

2015

**THE LEGISLATIVE ASSEMBLY FOR THE
AUSTRALIAN CAPITAL TERRITORY**

**APPROPRIATION (OFFICE OF THE LEGISLATIVE ASSEMBLY) BILL
2015-2016**

EXPLANATORY STATEMENT

**Presented by
Mr Andrew Barr MLA
Treasurer**

APPROPRIATION (OFFICE OF THE LEGISLATIVE ASSEMBLY) BILL 2015-2016

The *Appropriation (Office of the Legislative Assembly) Bill 2015-2016* is the mechanism for the appropriation of monies for the 2015-16 financial year for the Office of the Legislative Assembly and officers of the Assembly (the Auditor-General and the Electoral Commissioner).

Under Section 58 of the *Australian Capital Territory (Self-Government) Act 1988*, public money may not be issued or spent except as authorised by law. Under Section 6 of the *Financial Management Act 1996* (FMA), no payment of public money may be made unless it is in accordance with an appropriation. Section 8 of the FMA provides for separate appropriations to be made under an Appropriation Act in respect of each directorate. The FMA also provides for appropriation units, being a class of outputs, or a group of output classes, for which an appropriation is made by an Appropriation Act. The Bill satisfies the provisions of each of these Acts.

The Bill provides for appropriations for the Auditor-General, the Electoral Commissioner and the Office of the Legislative Assembly in relation to:

- (a) the provision of outputs;
- (b) capital injections; and
- (c) payments to be made on behalf of the Territory.

Monies are appropriated to the Officers of the Legislative Assembly and officers of the Assembly.

Before providing details of the Bill itself, I would like to provide Members of the Assembly with further details in relation to the appropriation being proposed for the Auditor-General in Clause 6.

Specifically, in accordance with the agreed budget protocols between Officers of the Legislative Assembly and the Government, I wish to provide a statement of reasons for departing from the recommended appropriation sought by the Speaker on behalf of the Auditor-General.

By way of background, I wish to advise the Assembly that the Auditor-General sought additional funding of \$1.15 million for her Office as part of the 2015-16 Budget in order to undertake additional performance audits, increasing to a total of 12 by 2018-19.

I wish to advise my fellow Members that the Government did not agree to this proposal for a number of reasons. Firstly, the seven performance audits currently conducted by the Auditor-General is consistent with other jurisdictions' audit programs. Secondly, the Government considered that additional audits were unlikely to deliver an outcome that would increase the efficiency and effectiveness of government programs.

For that reason, the Bill I am introducing today provides funding for the Auditor-General to continue to conduct seven performance audits per year.

Details of the Bill are set out below:

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Clause 1 cites the short title of the Act as being the *Appropriation (Office of the Legislative Assembly) Act 2015-2016* as it relates to the 2015-16 financial year.

Clause 2 provides that the Act commences on 1 July 2015.

Clause 3 refers to the legislative basis for making appropriations.

Clause 4 deals with definitions for the purposes of the Bill.

Clause 5 deals with interpretation for the purposes of the Bill.

Clause 6 provides for the appropriation for the net cost of outputs of \$2 759 000 to the Auditor-General in the 2015-16 financial year.

Clause 7 provides for the appropriation of \$3 188 000 for the net cost of outputs and capital injection to the Electoral Commissioner in the 2015-16 financial year.

Clause 8 provides for the appropriation of \$22 160 000 for the net cost of outputs, capital injection and payments on behalf of the Territory to the Office of the Legislative Assembly in the 2015-16 financial year.

Clause 9 identifies the Auditor-General, the Electoral Commissioner, and the Office of the Legislative Assembly as a class of outputs for the Financial Management Act listed in Tables 6, 7, and 8.