



Inquiry into Annual and Financial Reports 2023–2024

Answer to question taken on notice

Asked by: Ms Leanne Castley MLA

Addressed to: Mr Dave Pepper, Chief Executive Officer, Canberra Health Services

In relation to: Health portfolio cash reserves

Hearing: 20 February 2025

Uncorrected Proof Transcript pp 22-23

Transcript provided: 27 February 2025

Answer Due: 6 March 2025 5:00PM

Mr Pepper took on notice the following question(s):

MS CASTLEY: Great. What is the current level of cash reserves held within the portfolio, and what amount of cash reserves would be accessible through Treasury or other parts of government?

Mr Pepper: I think we would have to take that question on notice, Ms Castley.

MS CASTLEY: Thanks. And who decides the level of reserves that you hold? Is this your decision as minister, or is it made by the Treasurer? Or are there fiscal rules which you are required to abide by?

Ms Stephen-Smith: It is not my decision, and it would be, I think, part of the responsibilities of Directors-General and the CEO to make those decisions, but presumably in partnership with Treasury. But again, these decisions—that is a whole of-government question that you are asking. That is really more appropriately directed to the Treasurer than to me as Health Minister.

Minister Stephen-Smith: The answer to the Member's question is as follows:

As at 20 February 2025, the health portfolio cash balances were \$40,319,429. In addition, the portfolio has un-drawn Appropriation of \$326,652,000.

The health portfolio also has access to a Treasurer's Advance of \$79,386,000, which was signed by the Treasurer on 22 January 2025. None of these funds have been drawn down to date.

In addition, Section 14 of the *Financial Management Act 1996* allows for transfer of appropriation from other directorates of up to 3 per cent of their total appropriation.

As a general guideline, agencies are encouraged to hold a cash buffer of 1.9 per cent of their non-labour budget. However, provided appropriation amounts are not exceeded, agencies are permitted to request drawdowns in advance of pro-rata.

OFFICIAL

Approved for circulation to the Standing Committee on Social Policy

Signature:

A handwritten signature in blue ink, appearing to be 'R. Stephen-Smith', written in a cursive style.

By the Minister for Health, Rachel Stephen-Smith

Date:

4
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