

SUPPLY BILL 2017

Introduction and First Reading

Bill introduced, on motion by **Mr B.S. Wyatt (Treasurer)**, and read a first time.

Explanatory memorandum presented by the Treasurer.

Second Reading

MR B.S. WYATT (Victoria Park — Treasurer) [12.26 pm]: I move —

That the bill be now read a second time.

This bill seeks supply and appropriation from the consolidated account for recurrent and capital purposes during the 2017-18 financial year of \$12.187 billion, pending the passage of the consolidated account appropriation bills for the year ending 30 June 2018. Supply is an integral element of the Westminster system of government and successive state governments and Parliaments in Western Australia have accepted and understood that the intent of supply is to give authority for expenditure from the commencement of a new financial year pending the passage of the consolidated account appropriation bills.

Each year through the budget process, authority is granted to agencies to spend public funds through the passing of annual appropriation bills. The funding is supplied to agencies for services provided in the coming financial year. Usually, with a May budget, the appropriation bills are passed by the August sitting of Parliament at the latest, and supply is therefore provided to agencies for the coming financial year. Following the March 2017 state election, the 2017-18 budget will not be presented to the house until 7 September 2017. Although the Financial Management Act 2006 provides two months' automatic supply if the appropriation bills are not passed before the end of the financial year, it is anticipated that the 2017-18 budget will not complete its passage through Parliament until November 2017. As such, a standalone Supply Bill authorising supply for this period is required.

The September budget will allow time for ministers to look critically at each of their departments' finances. By considering all existing policies, each minister can then prioritise, with the aim of delivering programs more effectively and implementing new election commitments. To support the late timing of the budget, the Supply Bill 2017 provides for interim appropriations out of the consolidated account to fund the core activities of government agencies until the passage of the annual appropriation bills.

The \$12.187 billion amount in the Supply Bill 2017 is based on 50 per cent of appropriations approved by the Parliament for the 2016-17 financial year. These moneys may be issued and applied to the works, services and purposes for which the consolidated account will be appropriated for by Parliament, once the appropriation bills are passed post-budget, for the financial year ending 30 June 2018. The bill prescribes a general monetary limit on the drawings against the consolidated account. By so doing, it overcomes the problems that otherwise could arise by prescribing monetary limits on the individual appropriations that were detailed in the 2016-17 estimates of expenditure.

I commend this bill to the house.

Debate adjourned, on motion by **Ms L. Mettam**.