



ACT Government

2002-2003 BUDGET

2002-03 BUDGET PROVIDES FOR SOUND FINANCIAL MANAGEMENT AND ADDRESSES SUPERANNUATION LIABILITIES

The 2002-03 ACT Budget will improve financial management, and make important long-term provisions for the Territory's superannuation liabilities, Treasurer Ted Quinlan said.

"The ACT Government understands that a basis for good government is a demonstrable capacity to provide sound financial management," Mr Quinlan said.

"The Auditor General has made numerous recommendations for improvement to Treasury financial management practices, in recent reports. In particular, he identified a deficiency in the capacity for financial and economic analysis and advice in the Treasury.

"We have acted on this recommendation and our commitment to sound financial management by providing \$2.415 million over four years, with \$600,000 in the first year, for strengthening financial management and administration in the Department of the Treasury.

"This funding will enable the Treasury to more rigorously address financial management issues, undertaking greater financial and economic analysis and providing more in-depth advice to Government."

The Treasurer said that managing the Territory's superannuation liability is a long-term financial challenge.

"In the lead-up to the 2001 election, we said we would not neglect the big picture items like the Territory's unfunded superannuation liability," Mr Quinlan said.

"With this budget, we are delivering on this commitment. The Government is injecting an additional \$86 million over four years into the Superannuation Provision Account.

"This is comparable to the estimated loss in investment income in 2001-02, reflecting the poor returns in domestic and international equities markets. The additional injection is vital to our long-term funding objective, which is for the Territory's superannuation liability to be 90 percent matched by investment assets by 2039-40."

Statement ends 25 June 2002



Released: 25 June 2002

Inquiries: Narelle Luchetti 6205 0145 or 0418 448 660