

Appropriation (Parliament 1997/98) Bill

EXPLANATORY MEMORANDUM

This Bill provides appropriation for the Parliament for the 1997/98 financial year.

Funds are also available to the Parliament by way of Special Appropriation and details of these can be found in Table 4.1 of Budget Paper No. 3 *1997/98 Budget Estimates*.

The introduction of a single budget in April 1997 has eliminated the need for an interim appropriation period and its related legislation. In addition, unspent appropriation under the **Appropriation (Parliament 1996/97, No. 1) Act 1996** has been estimated and included in the Budget Papers. Prior to 30 June 1997 actual unspent appropriation will be finalised, approved carryover amounts determined and the 1997/98 appropriations increased accordingly, pursuant to Section 32 of the **Financial Management Act 1994**.

Consistent with the Government's objective of moving to output management, the Parliament together with departments generally, will report against output groups in 1997/98. This has required the Parliament to specify the output groups that best reflect the outputs it produces. The amounts included in Schedule 1 provide for the administration and operations of the Parliament insofar as these are funded by way of annual appropriation. In line with the wishes of the Presiding Officers of the Parliament, the estimates contained in Schedule 1 are presented in output group format.

The Victorian Budget is structured around a distinction between current and capital outlays. The broad basis of this distinction, which is consistent with the principles of the national accounts framework and generally accepted accounting principles, is that expenditure is applied to either a capital purpose or a current purpose. In this regard, capital purpose includes items such as the construction and acquisition of assets, the provision of loans and the payments of non-operating liabilities. In other words, transactions which affect the balance sheet. On the other hand, current purpose covers the day to day costs of providing goods and services and maintaining assets.

For the information of Honourable Members, a more detailed description of this distinction and an explanation of output management can be found in *A Guide for Readers* in Budget Paper No. 3 *1997/98 Budget Estimates*.

The 1997/98 appropriations contained in Schedule 1 of the Bill reflect this distinction between capital and current purpose. However, the appropriations for 1996/97, which were based on works and services and recurrent classifications, require adjustments to move to a capital and current purpose. Given the incompatibility of the 1996/97

appropriation with respect to the 1997/98 appropriation, only the 1997/98 appropriation has been included in Schedule 1. However, the table below enables comparisons between the two years by setting out the capital and current purpose adjustments by output group, in addition to explaining the relationship between the former program structure and the new output group structure.

	<i>1996/97</i>	<i>1997/98</i>
	<i>Estimate</i>	<i>Estimate</i>
	\$	\$
OUTPUT GROUP 801—LEGISLATIVE COUNCIL		
Recurrent		
Program 103—Legislative Council	1 550 700	
Program 108—Parliamentary Printing	220 500	
Total Recurrent	1 771 200	
Current Adjustments	..	
Total Current	1 771 200	2 098 000
Works & Services		
Program 103—Legislative Council	..	
Program 108—Parliamentary Printing	..	
Total Works & Services	..	
Capital Adjustments	..	
Total Capital
Total Current and Capital	1 771 200	2 098 000
OUTPUT GROUP 802—LEGISLATIVE ASSEMBLY		
Recurrent		
Program 104—Legislative Assembly	2 398 600	
Program 108—Parliamentary Printing	1 153 000	
Total Recurrent	3 551 600	
Current Adjustments	..	
Total Current	3 551 600	3 659 000
Works & Services		
Program 104—Legislative Assembly	..	
Program 108—Parliamentary Printing	..	
Total Works & Services	..	
Capital Adjustments	..	
Total Capital
Total Current and Capital	3 551 600	3 659 000

	<i>1996/97</i>	<i>1997/98</i>
	<i>Estimate</i>	<i>Estimate</i>
	\$	\$
OUTPUT GROUP 803—PARLIAMENTARY LIBRARY		
Recurrent		
Program 105—Parliamentary Library	1 171 600	
Program 108—Parliamentary Printing	142 800	
Total Recurrent	<u>1 314 400</u>	
Current Adjustments	..	
Total Current	<u>1 314 400</u>	<u>1 482 000</u>
Works & Services		
Program 105—Parliamentary Library	..	
Program 108—Parliamentary Printing	..	
Total Works & Services	..	
Capital Adjustments	..	
Total Capital
Total Current and Capital	<u>1 314 400</u>	<u>1 482 000</u>
OUTPUT GROUP 804—PARLIAMENTARY DEBATES		
Recurrent		
Program 106—Parliamentary Debates	1 541 200	
Program 108—Parliamentary Printing	551 800	
Total Recurrent	<u>2 093 000</u>	
Current Adjustments	..	
Total Current	<u>2 093 000</u>	<u>2 137 000</u>
Works & Services		
Program 106—Parliamentary Debates	250 000	
Program 108—Parliamentary Printing	..	
Total Works & Services	<u>250 000</u>	
Capital Adjustments	..	
Total Capital	250 000	..
Total Current and Capital	<u>2 343 000</u>	<u>2 137 000</u>
OUTPUT GROUP 805—PARLIAMENTARY AND ELECTORATE SUPPORT SERVICES		
Recurrent		
Program 107—Parliamentary Support Services	3 531 800	
Program 108—Parliamentary Printing	3 300	
Program 109—Electorate Support Services	21 926 700	
Total Recurrent	<u>25 461 800</u>	
Current Adjustments	- 4 208 000	
Total Current	<u>21 253 800</u>	<u>22 465 000</u>

	<i>1996/97</i>	<i>1997/98</i>
	<i>Estimate</i>	<i>Estimate</i>
	\$	\$
OUTPUT GROUP 805—PARLIAMENTARY AND ELECTORATE SUPPORT SERVICES (Cont.)		
Works & Services		
Program 107—Parliamentary Support Services	788 000	
Program 108—Parliamentary Printing	..	
Program 109—Electorate Support Services	200 000	
Total Works & Services	<u>988 000</u>	
Capital Adjustments	<u>4 208 000</u>	
Total Capital	<u>5 196 000</u>	1 348 000
Total Current and Capital	<u>26 449 800</u>	<u>23 813 000</u>
OUTPUT GROUP 806—PERFORMANCE AUDITS		
Recurrent		
Program 110—Departmental Performance Audits	3 700 000	
Total Recurrent	<u>3 700 000</u>	
Current Adjustments	<u>..</u>	
Total Current	<u>3 700 000</u>	4 100 000
Works & Services		
Program 110—Departmental Performance Audits	..	
Total Works & Services	<u>..</u>	
Capital Adjustments	<u>..</u>	
Total Capital	<u>..</u>	..
Total Current and Capital	<u>3 700 000</u>	<u>4 100 000</u>
PARLIAMENT		
Total Recurrent	37 892 000	
Total Works & Services	<u>1 238 000</u>	
Total Recurrent and Works & Services	<u>39 130 000</u>	
Total Current and Capital Adjustments	<u>..</u>	
Total Current	33 684 000	35 941 000
Total Capital	<u>5 446 000</u>	<u>1 348 000</u>
Total Current and Capital	<u>39 130 000</u>	<u>37 289 000</u>

Note: The adjustment between current and capital in Output Group 805 reflects the reclassification of maintenance from the former works and services to the new current purpose and the acquisition of vehicles from the former recurrent to the new capital purpose.

CLAUSE NOTES

- Clause 1 defines the purpose of the Act.
- Clause 2 specifies that the Act comes into operation on the day it receives Royal Assent.
- Clause 3 provides that the Treasurer may issue out of the Consolidated Fund in the financial year 1997/98 an amount of \$1 348 000 for capital purposes and an amount of \$35 941 000 for current purposes of Parliament. Sub-clauses (2) and (3) provide authority for additional appropriation if necessary for salary increases which are the result of determinations or legislation during the year.
- Clause 4 provides that the total amount that may be expended under the authority of this Act shall not exceed the amount provided for under this Act.
- Clause 5 provides that the sums issued and applied under this Act pursuant to Clause 4 are appropriated.
- Clause 6 provides that the Presiding Officers with the consent of the Treasurer may approve the transfer of funds between purposes.

