

Appropriation Bill 2020

Explanatory Notes

Short title

The short title of the Bill is the *Appropriation Bill 2020*.

Policy objectives and the reasons for them

Background

The *Appropriation Act 2019* (assented 5 September 2019) appropriated the amount of \$54,698,900,000 to be issued from the Consolidated Fund for departments for the financial year starting 1 July 2019. It also authorised \$27,349,450,000 to be issued from the Consolidated Fund for departments for the financial year starting 1 July 2020.

The *Appropriation (COVID-19) Act 2020* (assented 23 April 2020) authorised an additional payment of \$3,181,010,000 from the Consolidated Fund for departments for the financial year starting 1 July 2019. It also authorised an additional \$1,614,800,000 to be issued from the Consolidated Fund for departments for the financial year starting 1 July 2020.

2019-20 Supplementary appropriation

This Bill provides for supplementary appropriation for unforeseen expenditure that occurred in the 2019-20 financial year.

On the recommendation of the Treasurer, the Governor in Council authorised unforeseen expenditure that occurred in the 2019-20 financial year, that is, expenditure from the Consolidated Fund in excess of the amount provided by the *Appropriation Act 2019* and the *Appropriation (COVID-19) Act 2020*, in accordance with section 35 of the *Financial Accountability Act 2009*. Payments from the Consolidated Fund, including unforeseen expenditure, must be formally authorised under an Act of Parliament in accordance with section 66 of the *Constitution of Queensland 2001*.

Timely consideration of unforeseen expenditure enhances transparency and accountability of Government expenditure. As such, supplementary appropriation is sought via a separate Appropriation Bill as soon as possible after the end of the financial year rather than combined with the annual Appropriation Bills introduced next year at Budget time.

The supplementary appropriation sought is based on the Consolidated Fund Financial Report, noting unforeseen expenditure to be appropriated, which has been prepared by the Treasurer and reported on by the Auditor-General in accordance with section 23 of the *Financial Accountability Act 2009* (Qld).

Explanations of unforeseen expenditure requirements by departments have been provided as part of the 2019-20 Consolidated Fund Financial Report.

2020-21 Interim supply

This year, the *Appropriation Bill 2020* also provides for additional Interim Supply for the 2020-21 financial year. This is due to the postponement of Annual Appropriation Bills for 2020-21 alongside the postponement of the 2020-21 Budget.

The *Appropriation Act 2019* (assented to on 5 September 2019) included \$27,349,450,000 of interim supply for 2020-21, equivalent to half of the total 2019-20 appropriation. The intention was that this amount would provide sufficient supply for agencies to continue the ordinary operations of government until the Appropriation Bill for 2020-21 received assent.

The *Appropriation (COVID-19) Act 2020* (assented to on 23 April 2020) included a further \$1,614,800,000 of interim supply for 2020-21 in relation to the COVID-19 response measures announced by the Government prior to 22 April 2020.

As the Appropriation Bill for 2020-21 will not be introduced until after the 2020 State election, additional interim supply is required. The Appropriation Bill 2020 provides for \$28,635,094,000 additional interim supply.

Achievement of policy objectives

The policy objectives of the Bill in relation to supplementary appropriation for unforeseen expenditure are achieved as payments from the Consolidated Fund, including unforeseen expenditure, must be formally authorised under an Act of Parliament in accordance with section 66 of the *Constitution of Queensland 2001*. The Bill provides the appropriation authorisation for unforeseen expenditure.

The Bill also appropriates additional interim supply for 2020-21 ensuring the total amount of interim supply for 2020-21 is sufficient for agencies to continue the ordinary operations of government until the Appropriation Bill for 2020-21 receives assent.

Alternative ways of achieving policy objectives

The policy objectives can only be achieved by legislation.

Estimated cost for government implementation

There are not any additional administrative costs in implementing the Bill as it seeks Parliamentary approval for expenditure incurred in the 2019-20 financial year and additional interim supply for 2020-21.

Consistency with fundamental legislative principles

The Bill is consistent with fundamental legislative principles.

Consultation

Consultation has been undertaken with departments in establishing the appropriation payable to them pursuant to this Bill.

Consistency with legislation of other jurisdictions

The Bill is specific to the State of Queensland, and is not complementary to legislation of the Commonwealth or another state.

Notes on provisions

Clause 1 provides for the short title of the Act.

Clause 2(1) authorises the Treasurer to pay \$1,114,025,000 from the Consolidated Fund for departments as stated in Schedule 1, for the financial year starting 1 July 2019.

Clause 2(2) provides that for each department, the total amount mentioned in Schedule 1 is appropriated for the department for application to its departmental services, administered items and equity adjustment for the year as stated in the Schedule.

Clause 3(1) provides additional interim supply of \$28,635,094,000 for 2020-21.

Clause 3(2) clarifies that the amount in subsection (1) is in addition to interim supply amounts already appropriated for the 2020-21 financial year by previously assented legislation.