



Inquiry into Financial Management and Government Procurement Legislative Compliance

Answer to question on notice

Asked by: Ms Fiona Carrick MLA

Addressed to: Treasurer

Redirected to: -

Reference: Treasury

Hearing: 22 April 2026

In relation to: Financial Management Act 1996 and Expenditure and Outputs

Question received: **28/04/2026**

Answer Due: 08/05/2026

Minister

The following questions are about the ACT Government's compliance with the Financial Management Act 1996 in relation to expenditure reporting, accountability, and transparency, recognising the ACT's role in safeguarding honest budget processes and maintaining trust and confidence in the Budget and the Government.

- Does current expenditure reporting practice comply with the Financial Management Act 1996's disclosure and accountability requirements in a way that enables the Assembly to clearly understand how appropriated funds are being used, or does the reliance on high-level outputs risk obscuring material information necessary for budget scrutiny?
- Does the Financial Management Act 1996 sufficiently require agencies to demonstrate how increased expenditure delivers improved outcomes, and where such links are absent, does this represent a compliance gap that weakens accountability for the effective use of public money?
- Does the Financial Management Act 1996 support compliance-driven reassessment of ongoing expenditure through program-level reporting and review, or does its structure facilitate incremental budgeting that limits transparency and weakens fiscal discipline over time?

Thank you

Mr Chris Steel MLA: The answer to the Member's question is as follows:

Current expenditure reporting practices comply with the *Financial Management Act 1996* (FMA) reporting and disclosure provisions.

The budget papers contain detailed information regarding initiatives that are to be funded through each budget.

Directorate budgets include a statement that sets out the outputs and classes of outputs it will provide (as required under section 12 of the FMA), with deliverables under each of these outputs set out in agency budget statements. Each output also contains a range of accountability indicators to measure performance which are subsequently reported on by agencies in the Statement of Performance (as required under sections 30A and 68 of the FMA), which is subject to audit.

The ACT Budget is prepared and managed at the initiative rather than program level. Government decisions are developed, approved and tracked at the initiative level, with reporting made through a range of mechanisms, consistent with the FMA.

Approved for circulation to the Select Committee on Financial Management and Government Procurement Legislative Compliance

Signature: 

By the Treasurer, Mr Chris Steel MLA

Date: 20/5/26