

LOAN BILL 2015

Receipt and First Reading

Bill received from the Assembly; and, on motion by **Hon Helen Morton (Minister for Mental Health)**, read a first time.

Second Reading

HON HELEN MORTON (East Metropolitan — Minister for Mental Health) [5.15 pm]: I move —

That the bill be now read a second time.

The Loan Bill 2015 seeks a new loan authorisation of \$8 billion to meet planned general government purposes borrowing requirements until 30 June 2017. Borrowing for general public purposes, as distinct from borrowing by statutory authorities with borrowing powers in their enabling acts, must be authorised by loan acts. The last authorisation for consolidated account general purpose borrowing was provided in the Loan Act 2012. Based on current estimates, after 2014–15 around \$1.6 billion of loan act authorisations remain available to be utilised in 2015–16. Current indications for the 2015–16 budget estimates of borrowings to meet consolidated account requirements will be in the region of \$4.5 billion in 2015–16 and \$3.6 billion in 2016–17. Consequently, further loan act authorisation is required and the \$8 billion sought in this bill aims to cover the two-year period until 30 June 2017, taking into account the remainder of the existing borrowing authorisation, and includes the projected borrowing requirements of the consolidated account and a margin for any further unforecast changes to the cash outlook, particularly continued revenue volatility.

In accordance with clause 4 of the bill, the proceeds of all loans raised under this authority must be paid into the consolidated account. The moneys will then be advanced by agencies, by appropriations in the budget. Details of the asset investment program are laid out in the budget papers to be tabled in this house. In accordance with clause 5 of the bill, in addition to seeking the authority for loan raisings, the bill also permanently appropriates moneys from the consolidated account to meet principal repayments, interest and other expenses of borrowings under this authority.

Pursuant to standing order 126(1) I advise that this bill is not a uniform legislation bill. It does not ratify or give effect to an intergovernmental or multilateral agreement to which the government of the state is a party, nor does this bill by reason of its subject matter introduce a uniform scheme or uniform laws throughout the commonwealth. I commend the bill to the house and table the explanatory memorandum.

[See paper 2859.]

Debate adjourned, pursuant to standing orders.