



LEGISLATIVE ASSEMBLY

FOR THE AUSTRALIAN CAPITAL TERRITORY

STANDING COMMITTEE ON ECONOMIC DEVELOPMENT AND TOURISM

JEREMY HANSON MLA (CHAIR), SUZANNE ORR MLA (DEPUTY CHAIR), MICHAEL PETTERSSON MLA

Inquiry into referred 2017–18 Annual and Financial Reports ANSWER TO QUESTION ON NOTICE

Asked by MR COE MLA:

In relation to:

In relation to: CMTEDD Annual Report – Operating Statement, Vol 2.1, pp68-69

1. Why was revenue from Controlled Recurrent Payments down on budget by 10%?
2. Why were Employee Expenses over budget by 25.6%?
3. Why were Grants and Purchased Services down on budget by 16.5%?

TREASURER: The answer to the Member's question is as follows:–

1. Total Controlled Recurrent Payments for 2017-18 is \$101.239 million, which is \$11.210 million lower than the budget of \$112.449 million. The decrease is mainly due to the rollover of funding from 2017-18 to 2018-19 and future years (\$17.648 million), largely due to the timing of fulfilling the requirements of grants programs.

This is partially offset by:

- additional funding for a one-off grant to establish the Screen Industry Development Fund (\$5 million); and
 - the impact of the transfer of the Healthy Weight Initiative from Output 1.2 'Workforce Capability and Governance' (\$0.591 million) and the Healthy and Active Living from the Health Directorate (\$0.844 million).
2. Total Employee Expenses was \$19.170 million, which is an increase of \$3.911 million from the original budget of \$15.250 million. This increase represents two aspects. Firstly, staffing requirements related to the delivery of Commonwealth funded skills programs, which use ACT Government staff to develop strategic reform programs and initiatives. These focus on quality improvements for the Vocational Education and Training (VET) Sector. Second, other structural requirements to support the delivery of programs by the Division. Together these increases approximately correspond to an underspend in Supplies and Services.
 3. Total Grants and Purchased Services was \$53.511 million, which is a decrease of \$10.553 million from the original budget of \$64.064 million. The decrease is mainly due to the deferral of expenditure from 2017-18 to 2018-19 and future years associated with the timing of fulfilling the requirements of grant programs (\$17.648 million);

This is partially offset by:

- the payment of a one-off grant to establish the Screen Industry Development Fund (\$5 million); and
- the impact of the transfer in of the Healthy and Active Living from the Health Directorate (\$0.844 million).

Approved for circulation to the Standing Committee on Economic Development and Tourism

Signature: *Andrew Barr*

Date: **28.11.18**

By the Treasurer, Andrew Barr MLA