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APPROPRIATION BILL (NO. 3) 1985-86

Date introduced: 19 March 1986
House: House of Representatives
Presented by: Hon. Chris Hurford, M.P., Minister
Representing the Minister for
Finance

DIGEST OF BILL

Purpose

To appropriate \$755.656 million from the Consolidated Revenue Fund, in addition to the funds appropriated by the Appropriation Act (No. 1) 1985-86, to meet expenditure for the ordinary services of Government.

Background

This Bill, together with the Appropriation Bill (No. 4) 1985-86 (which seeks to appropriate \$183.567 million) and the Appropriation (Parliamentary Departments) Bill (No. 2) 1985-86 (which seeks to appropriate \$1.05 million), form the Additional Estimates for 1985-86. The amount sought by the three additional Appropriation Bills totals \$940.3 million, which represents an increase of 1.36% on the 1985-86 estimated Budget Outlays of \$69 067 million.[1]

Exchange rate fluctuations and increases in costs, prices, awards, determinations and staffing levels have largely been responsible for the additional appropriations. An estimated \$297.8 million is appropriated for wages and salaries to meet increases in award rates, other wage and salary costs and an 0.2% increase in Budget approved staffing levels.[2] Although the Budget figures contained provision for wage and salary increases for various government employees, the funds necessary to cover such cost increases were not sought in the earlier 1985-86 Appropriation Acts.

Outline

A summary of the allocation of the funds appropriated by this Bill is included as page 3 of the Bill.

The largest increase in appropriation is sought by the Department of Defence (\$290.65 million or 38.5% of the total increase sought by this Bill). The majority of the proposed increase relates to salaries and other payments for members of the Australian Defence Forces (\$149.9 million) and equipment and stores (\$95.9 million).

The next highest increase is sought by the Department of Trade (\$86.2 million or 11.4% of the total increase sought by this Bill). The majority of this amount (\$73.2 million) is sought for expenditure under the Australian Trade Commission Act 1985.

Main Provisions

The Minister for Finance may spend \$755.656 million from the Consolidated Revenue Fund for the purposes set out in the Schedule to the Bill, for the year ending 30 June 1986 (clause 3).

The funds appropriated by this Bill will be deemed to have been appropriated from 1 July 1985 (clause 4).

Section 5 of the Appropriation Act (No. 1) 1985-86 enables the Minister for Finance to pay, from Consolidated Revenue, increases in wages and salaries (for which provision is made in Schedule 2 of that Act), arising from any law, award etc., which becomes payable in 1985-86. The effect of clause 5 is to apply the Minister's power contained in section 5 to this Bill.

This Bill has effect subject to the Loan Act 1985 (clause 6).

For further information, if required, contact the Economics and Commerce Group.

References

1. 1985-86 Budget Paper No. 1, p.3.
2. House of Representatives, Hansard, Second Reading Speech, 19 March 1986, p.1614.

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