

2025

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

ELEVENTH ASSEMBLY

Standing Committee on Public Accounts and Administration - Report No. 1 -

Inquiry into the *Appropriation Bill 2024-2025 (No. 2)*

Government Response

**Presented by
Chris Steel MLA
Treasurer
March 2025**



ACT
Government

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and Administration – Report No. 1 –
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2024-2025 (No. 2) – Government Response**

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Introduction

The ACT Government acknowledges and thanks the Standing Committee on Public Accounts and Administration for their Report on the *Appropriation Bill 2024-2025 (No. 2)* and the scrutiny provided to the 2024-25 Budget Review and Supplementary Budget Papers.

The *Appropriation Bill 2024-2025 (No. 2)* provides additional funding to meet the increased growth in activity and costs of service delivery in our public health system. Increased demand for our out of home care services for children and young people has also required additional funding for these vulnerable members of our community. More funding would also be provided to improve the pay and conditions of ACT Policing.

The Committee has made three recommendations. In our response, the Government has noted two recommendations and identified one as existing government policy.

The Government remains committed to transparency in budget reporting, ensuring that our practices strengthen the integrity and accountability of the management of the Territory's public finances. The Government's response to each of the recommendations made by the Committee is detailed on the following page.

Response to Recommendations

Recommendation 1

The Committee recommends that the ACT Legislative Assembly pass the *Appropriation Bill 2024-2025 (No 2)*.

Government response

Noted.

The ACT Government notes and welcomes the recommendation of the Committee to passing the Appropriation Bill 2024-2025 (No 2) to ensure continued support for our ACT Public Hospitals, Out-of-Home Care services and ACT Policing.

Recommendation 2

The Committee recommends that the ACT Government improve financial transparency and forecasts for each Directorate by providing a greater level of detail for each output class in the budget papers, using techniques such as activity-based management.

Government response

Noted.

The ACT Government is committed to providing a high level of financial transparency through the Budget, Annual and Financial Reports, and regular quarterly financial updates to the Assembly.

The Government undertakes regular and ongoing reviews of output classes, our financial reporting processes and the presentation of this information in the budget papers and other reports to ensure it is continually improving and meets the high levels of transparency expected by the community.

Importantly, the budget papers, agency budget statements and financial statements are prepared in accordance with the principles of Australian Accounting Standards, the Government Finance Statistics reporting framework and the provisions of the *Financial Management Act (1996)*.

Information on the costs of delivering, and appropriations provided for, output classes and outputs are provided through agency budget statements, financial statements and annual reports. In addition, information on agency performance against output classes and outputs are provided through accountability and strategic indicators.

Information on new initiatives is also provided through initiative descriptions, including the net cost of services, and information is provided on appropriations associated with variations in both policy and technical adjustments.

In addition, The Auditor-General and the ACT Audit Office provide independent assurance on whether financial and performance reports for the Territory and its agencies present a true and fair view of their performance.

Recommendation 3

The Committee recommends that the ACT Government adopt a balanced budget objective over the forward estimates and beyond, with the aim of reducing interest on borrowings.

Government response

Existing Government policy.

In the Public Hearing of the Inquiry into the *Appropriation Bill 2024-2025 (No 2)* that took place on 7 March 2025, the Treasurer provided evidence that the ACT Government's policy "remains that we want to see the budget return to balance over the medium term"¹. Further, the Government's fiscal objectives are set out on page 29 of the 2024-25 Budget Review through the Fiscal Strategy and Outlook chapter.

¹ Mr Chris Steel, Treasurer, *Proof Committee Hansard*, 7 March 2025, p 41.