



# Appropriation Bill (No. 2) 2023

**Report No. 56, 57th Parliament**  
**Economics and Governance Committee**  
**November 2023**



## **Economics and Governance Committee**

<b>Chair</b>	Mr Linus Power MP, Member for Logan
<b>Deputy Chair</b>	Mr Ray Stevens MP, Member for Mermaid Beach
<b>Members</b>	Mr Michael Crandon MP, Member for Coomera Mrs Melissa McMahon MP, Member for Macalister Mr Dan Purdie MP, Member for Ninderry Mr Adrian Tantari MP, Member for Hervey Bay

### **Committee Secretariat**

<b>Telephone</b>	+61 7 3553 6637
<b>Email</b>	<a href="mailto:egc@parliament.qld.gov.au">egc@parliament.qld.gov.au</a>
<b>Technical Scrutiny Secretariat</b>	+61 7 3553 6601
<b>Committee webpage</b>	<a href="http://www.parliament.qld.gov.au/EGC">www.parliament.qld.gov.au/EGC</a>

### **Acknowledgements**

The committee acknowledges the assistance provided by the Queensland Treasury.

All web address references are current at the time of publishing.

## Contents

<b>Chair’s foreword</b>	<b>iii</b>
<b>Recommendations</b>	<b>iv</b>
<b>Executive Summary</b>	<b>1</b>
<b>1 Introduction</b>	<b>2</b>
1.1 Policy objective of the Bill	2
1.2 Background to the Bill	2
1.2.1 Revised unforeseen expenditure appropriation process	2
1.2.2 Supplementary appropriation for 2022-23	3
1.3 Legislative compliance	4
1.3.1 <i>Legislative Standards Act 1992</i>	4
1.3.2 <i>Human Rights Act 2019</i>	4
1.4 Should the Bill be passed?	4
<b>2 Examination of the Bill</b>	<b>5</b>
2.1 Proposed supplementary appropriation	5
2.2 Unforeseen expenditure by departments	5
2.2.1 Queensland Health	5
2.2.2 Queensland Treasury	6
2.2.3 Department of Transport and Main Roads	6
2.2.4 Department of Environment and Science	7
2.2.5 Department of Housing (formerly Department of Communities, Housing and Digital Economy)	7
2.2.6 Department of Energy and Public Works	7
2.2.7 Department of Child Safety, Seniors and Disability Services	7
2.2.8 Department of Regional Development, Manufacturing and Water	8
2.2.9 Queensland Police Service	8
2.2.10 Office of the Ombudsman	9
Committee comment	9
2.3 Under Treasurer’s statement	9
<b>Appendix A – Officials at the public departmental briefing</b>	<b>10</b>
<b>Appendix B – Under Treasurer’s Statement on Unforeseen Expenditure</b>	<b>11</b>

## Chair's foreword

This report presents a summary of the Economics and Governance Committee's examination of the Appropriation Bill (No.2) 2023 (the Bill).

The committee's task was to examine the proposals set out in the Bill and determine whether to recommend the Bill be passed, including by welcoming input from stakeholders and the broader public, holding briefings to receive advice and technical assistance from departmental officials and considering other available information to support the committee in its deliberations.

In discharging these responsibilities, the committee also examined the Bill for compatibility with human rights in accordance with the Human Rights Act 2019, and considered the application of fundamental legislative principles – that is, whether the Bill has sufficient regard to the rights and liberties of individuals and to the institution of Parliament.

On behalf of the committee, I thank Queensland Treasury and our Parliamentary Service staff for their assistance with the committee's inquiry.

I commend this report to the House.



Linus Power MP

Chair

## Recommendations

Recommendation 1	4
The committee recommends the Appropriation Bill (No. 2) 2023 be passed.	4

## Executive Summary

The Appropriation Bill (No. 2) 2023 seeks formal authorisation for the Treasurer to pay \$1.244 billion from the Consolidated Fund for additional, unforeseen expenditure incurred by 10 departments during 2022-23.

All Consolidated Fund payments for unforeseen expenditure have been authorised through separate, supplementary appropriation bills. However, this year, the 2023-24 annual Appropriation Acts included an additional appropriation relating to unforeseen expenditure incurred by 11 departments for 2022-23 (as estimated as at the end of April 2023).

The supplementary appropriation to be authorised by the Appropriation Bill (No. 2) 2023 therefore applies only to further unforeseen expenditure incurred by departments over the remainder of the financial year (May to June 2023).

The departments or agencies and their respective unforeseen expenditure amounts to be funded by the Bill are set out in the table below.

Department/agency	Payment to be authorised for unforeseen expenditure
Queensland Health	\$697.524 million
Queensland Treasury	\$194.102 million
Department of Transport and Main Roads	\$172.800 million
Department of Environment and Science	\$85.548 million
Department of Housing (formerly Department of Communities, Housing and Digital Economy)	\$35.475 million
Department of Energy and Public Works	\$26.355 million
Department of Child Safety, Seniors and Disability Services (formerly Department of Children, Youth Justice and Multicultural Affairs)	\$18.754 million
Department of Regional Development, Manufacturing and Water	\$12.491 million
Queensland Police Service	\$700,000
Office of the Ombudsman	\$192,000
<b>TOTAL</b>	<b>\$1.244 billion</b>

The committee is satisfied that the Bill is consistent with fundamental legislative principles and that the explanatory notes contained the information required. The committee is also satisfied that the Bill is compatible with human rights, and that the accompanying statement of compatibility contained a sufficient level of information to facilitate understanding of the Bill in relation to its compatibility with human rights.

The committee has recommended that the Appropriation Bill (No. 2) 2023 be passed.

## 1 Introduction

### 1.1 Policy objective of the Bill

On 6 July 2023, on the recommendation of the Treasurer, the Governor in Council authorised \$1,243,941,000 in unforeseen expenditure which was incurred by government departments during the 2022-23 financial year.<sup>1</sup>

The objective of the Appropriation Bill (No. 2) 2023 (Bill) is to seek formal parliamentary authorisation for the payment of this \$1.244 billion from the Consolidated Fund, for the additional, unforeseen expenditure that was incurred.<sup>2</sup>

### 1.2 Background to the Bill

The Consolidated Fund is the Queensland Government's central bank account, which comprises all taxes, imposts, rates, duties and other revenues and income streams of the State.<sup>3</sup>

Each year, government departments, agencies, and statutory authorities receive funding from the Consolidated Fund through appropriations to cover their activities. All such payments from the Consolidated Fund must be formally authorised under an Act of Parliament, in accordance with the *Constitution of Queensland 2001*.<sup>4</sup>

The amounts appropriated to the State's public sector entities are generally approved by parliament as part of the annual state budget process. However, entities may for various reasons incur unforeseen expenditure – that is, expenditure in excess of the appropriation that was provided to them by the original Appropriation Acts for a year.<sup>5</sup>

Unforeseen expenditure may, for example, reflect new decisions since the original budgeted appropriation amount, additional funding requirements associated with emergent issues (eg natural disasters, pandemics), changes to the timing of Commonwealth payments or project delivery, or other budgetary adjustments (eg technical adjustments or bring-forwards of spending from future years).<sup>6</sup>

Queensland Treasury advised that 'just because amounts contribute to Unforeseen Expenditure does not mean they were not budgeted for, or not subject to government decisions'.<sup>7</sup> An example is when expenditure items are 'captured in the original budget at a whole-of-government level, but not appropriated at that time because further necessary detail or conditions still need to be satisfied'.<sup>8</sup>

#### 1.2.1 Revised unforeseen expenditure appropriation process

Payments for unforeseen expenditure have been authorised through separate, supplementary Appropriation Acts. However, this year, the 2023-24 annual Appropriation Act for government departments (the *Appropriation Act 2023*) included an additional appropriation

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<sup>1</sup> Queensland Treasury, correspondence, 18 October 2023, p 1; Section 35 of the *Financial Accountability Act 2009* provides that unforeseen expenditure, on recommendation of the Treasurer, may be authorised by the Governor in Council within four weeks of the end of the financial year.

<sup>2</sup> Explanatory notes, p 1.

<sup>3</sup> Queensland Audit Office, *Report 11: 2022-23—State entities 2022*, p 8.

<sup>4</sup> See *Constitution of Queensland Act 2001*, s 66, which states (at s 66(1): 'The payment of an amount from the consolidated fund must be authorised under an Act.'

<sup>5</sup> Queensland Treasury, correspondence, 18 October 2023, p 1.

<sup>6</sup> Queensland Treasury, public briefing transcript, 23 October 2023, p 2; Queensland Treasury, correspondence, 18 October 2023, p 1.

<sup>7</sup> Queensland Treasury, correspondence, 30 October 2023, p 1.

<sup>8</sup> Queensland Treasury, correspondence, 30 October 2023, p 1.



relating to unforeseen expenditure incurred by 11 departments for 2022-23 (as estimated as at the end of April 2023).<sup>9</sup>

Queensland Treasury advised of the new approach:

This new process increases transparency and accountability.

Including additional appropriation relating to Unforeseen Expenditure for 2022-23 in the 2023-24 Annual Appropriation Act meant these amounts were introduced into parliament earlier than would have otherwise occurred.

Given the Act formed part of the 2023-24 Budget material, it went through the Estimates process, where questions can be asked of the relevant Ministers about the amounts contained in the Act.<sup>10</sup>

Queensland Treasury stressed that having the unforeseen expenditure split across 2 pieces of legislation 'does not in any way impact the quantum of funding received by departments' and that 'the change merely alters the timing and mechanics of the appropriation process'.<sup>11</sup>

### 1.2.2 Supplementary appropriation for 2022-23

While the additional appropriation in the *Appropriation Act 2023* covered unforeseen expenditure for 2022-23 that was incurred up to the end of April 2023, the Bill seeks approval for a supplementary appropriation for further unforeseen expenditure by departments over the remainder of the financial year (that is, for May to June 2023). Queensland Treasury explained:

Due to timing and Governor in Council approval requirements, only Unforeseen Expenditure up until the end of April 2023 was included in the *Appropriation Act 2023* (Qld). The Appropriation Bill (No. 2) 2023 includes additional Unforeseen Expenditure incurred after April 2023.

The Unforeseen Expenditure amounts in the *Appropriation Act 2023* (Qld) and the Appropriation Bill (No. 2) 2023 (Qld) when aggregated provide the full amount of Unforeseen Expenditure for each department for the financial year.<sup>12</sup>

The *Appropriation Act 2023* approved an appropriation for unforeseen expenditure in 2022-23 of \$1.340 billion for 11 departments,<sup>13</sup> in addition to the original appropriation of \$69.860 billion as set out in the *Appropriation Act 2022*.<sup>14</sup>

The Bill proposes to approve a supplementary appropriation of \$1.244 billion for further unforeseen expenditure incurred by 10 departments for 2022-23.<sup>15</sup>

The aggregate total of the appropriations for unforeseen expenditure is \$2.584 billion and relates to 14 departments.<sup>16</sup> Queensland Treasury also emphasised, however, that 12 departments had lapsed appropriation amounts totalling \$957.893 million, meaning:

The net impact of Unforeseen Expenditure and lapses was that total appropriation in 2022-23 was \$1,626,049,000 higher than budgeted, representing 2.32% of the 2022-23 original Budget appropriation.<sup>17</sup>

<sup>9</sup> Queensland Treasury, correspondence, 18 October 2023, p 1.

<sup>10</sup> Queensland Treasury, correspondence, 18 October 2023, p 1.

<sup>11</sup> Queensland Treasury, correspondence, 18 October 2023, pp 1,2.

<sup>12</sup> Queensland Treasury, correspondence, 18 October 2023, p 2.

<sup>13</sup> *Appropriation Act 2023*, s 4.

<sup>14</sup> *Appropriation Act 2022*, s 2.

<sup>15</sup> Bill, clause 2.

<sup>16</sup> Queensland Treasury, correspondence, 18 October 2023, p 2.

<sup>17</sup> Queensland Treasury, correspondence, 18 October 2023, p 2.

Details of the aggregate unforeseen expenditure and lapsed expenditure amounts are reported in the Queensland Government's Consolidated Fund Financial Report 2022-23 (Consolidated Fund Financial Report).<sup>18</sup>

### **1.3 Legislative compliance**

As part of its deliberations, the committee was required<sup>19</sup> to assess whether or not the Bill complies with the Parliament's requirements for legislation as contained in the *Legislative Standards Act 1992* and *Human Rights Act 2019*.

#### **1.3.1 Legislative Standards Act 1992**

The committee is satisfied that the Bill is consistent with fundamental legislative principles.

Explanatory notes were tabled on the introduction of the Bill, as required by Part 4 of the *Legislative Standards Act 1992*. The notes contain the information required by Part 4 and a sufficient level of background information and commentary to facilitate understanding of the Bill's aims and origins.

#### **1.3.2 Human Rights Act 2019**

The committee's assessment of the Bill did not identify any limitations on the human rights recognised under the *Human Rights Act 2019*. We find that the Bill is compatible with human rights.<sup>20</sup>

A statement of compatibility was tabled on the introduction of the Bill, as required by section 38 of the Act. The statement contained a sufficient level of information to facilitate understanding of the Bill in relation to its compatibility with human rights.

### **1.4 Should the Bill be passed?**

The committee is required to determine whether or not to recommend that the Bill be passed.

#### **Recommendation 1**

The committee recommends the Appropriation Bill (No. 2) 2023 be passed.

The committee's examination of the Bill is set out in the chapter that follows.

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<sup>18</sup> Queensland Treasury, correspondence, 18 October 2023, p 3. Queensland Treasury noted, however, that the lapses were all in relation to amounts appropriated in the *Appropriation Act 2002* (there were not any amounts appropriated for 2022-23 in the *Appropriation Act 2023* that lapsed).

<sup>19</sup> Under s 93 of the *Parliament of Queensland Act 2001*.

<sup>20</sup> A law is compatible with human rights if it does not limit a human right or limits a human right only to the extent that is reasonable and demonstrably justifiable. See *Human Rights Act 2019*, s 8.

## 2 Examination of the Bill

### 2.1 Proposed supplementary appropriation

The Bill proposes to authorise the Treasurer's payment of \$1.244 billion for unforeseen expenditure incurred by 10 government departments or agencies in the 2022-23 financial year, as set out in Schedule 1 of the Bill.

The departments or agencies and their respective unforeseen expenditure amounts to be funded are set out in the table below.

Department/agency	Payment to be authorised for unforeseen expenditure
Queensland Health	\$697.524 million
Queensland Treasury	\$194.102 million
Department of Transport and Main Roads	\$172.800 million
Department of Environment and Science	\$85.548 million
Department of Housing (formerly Department of Communities, Housing and Digital Economy)	\$35.475 million
Department of Energy and Public Works	\$26.355 million
Department of Child Safety, Seniors and Disability Services (formerly Department of Children, Youth Justice and Multicultural Affairs)	\$18.754 million
Department of Regional Development, Manufacturing and Water	\$12.491 million
Queensland Police Service	\$700,000
Office of the Ombudsman	\$192,000
<b>TOTAL</b>	<b>\$1.244 billion</b>

Source: Appropriation Bill (No. 2) 2023, Schedule 1.

Queensland Health, the Queensland Treasury, the Department of Transport and Main Roads, and the Department of Environment and Science together accounted for 92.4 per cent of the unforeseen expenditure. More than half of the unforeseen expenditure (56.1 per cent) was incurred by Queensland Health.

### 2.2 Unforeseen expenditure by departments

#### 2.2.1 Queensland Health

The Bill authorises a supplementary payment from the Consolidated Fund of \$697.524 million for unforeseen expenditure by Queensland Health, which includes additional funding to 'implement new certified agreements and the new public sector wages policy' and 'new superannuation arrangements'.<sup>21</sup> There was also equity funding for 'LifeFlight Australia Limited Emergency Helicopter Services as part of additional funding for the new 10-year agreement between Queensland Health and LifeFlight Australia Limited'.<sup>22</sup>

This supplementary payment provides an example of funding that was captured in the original budget at a whole-of-government level, but not yet appropriated, as mentioned in section 1.2 of this report. Queensland Treasury advised:

... the anticipated new wages policy including superannuation changes was budgeted for at an aggregate level, but not appropriated until further deliberations and negotiations were finalised.

<sup>21</sup> Queensland Treasury, correspondence, 30 October 2023, p 2.

<sup>22</sup> Queensland Treasury, correspondence, 30 October 2023, p 2.

The new public sector wages policy and superannuation arrangements were subsequently incorporated into Queensland Health's budget later in the 2022-23 year, following the necessary detailed consideration. Funding for LifeFlight Australia Limited Emergency Helicopter Services, as part of additional funding for the new 10-year agreement, was also agreed.<sup>23</sup>

Combined with the additional appropriation of \$392.058 million authorised in the *Appropriation Act 2023*, the supplementary appropriation payment would amount to an aggregate unforeseen expenditure payment amount of almost \$1.090 billion for 2022-23 (equivalent to 7.6 per cent of the original amount approved in the *Appropriation Act 2022*).<sup>24</sup>

Queensland Treasury advised that unforeseen expenditure of this proportion 'is not unusual':<sup>25</sup>

For example, in the previous financial year, the Department of State Development, Infrastructure, Local Government and Planning recorded unforeseen expenditure representing 32 per cent of the original amount appropriated'.<sup>26</sup>

In addition to State funding for enterprise bargaining outcomes, changes to the superannuation arrangements and the LifeFlight Australia agreement, the overall unforeseen expenditure included 'funding for managing the COVID-19 response' and 'additional Australian Government funding for Mental Health and Suicide Prevention and Australian Public Dental Services programs'.<sup>27</sup>

It also included additional equity adjustments for the 'net impact of funding reclassification between operating and capital and timing adjustments for the Satellite hospital program and eHealth', and additional administered funding was for the 'Making Tracks - First Nation Communities' program and Healthy Weight Program'.<sup>28</sup>

### **2.2.2 Queensland Treasury**

The Bill would authorise a supplementary payment of \$194.102 million for unforeseen expenditure by Queensland Treasury for 'additional equity funding for CleanCo, as well as additional funding to place downward pressure on electricity prices'.<sup>29</sup>

There was no additional appropriation authorised in the *Appropriation Act 2023* for Queensland Treasury, and therefore the amount authorised in the Bill is the sole supplementary appropriation payment for 2022-23.<sup>30</sup>

### **2.2.3 Department of Transport and Main Roads**

The Bill authorises a supplementary payment of \$172.800 million for unforeseen expenditure for the Department of Transport and Main Roads, which includes 'equity funding provided in response to the adverse impacts of COVID-19 on fare revenues, as well as funding for the first of 3 new rail stations (Pimpama) on the Gold Coast'.<sup>31</sup>

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<sup>23</sup> Queensland Treasury, correspondence, 30 October 2023, p 1.

<sup>24</sup> Queensland Treasury, correspondence, 18 October 2023, attachment (Under Treasurer's statement – Table 2: 2022-23 Unforeseen Expenditure), p 8; Queensland Treasury, correspondence, 30 October 2023, p 1.

<sup>25</sup> Queensland Treasury, correspondence, 30 October 2023, p 1.

<sup>26</sup> Queensland Treasury, correspondence, 30 October 2023, p 1.

<sup>27</sup> Queensland Government, *Consolidated Fund Financial Report*, p 15.

<sup>28</sup> Queensland Government, *Consolidated Fund Financial Report*, p 15.

<sup>29</sup> Queensland Treasury, correspondence, 30 October 2023, p 2.

<sup>30</sup> Queensland Treasury, correspondence, 18 October 2023, attachment (Under Treasurer's statement – Table 2: 2022-23 Unforeseen Expenditure), p 9.

<sup>31</sup> Queensland Treasury, correspondence, 30 October 2023, p 2.

The supplementary payment, combined with the additional appropriation of \$393.751 million authorised in the *Appropriation Act 2023*, would amount to an aggregate \$566.551 million in appropriation funding on top of that budgeted and approved in the *Appropriation Act 2022*.<sup>32</sup>

According to the Consolidated Fund Financial Report, the overall unforeseen expenditure was primarily due to ‘accelerated funding to align to delivery performance across the department’s capital program on various capital projects’, which included ‘Bruce Highway upgrades, Pacific Motorway upgrades, Logan and Gold Coast Faster Rail (Kuraby to Beenleigh) upgrade and Brisbane Metro - Woolloongabba Station’.<sup>33</sup>

#### **2.2.4 Department of Environment and Science**

The Bill provides for the authorisation of a supplementary payment of \$85.548 million for unforeseen expenditure for the Department of Environment and Science, which includes ‘funding for the Recycling and Jobs Fund (including payments to Councils)’.<sup>34</sup> There was no additional appropriation authorised in the *Appropriation Act 2023*, and therefore the amount authorised in the Bill is the sole supplementary appropriation payment to the Department of Environment and Science for 2022-23.

#### **2.2.5 Department of Housing (formerly Department of Communities, Housing and Digital Economy)**

The Department of Housing (renamed as at 18 May 2023) would receive \$35.475 million under the Bill as a supplementary payment for unforeseen expenditure, primarily due to additional funding for the Residential Tenancies Authority.<sup>35</sup> There was no additional appropriation authorised in the *Appropriation Act 2023*, and therefore the amount authorised in the Bill is the sole supplementary appropriation payment to the Department of Housing for 2022-23.

#### **2.2.6 Department of Energy and Public Works**

The Bill would authorise the Department of Energy and Public Works’ receipt of a supplementary payment of \$26.355 million for unforeseen expenditure, with additional amounts ‘primarily due to timing adjustments of funding to Powerlink for CopperString 2.0’.<sup>36</sup>

The supplementary payment, combined with the additional appropriation of \$347.378 million authorised in the *Appropriation Act 2023*, would amount to an aggregate \$373.733 million in appropriation funding on top of that budgeted and approved in the *Appropriation Act 2022*.<sup>37</sup>

In addition to funding for the Copperstring 2.0 Project, the Consolidated Fund Financial Report states that the overall unforeseen expenditure for departmental services was primarily due to the Queensland Energy and Jobs Plan, as well as the ‘reclassification of capital funding to operating and depreciation adjustments’.<sup>38</sup>

#### **2.2.7 Department of Child Safety, Seniors and Disability Services**

The Bill would authorise a supplementary payment of \$18.754 million for unforeseen expenditure by the Department of Child Safety, Seniors and Disability Services, which Queensland Treasury advised

<sup>32</sup> Queensland Treasury, correspondence, 18 October 2023, attachment (Under Treasurer’s statement – Table 2: 2022-23 Unforeseen Expenditure), p 3.

<sup>33</sup> Queensland Government, *Consolidated Fund Financial Report*, p 17.

<sup>34</sup> Queensland Treasury, correspondence, 30 October 2023, p 2.

<sup>35</sup> Queensland Treasury, correspondence, 30 October 2023, p 2.

<sup>36</sup> Queensland Treasury, correspondence, 30 October 2023, p 2.

<sup>37</sup> Queensland Treasury, correspondence, 18 October 2023, attachment (Under Treasurer’s statement – Table 2: 2022-23 Unforeseen Expenditure), p 2.

<sup>38</sup> Queensland Government, *Consolidated Fund Financial Report*, p 13.

was primarily associated with addressing ‘non-discretionary budget pressures in existing Youth Detention Centres’ and with ‘funding for tertiary child protection services’.<sup>39</sup>

Combined with the additional appropriation of \$33.512 million authorised in the *Appropriation Act 2023*, this would amount to an aggregate \$52.266 million in appropriation funding above and beyond that budgeted and approved in the *Appropriation Act 2022*.<sup>40</sup>

In addition to the contributing factors listed above, the Consolidated Fund Financial Report primarily attributes the overall unforeseen expenditure to additional indexation funding for non-government organisations and to the Addressing Capacity Issues in Youth Detention Centres program and depreciation adjustments.<sup>41</sup>

### **2.2.8 Department of Regional Development, Manufacturing and Water**

The Bill would authorise a supplementary payment of \$12.491 million for unforeseen expenditure by the Department of Regional Development, Manufacturing and Water, which Queensland Treasury advised was for additional amounts to increase ‘base funding’.<sup>42</sup>

Combined with the additional appropriation of \$57.759 million authorised in the *Appropriation Act 2023* for administered items, this would amount to an aggregate \$70.250 million unforeseen expenditure payment amount for 2022-23.<sup>43</sup>

In addition to the amounts for base funding, the Consolidated Fund Financial Report primarily attributes the overall unforeseen expenditure to additional funding for ‘water bill discounts for South-East Queensland connected households’.<sup>44</sup>

### **2.2.9 Queensland Police Service**

The Queensland Police Service would receive \$700,000 as a supplementary payment for unforeseen expenditure under the Bill, primarily for ‘capital commitments’.<sup>45</sup>

This is in addition to the \$94.676 million additional appropriation authorised in the *Appropriation Act 2023*, and would amount to an aggregate \$95.376 million in appropriation funding further to that budgeted and approved in the *Appropriation Act 2022*.<sup>46</sup>

According to the Consolidated Fund Financial Report, the overall unforeseen expenditure was primarily due to ‘additional funding for enterprise bargaining outcomes, deficit support funding to ensure sufficient liquidity for the department and COVID-19 compliance activities and Youth Justice initiatives’. It was also due to ‘progress payments for fixed wing aviation assets, the Caloundra Watchhouse Remediation Work and other capital projects’.<sup>47</sup>

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<sup>39</sup> Queensland Treasury, correspondence, 30 October 2023, p 2.

<sup>40</sup> Queensland Treasury, correspondence, 18 October 2023, attachment (Under Treasurer’s statement – Table 2: 2022-23 Unforeseen Expenditure), p 1.

<sup>41</sup> Queensland Government, *Consolidated Fund Financial Report*, p 13.

<sup>42</sup> Queensland Treasury, correspondence, 30 October 2023, p 2.

<sup>43</sup> Queensland Treasury, correspondence, 18 October 2023, attachment (Under Treasurer’s statement – Table 2: 2022-23 Unforeseen Expenditure), p 1.

<sup>44</sup> Queensland Government, *Consolidated Fund Financial Report*, p 16.

<sup>45</sup> Queensland Treasury, correspondence, 30 October 2023, p 2.

<sup>46</sup> Queensland Treasury, correspondence, 18 October 2023, attachment (Under Treasurer’s statement – Table 2: 2022-23 Unforeseen Expenditure), p 9.

<sup>47</sup> Queensland Government, *Consolidated Fund Financial Report*, p 15.

### 2.2.10 Office of the Ombudsman

The Bill provides for the Office of the Ombudsman to receive a supplementary payment for unforeseen expenditure of \$192,000, which, according to Queensland Treasury, is for additional funding for enterprise bargaining outcomes.<sup>48</sup>

This supplementary payment, combined with the additional appropriation of \$618,000 authorised in the *Appropriation Act 2023*, would amount to an aggregate \$810,000 in appropriation funding beyond that budgeted and approved in the *Appropriation Act 2022*.<sup>49</sup>

In addition to the amounts for enterprise bargaining outcomes, the Consolidated Fund Financial Report primarily attributes the overall unforeseen expenditure to ‘funding for the establishment and operation of the Inspectorate of Detention Services’.<sup>50</sup>

#### **Committee comment**

The committee recognises there are a variety of reasons supplementary funding is required, making the payment of unforeseen expenditure an inherent part of the appropriations process. It is apparent that a major proportion of the unforeseen expenditure sought in this Bill had been budgeted or subject to government decisions at a whole-of-government level. One such example is the funding for the new public sector wages policy and new superannuation arrangements for Queensland Health.

The Bill also seeks authorisation to provide funding to respond to emergent issues and government policy, such as additional funding to place downward pressure on electricity prices (via Queensland Treasury) and funding provided in response to the adverse impacts of COVID-19 on fare revenues (for the Department of Transport and Main Roads).

The committee believes it is important that such issues are dealt with in a timely fashion, and that such spending occur as required.

We also see the splitting of unforeseen expenditure between the *Appropriation Act 2023* and the Appropriation Bill (No. 2) 2023 as an effective way to increase the transparency of unforeseen expenditure, as it brings forward consideration of a portion of the supplementary funding, and allows greater scrutiny through the Estimates process.

### 2.3 Under Treasurer’s statement

The *Appropriation Act 2023*, in addition to authorising additional appropriation amounts for unforeseen expenditure incurred by 11 departments for 2022-23 (as estimated as at the end of April 2023), also established some new reporting requirements to accompany the revised unforeseen expenditure process.<sup>51</sup> These requirements included the Under Treasurer preparing ‘an Under Treasurer’s Statement, which reports on the amounts of Unforeseen Expenditure appropriated under the various pieces of legislation for a financial year, as well as any lapses of these amounts’.<sup>52</sup> This Statement needs to be provided to the committee within 6 months of the end of the financial year.<sup>53</sup>

The Under Treasurer’s statement was incorporated as part of the written briefing to the committee on the Bill.<sup>54</sup> The statement was primarily set out in a table, which can be found at Appendix B to this report.

<sup>48</sup> Queensland Treasury, correspondence, 30 October 2023, p 2.

<sup>49</sup> Queensland Treasury, correspondence, 18 October 2023, attachment (Under Treasurer’s statement – Table 2: 2022-23 Unforeseen Expenditure), p 2.

<sup>50</sup> Queensland Government, *Consolidated Fund Financial Report*, p 15.

<sup>51</sup> Queensland Treasury, correspondence, 18 October 2023, p 3.

<sup>52</sup> See *Appropriation Act 2003*, s 5, ‘Statement about supplementary appropriation for 2022-23’.

<sup>53</sup> *Appropriation Act 2003*, s 5(2). The statement must be provided to the portfolio committee whose portfolio area includes the department (or part of the department) which administers the *Financial Accountability Act 2009*.

<sup>54</sup> Queensland Treasury, correspondence, 18 October 2023, p 3 and attachment.

## Appendix A – Officials at the public departmental briefing

### Queensland Treasury

- Mr Dennis Molloy, Deputy Under Treasurer, Economics and Fiscal
- Mr David Newby, Director – Financial Reporting, Fiscal Policy, Economics and Fiscal
- Mrs Helen Tompkins, Business Manager (Financial Reporting & Performance), Fiscal Policy, Economics and Fiscal



## **Appendix B – Under Treasurer’s Statement on Unforeseen Expenditure**

**Table 2: 2022-23 Unforeseen Expenditure**

	(a) <b>Original 2022-23 Appropriation</b>  <b>Matches CFFR</b> \$'000	(b) <b>Additional 2022-23 Appropriation</b>  2023-24 Appropriation Acts  \$'000	(c) <b>Additional 2022-23 Appropriation*</b>  2022-23 Supplementary Appropriation  \$'000	(d) <b>Lapses of Additional 2022-23 Appropriation</b>  \$'000	(e) <b>Total Unforeseen Expenditure for 2022-23</b>  = (b) + (c) + (d)  <b>Matches CFFR</b> \$'000	(f) <b>Section 29 Financial Accountability Act Lapses</b>  <b>Matches CFFR</b> \$'000
<b>Legislation</b>	Per <i>Appropriation Act 2022</i> , assented 29 August 2022	Per <i>Appropriation Act 2023</i> , assented 1 September 2023	Appropriation Bill (No. 2) 2023, introduced 10 October 2023	Lapses of 2022-23 amounts that were in the <i>Appropriation Act 2023</i>		Lapses of amounts that were in the <i>Appropriation Act 2022</i>
<b>Department of Agriculture and Fisheries</b>						
Dep services	364,843	-	-	-	-	-
Equity adj	(2,064)	-	-	-	-	(4,851)
Administered	179,411	-	-	-	-	(117,467)
<b>Vote</b>	542,190	-	-	-	-	(122,318)
<b>Department of Child Safety, Seniors and Disability Services</b> (renamed as at 18 May 2023)						
Dep services	2,282,057	33,203	18,754	-	51,957	-
Equity adj	17,055	-	-	-	-	-
Administered	72,460	309	-	-	309	-
<b>Vote</b>	2,371,572	33,512	18,754	-	52,266	-
<b>Electoral Commission of Queensland</b>						
Dep services	44,653	-	-	-	-	(1,727)
Equity adj	310	-	-	-	-	-
Administered	-	-	-	-	-	-
<b>Vote</b>	44,963	-	-	-	-	(1,727)
<b>Department of Education</b>						
Dep services	11,131,218	-	-	-	-	-
Equity adj	753,059	-	-	-	-	(19,392)
Administered	5,022,901	-	-	-	-	-
<b>Vote</b>	16,907,178	-	-	-	-	(19,392)

	(a) Original 2022-23 Appropriation  Matches CFFR \$'000	(b) Additional 2022-23 Appropriation  2023-24 Appropriation Acts \$'000	(c) Additional 2022-23 Appropriation*  2022-23 Supplementary Appropriation \$'000	(d) Lapses of Additional 2022-23 Appropriation \$'000	(e) Total Unforeseen Expenditure for 2022-23  = (b) + (c) + (d) Matches CFFR \$'000	(f) Section 29 Financial Accountability Act Lapses  Matches CFFR \$'000
<b>Department of Energy and Public Works</b>						
Dep services	205,242	21,049	255	-	21,304	-
Equity adj	111,654	-	-	-	-	-
Administered	668,351	326,329	26,100	-	352,429	-
<b>Vote</b>	985,247	347,378	26,355	-	373,733	-
<b>Department of Environment and Science</b>						
Dep services	597,184	-	61,545	-	61,545	-
Equity adj	428	-	24,003	-	24,003	-
Administered	-	-	-	-	-	-
<b>Vote</b>	597,612	-	85,548	-	85,548	-
<b>Department of Housing</b> (renamed as at 18 May 2023)						
Dep services	1,283,257	-	-	-	-	-
Equity adj	279,044	-	-	-	-	-
Administered	200,889	-	35,475	-	35,475	-
<b>Vote</b>	1,763,190	-	35,475	-	35,475	-
<b>Department of Justice and Attorney-General</b>						
Dep services	829,221	-	-	-	-	(2,984)
Equity adj	(51,355)	-	-	-	-	(9,734)
Administered	526,582	-	-	-	-	-
<b>Vote</b>	1,304,448	-	-	-	-	(12,718)
<b>Department of the Premier and Cabinet</b>						
Dep services	131,627	-	-	-	-	(3,855)
Equity adj	1,500	-	-	-	-	-
Administered	127,314	-	-	-	-	(13,229)
<b>Vote</b>	260,441	-	-	-	-	(17,084)

	(a) Original 2022-23 Appropriation  Matches CFFR \$'000	(b) Additional 2022-23 Appropriation  2023-24 Appropriation Acts \$'000	(c) Additional 2022-23 Appropriation*  2022-23 Supplementary Appropriation \$'000	(d) Lapses of Additional 2022-23 Appropriation \$'000	(e) Total Unforeseen Expenditure for 2022-23  = (b) + (c) + (d) Matches CFFR \$'000	(f) Section 29 Financial Accountability Act Lapses  Matches CFFR \$'000
<b>Department of Regional Development, Manufacturing and Water</b>						
Dep services	251,061	-	-	-	-	-
Equity adj	18,100	-	-	-	-	-
Administered	44,357	57,759	12,491	-	70,250	-
<b>Vote</b>	313,518	57,759	12,491	-	70,250	-
<b>Department of Resources</b>						
Dep services	365,222	-	-	-	-	(27,400)
Equity adj	1,055	-	-	-	-	-
Administered	4,559	-	-	-	-	-
<b>Vote</b>	370,836	-	-	-	-	(27,400)
<b>Department of State Development, Infrastructure, Local Government and Planning</b>						
Dep services	793,829	-	-	-	-	(195,792)
Equity adj	25,618	-	-	-	-	(62,945)
Administered	1,687,679	-	-	-	-	(205,144)
<b>Vote</b>	2,507,126	-	-	-	-	(463,881)
<b>Department of Tourism, Innovation and Sport</b>						
Dep services	408,453	-	-	-	-	(158,091)
Equity adj	14,463	-	-	-	-	(21,381)
Administered	195,524	-	-	-	-	(1,101)
<b>Vote</b>	618,440	-	-	-	-	(180,573)
<b>Department of Transport and Main Roads</b>						
Dep services	6,232,769	-	-	-	-	-
Equity adj	3,081,244	393,751	172,800	-	566,551	-
Administered	1,228,183	-	-	-	-	-
<b>Vote</b>	10,542,196	393,751	172,800	-	566,551	-

	(a) Original 2022-23 Appropriation  Matches CFFR \$'000	(b) Additional 2022-23 Appropriation  2023-24 Appropriation Acts \$'000	(c) Additional 2022-23 Appropriation*  2022-23 Supplementary Appropriation \$'000	(d) Lapses of Additional 2022-23 Appropriation \$'000	(e) Total Unforeseen Expenditure for 2022-23  = (b) + (c) + (d) Matches CFFR \$'000	(f) Section 29 Financial Accountability Act Lapses  Matches CFFR \$'000
<b>Department of Treaty, Aboriginal and Torres Strait Islander Partnerships, Communities and the Arts</b> (renamed as at 18 May 2023)						
Dep services	308,504	-	-	-	-	(9,599)
Equity adj	4,200	-	-	-	-	-
Administered	2,819,639	-	-	-	-	(36,413)
<b>Vote</b>	3,132,343	-	-	-	-	(46,012)
<b>Department of Youth Justice, Employment, Small Business and Training</b> (renamed as at 18 May 2023)						
Dep services	1,277,405	-	-	-	-	-
Equity adj	26,210	-	-	-	-	(6,165)
Administered	-	-	-	-	-	-
<b>Vote</b>	1,303,615	-	-	-	-	(6,165)
<b>Office of the Governor</b>						
Dep services	11,179	113	-	-	113	-
Equity adj	-	-	-	-	-	-
Administered	-	-	-	-	-	-
<b>Vote</b>	11,179	113	-	-	113	-
<b>Office of the Inspector-General of Emergency Management</b>						
Dep services	4,491	6	-	-	6	-
Equity adj	-	-	-	-	-	-
Administered	-	-	-	-	-	-
<b>Vote</b>	4,491	6	-	-	6	-
<b>Office of the Ombudsman</b>						
Dep services	9,905	598	192	-	790	-
Equity adj	-	20	-	-	20	-
Administered	-	-	-	-	-	-
<b>Vote</b>	9,905	618	192	-	810	-

	(a) Original 2022-23 Appropriation  Matches CFFR \$'000	(b) Additional 2022-23 Appropriation  2023-24 Appropriation Acts \$'000	(c) Additional 2022-23 Appropriation*  2022-23 Supplementary Appropriation \$'000	(d) Lapses of Additional 2022-23 Appropriation \$'000	(e) Total Unforeseen Expenditure for 2022-23  = (b) + (c) + (d) Matches CFFR \$'000	(f) Section 29 Financial Accountability Act Lapses  Matches CFFR \$'000
<b>Public Sector Commission (renamed as at 1 March 2023)</b>						
Dep services	14,828	928	-	-	928	-
Equity adj	-	263	-	-	263	-
Administered	-	-	-	-	-	-
<b>Vote</b>	14,828	1,191	-	-	1,191	-
<b>Queensland Audit Office</b>						
Dep services	7,301	-	-	-	-	-
Equity adj	-	-	-	-	-	-
Administered	-	-	-	-	-	-
<b>Vote</b>	7,301	-	-	-	-	-
<b>Queensland Corrective Services</b>						
Dep services	1,150,997	-	-	-	-	-
Equity adj	373,151	-	-	-	-	(45,659)
Administered	-	-	-	-	-	-
<b>Vote</b>	1,524,148	-	-	-	-	(45,659)
<b>Queensland Fire and Emergency Services</b>						
Dep services	150,466	16,192	-	-	16,192	-
Equity adj	3,296	2,747	-	-	2,747	-
Administered	-	-	-	-	-	-
<b>Vote</b>	153,762	18,939	-	-	18,939	-
<b>Queensland Health</b>						
Dep services	13,831,521	370,000	697,524	-	1,067,524	-
Equity adj	350,776	21,652	-	-	21,652	-
Administered	71,129	406	-	-	406	-
<b>Vote</b>	14,253,426	392,058	697,524	-	1,089,582	-

	(a) Original 2022-23 Appropriation  Matches CFFR \$'000	(b) Additional 2022-23 Appropriation  2023-24 Appropriation Acts \$'000	(c) Additional 2022-23 Appropriation*  2022-23 Supplementary Appropriation \$'000	(d) Lapses of Additional 2022-23 Appropriation \$'000	(e) Total Unforeseen Expenditure for 2022-23  = (b) + (c) + (d) Matches CFFR \$'000	(f) Section 29 Financial Accountability Act Lapses  Matches CFFR \$'000
<b>Queensland Police Service</b>						
Dep services	2,659,113	65,986	-	-	65,986	-
Equity adj	19,067	28,690	700	-	29,390	-
Administered	-	-	-	-	-	-
<b>Vote</b>	<b>2,678,180</b>	<b>94,676</b>	<b>700</b>	<b>-</b>	<b>95,376</b>	<b>-</b>
<b>Queensland Treasury</b>						
Dep services	520,311	-	-	-	-	-
Equity adj	10,486	-	-	-	-	-
Administered	7,107,300	-	194,102	-	194,102	-
<b>Vote</b>	<b>7,638,097</b>	<b>-</b>	<b>194,102</b>	<b>-</b>	<b>194,102</b>	<b>-</b>
<b>Legislative Assembly and Parliamentary Service - relevant Act is Appropriation (Parliament) Act 2022, assented 29 August 2022</b>						
Dep services	111,308	-	-	-	-	-
Equity adj	35,413	-	-	-	-	(14,964)
Administered	-	-	-	-	-	-
<b>Vote</b>	<b>146,721</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(14,964)</b>
<b>DEPARTMENT AND PARLIAMENTARY TOTALS</b>						
Dep services	<b>44,977,965</b>	<b>508,075</b>	<b>778,270</b>	<b>-</b>	<b>1,286,345</b>	<b>(399,448)</b>
Equity adj	<b>5,072,710</b>	<b>447,123</b>	<b>197,503</b>	<b>-</b>	<b>644,626</b>	<b>(185,091)</b>
Administered	<b>19,956,278</b>	<b>384,803</b>	<b>268,168</b>	<b>-</b>	<b>652,971</b>	<b>(373,354)</b>
<b>Vote</b>	<b>70,006,953</b>	<b>1,340,001</b>	<b>1,243,941</b>	<b>-</b>	<b>2,583,942</b>	<b>(957,893)</b>