

**THE LEGISLATIVE ASSEMBLY FOR THE
AUSTRALIAN CAPITAL TERRITORY**

**APPROPRIATION (OFFICE OF THE LEGISLATIVE ASSEMBLY) BILL
2018-19 - DEPARTURES FROM RECOMMENDED APPROPRIATIONS**

STATEMENT OF REASONS

**Presented by
Mr Andrew Barr MLA
Treasurer**

Madam Speaker, earlier today, I presented the *Appropriation (Office of the Legislative Assembly) Bill 2018-2019* (the Bill) to the Assembly.

The Bill contains appropriations of \$21.981 million to the Office of the Legislative Assembly, \$2.958 million to the Auditor-General, and \$3.440 million to the Electoral Commissioner.

As the amount proposed in the Bill to be appropriated to the Office of the Legislative Assembly is a departure from the amount requested by the Speaker, I provide the following statement of reasons regarding this departure, as required under section 20AA of the *Financial Management Act 1996*.

As the amount proposed in the Bill to be appropriated to the Auditor-General is also a departure from what was requested by the Speaker, a further statement of reasons is provided regarding this departure, as required under section 20AC of the *Financial Management Act 1996*.

In relation to the Office of the Legislative Assembly, the Government has agreed to provide additional funding for three new initiatives requested by the Speaker: to support the transition to digital committees, to plan for future digitisation of broader Legislative Assembly workflows and materials, and to install additional double glazing on the Legislative Assembly Building.

While the total amount proposed for the Legislative Assembly for these initiatives is less than that requested, the Government considers that the proposed amount reflects an appropriate balance between the provision of services to the Assembly and not imposing an unnecessary burden on ACT taxpayers.

Moreover, in recent years the Government has provided supplementary funding for the larger Assembly, for extra staff for non-Executive members in the Assembly and for various works to upgrade the building.

The Government has also provided an interim allocation of funding to the Office of the Legislative Assembly to enable it to establish an independent integrity body. The head of this organisation would be created, subject to the passage of legislation, as an Officer of the Legislative Assembly who would report to the Speaker. The Government envisages that, once established, the future funding would be transferred to the new agency.

In relation to the proposed funding for the Auditor-General, the Speaker sought recommended appropriation of \$400,000 in 2018-19 to cover costs of recruiting a new Auditor-General and to undertake an additional performance audits across the outyears.

The Government has agreed to the Audit Office having a net operating deficit, excluding non-cash expenses, for 2017-18 of \$608,000 which exceeds the budgeted deficit of \$464,000. This operating deficit will allow the Audit Office to complete an additional performance audit this year and to meet the one-off costs associated with recruiting a new Auditor-General.

The Government has also provided additional funding to increase the number of performance audits from seven in 2018-19 to eight in 2019-20, and then to nine per year ongoing from 2020-21.

I commend this Statement of Reasons to the Assembly.