



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2022-2023

Mr James Milligan MLA (Chair), Mr Andrew Braddock MLA (Deputy Chair),
Dr Marisa Paterson MLA

ANSWER TO QUESTION TAKEN ON NOTICE DURING PUBLIC HEARINGS

Asked by Elizabeth Lee MLA on Monday 29 August 2022: Andrew Barr MLA took on notice the following question(s):

In relation to: Inflation forecasting and forecasting of expenditure from pre-pandemic

MS LEE: And this is a—well, it is obviously in the news as well, so this is—can I ask a general question about forecasting? Because you know, we have talked about the inflation forecast which clearly is lower than what it currently is and what the commonwealth has indicated. And you had accepted that you may need to increase that in the mid-year.

Then if you compare that to, I am just finding it hard to sort of do a comparison and when you compare that you have forecast payroll tax increase at 7.6 per cent per year, which is quite significant. And then, I think, earlier in the day we talked about the forecast that you have set in this budget for expenses which is at 1.7 per cent, which again, is grossly under what was the average of the last 10 years.

And treasury, you mentioned this morning that you did not have any concerns about treasury's forecasting, but I just cannot get all those figures and say that they make sense.

Mr Barr: Right, well, I will endeavour to step you through it again, Ms Lee. I mean, we—

Mr Barr: Thank you. So you are asking for instances where the actual expenditure has been less than the budgeted expenditure—

MS LEE: Yes.

Mr Barr: Okay.

MS LEE: And forecast to be, yes.

Mr Barr: Yes. Easy. That I can do.

THE CHAIR: Thank you very much—

MS LEE: Yes. So you will take that on notice?

THE CHAIR: Yes.

Mr Barr: Yes, we can do that. Yes.

THE CHAIR: Yes. Mr Barr will take that—the Treasurer—

Mr Barr: I will take that back over four years? Five years? Pre-pandemic?

MS LEE: Pre-pandemic, yes.

Mr Barr: Okay, yes.

Andrew Barr MLA: The answer to the Member’s question is as follows: –

There have been three instances where actual expenditure has been less than budgeted expenditure in the five years prior to 2020-21. Expenses in 2019-20 reflect the initial impacts of the COVID-19 pandemic.

| | Actual Result Expenses \$m | Budget Estimate Expenses \$m | Variance to Budget |
|---------|---|---|---------------------------|
| 2015-16 | 5,107 | 5,149 | (42) |
| 2016-17 | 5,395 | 5,404 | (9) |
| 2017-18 | 5,482 | 5,596 | (114) |
| 2018-19 | 5,919 | 5,818 | 101 |
| 2019-20 | 6,518 | 6,158 | 360 |

Approved for circulation to the Select Committee on Estimates 2022-2023

Signature: 

Date: 6.9.22

By the Treasurer, Andrew Barr MLA