

2016

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

APPROPRIATION BILL 2016-2017

EXPLANATORY STATEMENT

**Presented by
Mr Andrew Barr MLA
Treasurer**

APPROPRIATION BILL 2016-2017

The *Appropriation Bill 2016-2017* is the mechanism for the appropriation of monies to ACT government agencies for the 2016-17 financial year.

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 territory entity. The Bill satisfies the provisions of each of these Acts.

The Bill provides for appropriations for:

- (a) any controlled recurrent payments to be provided to a territory entity;
- (b) any capital injection to be provided to territory entities; and
- (c) payments to be made by territory entities on behalf of the Territory.

Monies are appropriated to directorates, which have been established by the Administrative Arrangements and guidelines issued under Section 133 of the FMA. Appropriations are also made to territory authorities and territory-owned Corporations.

The Bill includes an appropriation of \$47 600 900 for the Treasurer's Advance. This amount will enable me, as Treasurer, to authorise expenditure in excess of that appropriated, or not provided for by an appropriation, if there is an urgent and unforeseen need for the expenditure (as per section 18 of FMA). Consistent with that section, the amount proposed to be appropriated in 2016-17 represents one per cent of the total amount to be appropriated under this *Appropriation Bill 2016-2017* and the *Appropriation (Office of the Legislative Assembly) Bill 2016-2017*.

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Clause 1 cites the short title of the Act as being the *Appropriation Act 2016-2017* as it relates to the 2016-17 financial year.

Clause 2 provides that the Act commences on 1 July 2016.

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 of \$4 778 050 900 for controlled recurrent payments, capital injections, the Treasurer's Advance and payments on behalf of the Territory, in the 2016-17 financial year.

Clause 6 (1) provides for appropriations to territory entities.

Clause 6 (2) provides for the appropriation of the Treasurer's Advance.

Clause 7 declares that all capital injection appropriations listed in Schedule 1, except those made to the Superannuation Provision Account are for, or partly for, the net cost of purchasing or developing assets.

Clause 8 gives effect to Section 17 of the FMA, which allows for on-passing increases to Commonwealth grants identified in the Budget Papers. This clause applies Section 17 of the FMA to all territory entities identified in Schedule 1, except those listed in the clause, which includes the appropriation to the Treasurer's Advance.

Clause 9 gives effect to Section 17A of the FMA, which allows for an increase in a specified appropriation to make payments to the Commonwealth for the provision of a service.

Clause 10 declares that appropriations made to the Superannuation Provision Account are superannuation appropriations for the purposes of the *Territory Superannuation Provision Protection Act 2000*.

Schedule 1 details the territory entities and the amounts that are appropriated in the 2016-17 financial year for:

- (a) controlled recurrent payments;
 - (b) capital injections; and
 - (c) payments on behalf of the Territory
- for each territory entity.