

PREFACE

The 2002-03 Budget

The 2002-03 Budget reflects a number of key changes that occurred during the 2001-02 financial year.

Administrative Arrangement Orders

Significant Administrative Arrangement amendments were made during 2001-02 as a result of the change of Government that affected the composition of departments and Ministerial responsibility. Financial Statements presented in the 2002-03 Budget Papers reflect the current composition, as further outlined in the Structure of the ACT Government and Classification of ACT Entities chapters.

The AAO of 14 November 2001, established Mr Jon Stanhope as the Chief Minister for the ACT following the change of Government. Mr Stanhope also announced the revised Ministerial portfolio arrangements at this time, as summarised below:

Mr John Stanhope	- Chief Minister - Attorney-General - Minister for Health - Minister for Community Affairs - Minister for Women	Mr Ted Quinlan	- Deputy Chief Minister - Treasurer - Minister for Economic Development, Business and Tourism - Minister for Sport, Racing and Gaming - Minister for Police, Emergency Services and Corrections
Mr Bill Wood	- Minister for Urban Services - Minister for the Arts	Mr Simon Corbell	- Minister for Education, Youth and Family Services - Minister for Industrial Relations - Minister for Planning

Revised Departmental and portfolio arrangements and responsibility transfers resulting from the Ministerial changes above are further summarised in the “Basis of the Budget” appendices to the Budget Papers.

Department of Disability, Housing and Community Services

From 1 July 2002, the new Department of Disability, Housing and Community Services will take over the functions of:

- the Office of Disability from the Department of Health and Community Care;
- Disability Services from ACT Community Care;
- Housing from the Department of Urban Services;

- the Supported Accommodation Assistance Program (SAAP) from the Department of Education and Community Services;
- Child Health and Development Services (CHADS) other than specialist preschool education (eg language preschool and autism early intervention units and playgroups from the Department of Education and Community Services; and
- general community services including support of peak bodies, concessions and community facilities.

The management of home-based palliative care, currently in Community Care, will be moved to the ACT Hospice, which is operated by Calvary Health Care.

These changes will necessitate the introduction of an amended Appropriation Bill. This will be accompanied by revised components of the budget papers as they relate to the affected Departments. The amended Bill and the revised budget related papers will be prepared and circulated to the Assembly for Members to consider before the Budget debate.

Supplementary Appropriations 2001-02

The 2001-02 Appropriation Bill No. 2 was passed by the Legislative Assembly on 11 December 2001 providing additional appropriations totalling \$32.139m.

The 2001-02 Appropriation Bill No. 3 was passed by the Legislative Assembly on 19 February 2002 providing additional appropriations totalling \$19.495m. A report on the inquiry into the 2001-02 Appropriation Bill No. 3 was presented by the Select Committee on Estimates 2001-02 on 9 April 2002.

The 2001-02 Budget Papers are prepared on the basis of the inclusion of items noted in the 2001-02 Appropriation Bill No. 2 and 2001-02 Appropriation Bill No. 3 within the estimated outcome column for 2001-02.

Changes to the Presentation of Financial Statements

The most significant changes to occur in the presentation of the financial statements since the previous Budget include: the discontinuance of the capital charge (as highlighted below); and the amalgamation of the appropriation for injection for operation into Net Cost of Outputs (GPO).

Capital Charge	2001-02 Est. Outc. \$'000	2002-03 Budget \$'000	2003-04 Estimate \$'000	2004-05 Estimate \$'000	2005-06 Estimate \$'000
CMD - Removal of capital charge	0	- 131	- 131	- 131	- 131
DHCC - Removal of capital charge	0	- 92	- 92	- 92	- 92
DUS - Removal of capital charge	0	-2 667	-2 667	-2 667	-2 667
JACS - Removal of capital charge	0	- 690	- 690	- 690	- 690
DECS - Removal of capital charge	0	-10 268	-10 268	-10 268	-10 268
Total Removal of Capital Charge	0	-13 848	-13 848	-13 848	-13 848

Other presentational changes include:

Budget Paper No. 3

- rearrangement of Budget Paper No. 3 to provide an improved-organisation of financial information;
- expansion of the existing “Revenue and Forward Estimates” chapter to include trends and influences across the forward years;
- the inclusion of a new “Expenses and Forward Estimates” chapter, including trends across the forward estimates and details of factors affecting expenditure levels;
- the inclusion of a new “Financial Position” chapter, providing more detail on the Territory’s financial position relating to liquidity, long-term liabilities and assets;
- a separate and specific chapter for the “Budgeted Financial Statements”;
- the inclusion of a new “Risk Management” chapter addressing issues relating to the management of the Territory’s fiscal risks, including insurable and economic risk and contingent liabilities;
- an expansion of the “Taxes, Fees and Fines” section, to be now included as an appendices to the Budget Paper, providing detailed discussion of taxation items; and
- the new Government’s plan is at Part 2, called ‘Shaping Canberra’s Future’, providing a broad statement of Government priorities.

Budget Paper No. 4

An additional section has been incorporated in each Departmental chapter providing detail on the “Budgeted Financial Results” for the Department. This section aims to improve accountability of Chief Executives who are responsible under *Section 31 of the FMA* for achievement of financial results. Chief Executives are accountable to achieving these targets, within generally accepted materiality limits measures.