Appropriation Bill (No. 4) 1990-91

Date Introduced: 14 March 1991
House: House of Representatives
Portfolio: Finance

Purpose
To authorise the Minister for Finance to issue an additional $723 842 000 from the Consolidated Revenue Fund (CRF) in addition to the funds appropriated under the Appropriation Act (No. 1) 1990-91 and the Appropriation Act (No. 3) 1990-91.

Background
Annual authorisations for expenditure are contained in the Appropriation Act (No. 1), which authorises expenditure for the ordinary services of government, and the Appropriation Act (No. 2), which deals with expenditure on capital works and services, payments to the States and other purposes not authorised by special legislation. The parliamentary Departments are covered by the Appropriation (Parliamentary Departments) Act. Additional appropriations may be sought in further Appropriation Bills, usually known as the additional estimates, when the appropriation sought in the Appropriation Acts is insufficient for the financial year.

The Appropriation Acts lapse on 30 June at the end of the relevant financial year, and authorisation for expenditure between then and the passage of the next year's Appropriation Acts is contained in the Supply Acts, which are normally passed a month or so before the Appropriation Acts lapse.

This Bill, together with the Appropriation Bill (No. 5) 1990-91 and the Appropriation (Parliamentary Departments) Bill (No. 2) 1990-91, form the additional estimates and seek to appropriate an additional $1000.2 million. While these Bills seek to appropriate additional funds, this is partly offset by savings of $270.489 million on expenditure authorised by the previous Appropriation Acts of 1990-91. Although a Department may be expecting savings in some areas, that Department may also seek additional funds to cover unexpected costs in other areas. This occurs as funding is provided on a program basis and expenditure may be saved in one program and greater expenditure incurred in another. Unlike other years, there will be five general Appropriation Acts in 1990-91, as a special Act, Appropriation Act (No. 3) 1990-91 was passed in February to fund additional expenses related to the recent war in the Persian Gulf.

The expected savings are detailed in the Department of Finance information paper 'Statement of Savings Expected in Annual Appropriations'. Amongst the more interesting savings are: $16.757 million from the Department of Defence's compensation and legal expenses; $9.3 million for grants for research; $13.4 million under the Australian Traineeship System; $6.2 million in development assistance to South-East Asia; and $6 million under the Bounty (Computers) Act 1984.

Additional appropriations sought under this Bill include: $206.26 million for defence equipment and stores; $28.677 million for Austudy; $5 million for emergency and refugee programs; $48.831 million for the Australian Trade Commission; and $21.432 for the Taxation Office.

Additional appropriations sought under the Appropriation Bill (No. 5) 1990-91 include: $19.7 million for an advance to the Australian Construction Services Trust Account; $25 million for payments to the States and Territories for compensation for loss of revenue under the companies scheme; $14 million for payments to the States and Territories for pharmaceutical restructuring; $75 million for grants in relation to natural disaster relief; $32 million for payment to Victoria in lieu of petroleum royalties; and $25 million for the purchase of Telecoms equity in Aussat.
Main Provisions
Clause 3 will authorise the Minister for Finance to issue $732,842,000 from the CRF in respect of 1990-91, while clause 4 will deem this amount to have been appropriated from 1 July 1990 for the purposes specified in the Schedule to the Bill. The Schedule specifies the Departments and programs which are to receive additional funds.

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Parliamentary Research Service

For further information, if required, contact the Economics and Commerce Group on 06 2772460.

This Digest does not have any official legal status. Other sources should be consulted to determine the subsequent official status of the Bill.

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