings, 16 September 2015

APPROPRIATION BILL (NO. 2)

Message from Governor

 **Hon. CW PITT** (Mulgrave—ALP) (Treasurer, Minister for Employment and Industrial Relations and Minister for Aboriginal and Torres Strait Islander Partnerships) (4.22 pm): I present a message from His Excellency the Governor.

Mr DEPUTY SPEAKER (Mr Elmes): The message from His Excellency recommends the Appropriation Bill (No. 2) 2015. The contents of the message will be incorporated in the *Record of Proceedings*. I table the message for the information of members.

MESSAGE

APPROPRIATION BILL (No. 2) 2015

Constitution of Queensland 2001, section 68

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


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 2014 and to amend the Financial Accountability Act 2009 for a particular purpose

GOVERNOR

15 SEP 2015

Tabled paper: Message from the Governor regarding the Appropriation Bill (No. 2) 2015 [[1095](#)].

Introduction

 **Hon. CW PITT** (Mulgrave—ALP) (Treasurer, Minister for Employment and Industrial Relations and Minister for Aboriginal and Torres Strait Islander Partnerships) (4.22 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 2014 and to amend the Financial Accountability Act 2009 for a particular purpose. I table the bill and the explanatory notes. I nominate the Finance and Administration Committee to consider the bill.

Tabled paper: Appropriation Bill (No. 2) 2015 [[1096](#)].

Tabled paper: Appropriation Bill (No. 2) 2015, explanatory notes [[1097](#)].

The Appropriation Bill (No. 2) 2015—the bill—provides supplementary appropriation for unforeseen expenditure in 2014-15. Unforeseen expenditure is expenditure from the Consolidated Fund above the amount approved by annual appropriation on an individual department basis. Yesterday I tabled the 2014-15 *Consolidated fund financial report*, or CFFR, which outlines by department total appropriation from the Consolidated Fund for the financial year. The CFFR includes any unforeseen expenditure and provides explanations on a department basis for variations from the approved annual appropriation amount.

The bill seeks parliamentary approval of supplementary appropriation for unforeseen expenditure incurred by seven departments in the 2014-15 financial year of \$9.110 million. Together with the Appropriation (Parliament) Bill (No. 2) 2015, which is also introduced today, the total supplementary appropriation for 2014-15 is \$12.044 million. This is the lowest amount of unforeseen expenditure over the past 18 years. The unforeseen expenditure incurred by the seven departments was primarily in relation to additional expenditure for the support services delivered by the Queensland Agricultural Training Colleges and capital projects such as police station and watch-house upgrade and refurbishment. The introduction into parliament of the bills for supplementary appropriation on the day after the tabling of the CFFR enables parliamentary scrutiny of unforeseen expenditure.

The bill also amends section 71 of the Financial Accountability Act 2009. Currently this section provides that departments can, with the Treasurer's approval, borrow amounts from Queensland Treasury Corporation. Finance lease arrangements are considered to be a form of borrowing. However, QTC is no longer in the business of leasing. An amendment to section 71 is required so that departments are not limited to borrowing—in relation to leasing—from QTC. Under section 71, departments will continue to only borrow with the Treasurer's approval. Departments will continue to undertake traditional borrowings from QTC except in exceptional circumstances and only with the Treasurer's approval. Departments will be able to engage with parties other than QTC for the purpose of obtaining a finance lease or entering into any other financial arrangement which constitutes a borrowing but only with the Treasurer's approval. In order to ensure that there is appropriate governance to support this amendment, the associated policy documents will be updated to clearly state the appropriate borrowing arrangements for traditional borrowings, leasing and other financial arrangements that constitute a borrowing.

First Reading

Hon. CW PITT (Mulgrave—ALP) (Treasurer, Minister for Employment and Industrial Relations and Minister for Aboriginal and Torres Strait Islander Partnerships) (4.25 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 Elmes): Order! In accordance with standing order 131, the bill is now referred to the Finance and Administration Committee.

Portfolio Committee, Reporting Date

Hon. CW PITT (Mulgrave—ALP) (Treasurer, Minister for Employment and Industrial Relations and Minister for Aboriginal and Torres Strait Islander Partnerships) (4.26 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) 2015 by 20 October 2015.