

Mr Speaker

I move that this Bill be read a second time.

One hundred years ago, the then Premier Sir John Forrest brought down the last budget of the Western Australian Government for the 19th century.

That budget had a total expenditure of £3,535,769 and the budget speech highlighted the large capital works program that was being implemented in the State as a result of the 1890s gold rush.

They were in the middle of the construction of the Fremantle Harbour and the Goldfields Water Scheme.

Significantly, that budget allocated £96,515 or 2.7% of expenditure to education.

How things have changed!

In bringing down the last budget of the 20th century, Western Australia has now grown to the point where we have a total budget of \$7.7 billion and expenditure of \$1.78 billion or 23% on education and training.

This figure alone highlights the major priority that we are giving to education in making sure that people of all age groups, but particularly our youth, have the skills required to be competitive in a rapidly changing and increasingly globalised world – we are becoming the smart State.

This budget has been designed to ensure stability in the Western Australian economy and public finances as we navigate around Asia's difficulties – one of the greatest economic crises we have faced since the second World War.

It is our second budget presented with full accrual accounting and, on that basis, an operating surplus<sup>1</sup> of \$171 million is expected in 1999-2000, despite weaker revenue growth, with larger surpluses in the out-years.

Last year, we forecast that surplus to be \$471 million but we have made a deliberate decision to increase expenditure into the priority areas of education, health, and law and order.

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1 The operating surplus is a measure across all government agencies after all expenses including depreciation on assets, superannuation expenses and leave entitlements are taken into account.

In fact, we decided to increase these expenditures in 1998-99 and the service levels are maintained in this budget.

Highlights in the priority areas are:

- education and training – expenditure of \$1,780 million is an increase of \$184.4 million over the 1998-99 budget estimate;
- health – expenditure of \$1,794 million is an increase of \$153.3 million over the 1998-99 budget estimate; and
- law and order and justice – expenditure of \$789.1 million is an increase of \$61.8 million over the 1998-99 budget estimate.

To further strengthen the economy this year we are also implementing a one-off major increase in capital investment. Much of this is occurring in the government trading enterprises and other agencies which have been traditionally off the budget. This investment will assist in stimulating the economy and creating more jobs in a period when private investment will decline.

Like the Forrest budget 100 years ago, it will build essential social and economic infrastructure for our growing economy.

Our total capital works program will increase by more than \$600 million from our forward estimates to a record \$3.3 billion in this budget. In 1992-93, the total capital works expenditure across government was \$1.6 billion, less than half of that proposed in this budget.

The investments include:

- a \$199 million increase in the Keystart Housing Scheme funding to \$499 million giving low to moderate income home buyers access to their own homes. So far, the scheme has assisted more than 30,000 Western Australians into home ownership. This scheme is regarded nationally as a leader in its field. In this budget, loans are expected to be advanced to another 5,000 people to enter either new or acquired homes. 4,600 of these loans will be to first home buyers;
- water infrastructure will be enhanced with an additional \$115 million to build the \$61 million Harvey dam, new waste water treatment plants, new ground water schemes and country infrastructure, bringing the total capital investment by the Water Corporation to \$465 million this year. This is essential infrastructure to ensure our growing population is adequately provided with water in the future;

- the Western Australian Land Authority will invest an additional \$93 million on industrial land projects to ensure that suitable industrial estates are accessible and, of great importance, unencumbered;
- Western Power will spend an additional \$33 million primarily to enhance the non-interconnected system to people living in Meekatharra, Cue and Mount Magnet. This brings total expenditure to \$262 million;
- additional rail expenditure of \$51 million, bringing the total to \$169.8 million, will modernise rolling stock;
- there will be an additional \$35 million, principally for new buses, bringing Department of Transport capital expenditure to \$80 million;
- Education capital works is boosted by \$46 million to \$152 million which will include a number of significant new schools; and
- \$10 million will go to regional port development at Esperance and Geraldton.

By reducing debt in better times, and not squandering the proceeds of asset sales, we have positioned ourselves well in these more difficult circumstances.

In the past six years the Government has worked steadily to build rock solid foundations for the future.

For six years the total public sector has funded most of its capital works from revenue, with very little recourse to borrowing. Accordingly, our net debt levels are historically low.

It was pleasing in the last year to win back the State's triple A credit rating which was lost in the Labor years.

However, we cannot turn a blind eye to the low commodity prices and the lag effects of the Asian difficulties.

Now we can respond to our current circumstances with a strategy to provide further stability and growth. Key features of our strategy are:

- to partly divert our operating surplus to the priority areas of education, health, and law and order;
- to tighten the belt marginally in other spending areas; and
- to make necessary investments in utilities, roads, rail, housing and industrial infrastructure at a time when private investment growth has weakened;

Our asset base will increase significantly more than the debt increases. Net assets have increased from \$16.7 billion in June 1994 to \$33.9 billion in June 2000.

Even with this major capital works boost, the budget will see net debt fall as a share of GSP and interest fall as a share of revenue over the forward estimates period.

I have stated that we will tighten our belt in some areas. Most agencies have been kept to their forward estimates figures or have had some reductions. These cuts are generally small, in total \$57 million, and they are to be absorbed by productivity improvements.

With our goal of maintaining both momentum and stability in the economy, the Government has kept taxes and charges low. There is only one revenue raising measure, modest increases in some charges and the Government has decided not to increase electricity and gas tariffs.

The impact of these increases on an average family is less than eighty cents per week.

Despite these modest increases, household charges are expected to continue to fall as a proportion of average weekly earnings.

It must be noted that we have not built into the budget the proposed sale of AlintaGas and Westrail as it has previously been our policy not to take these sales into account until they are successfully completed.

The successful sale of AlintaGas and Westrail would allow no increase in net debt and substantially fund the Perth to Mandurah railway.

### **ECONOMIC OUTLOOK**

Following the record 8% growth levels in 1997-98, off the back of record business investment and exports, growth dropped to 3.25% in 1998-99.

We are forecasting real economic growth of 4.5% in 1999-2000.

Over the past two years, the Western Australian economy has performed well, despite unprecedented uncertainty in world economic conditions.

Against a backdrop of declining world demand and falling prices for many of the State's exports, the annual total of investment spending in 1998 soared to a record \$12.4 billion.

Several exciting new major investment projects, adding value to our natural resources, have now completed the construction stage.

In 1999-2000, there will be around \$10 billion worth of investment spending across the State, spread throughout the economy.

There is a number of prospective new, large scale investments in the minerals and energy sector. When they go ahead will, as always, depend on a range of factors including the outlook for growth in our trading partners.

Encouragingly, there are tentative signs that some of our Asian trading partners may have the worst behind them. Regrettably, Japan remains stagnant but Korea, for example, is moving back into positive growth.

Exciting new markets in Asia are emerging despite the downturn.

Employment growth is forecast to be sustained at 2% as against 2.5% in 1998-99.

Since the Coalition took office, it has created 155,300 new jobs.

Wages growth is forecast at 3.5%.

Inflation is forecast at 2.25% against the estimate of 1.75% for 1998-99.

## **EXPENDITURE**

In 1998-99, the Government made a policy decision to increase expenditure in the priority areas of health, education and law and order.

This resulted in real growth in outlays of 5.2%.

This increased level of expenditure will continue this year with a nominal increase of \$186.4 million so service levels can be maintained and improved.

Priority has again been given to health, education, and law and order with a tight rein on the balance of recurrent expenditure.

As I said, Mr Speaker, a significant feature is an additional \$600 million on top of our forward estimates for the total public sector's capital program, bringing it to a record \$3.3 billion.

## **Education and Training**

Education and training in this budget totals \$1.78 billion, which is \$184.4 million higher than the 1998-99 budget estimates. This high level of service continues because it is important that we make our mark as the smart State.

The \$100 million computers in schools program and the training programs which go with it are equipping our youngsters with the skills, knowledge and confidence to challenge for jobs anywhere in Australia or abroad.

Our goal is for every secondary school to have at least one computer for every five students and one for every ten primary children by the year 2002.

This government has built 23 new primary schools, three new high schools, established 18 education support centres for students with disabilities and has made inroads into the backlog of school maintenance work inherited in 1993.

As part of commitments made under Local Area Education Planning last year, \$150 million worth of first class education facilities will be provided for secondary students. This plan includes the new Shenton College to replace the Hollywood and Swanbourne high schools, and a new state-of-the-art senior campus at Cannington.

Another \$18 million is budgeted in 1999-2000 for new schools at Boddington, Bunbury and Denmark.

\$8 million will be spent on construction of the new \$16 million Halls Head Middle School and a further \$8.2 million on the new Peel Senior Campus, which forms part of a \$22 million co-located facility with the South Metropolitan College of TAFE.

The Government's Early Childhood Education Program is, this year, offering a kindergarten and pre-school place to all Western Australian children and a further \$10 million has been committed for additional early childhood education.

A further \$14 million over four years has been provided to attract and retain experienced teachers in rural areas through the Country Incentives Scheme.

Teachers now also have the advantage of developing more flexible programs to suit the particular needs of their students through the Curriculum Framework.

In this budget there is \$127.2 million in per capita funding to non-government schools.

Our students are receiving a variety of training for their journey through life and we should take some comfort from the success of the Cadets WA scheme.

There are now 102 units in the scheme including military, State Emergency Services, police rangers, bush rangers, Red Cross and St John Ambulance.

Our Youth Advisory Councils and courses conducted by Leadership WA, which was established last year, have also been very successful. This budget contains \$7.1 million to enable the Office of Youth Affairs to continue this good work.

Those who end their school days seeking advanced or new skills have a full range of options at our TAFE colleges and other tertiary institutions.

TAFE capital works projects in this budget will include:

- \$9.6 million for the South West TAFE at Bunbury;
- \$5.9 million at Geraldton;
- a \$3.9 million marine and fishing industry and education and training facility, also at Central West College of TAFE, Geraldton;
- \$1.5 million to relocate the Katanning campus;
- planning will begin on the projected \$11.7 million development of Beaconsfield campus of South Metropolitan TAFE; and
- \$1.3 million has been allocated to relocate the Moora campus of the C Y O'Connor College.

The *Access All Areas* program, a Western Australian-developed initiative, has already opened up a new avenue for youth employment opportunities.

The proof of our training policies is the 93.6% increase in apprenticeships since 1993. Landcare has created 200 traineeships.

## **Health**

The Health budget for 1999-2000 is \$1.8 billion which is \$153 million more than the 1998-99 budget estimates and represents nearly one quarter of State expenditure.

We have built three of the most modern regional health campuses in Australia and a fourth, the redeveloped Armadale Health Service, will be operational within the next two years.

Further redevelopment is continuing at Bunbury where we have built an outstanding new health campus, the new Broome Hospital redevelopment has been completed and major work is being undertaken at Busselton, Moora, Narrogin and Kalgoorlie.

Instead of the old policy of centralising most services in Perth we are taking the services to where they are needed – to where the people are.

The best recent news on health is the success of the five-year \$125 million elective surgery program under the Government's Central Wait List Bureau, which was established last year.

The waiting lists are at 13,852 which is the lowest level in 16 months.

In March, 2,573 patients were admitted to teaching hospitals. That represented an increase of 871 over the previous month and 1,137 more than in January.

Of the cases identified at the start of the wait list strategy in August last year, the hospitals are now three-quarters of the way through the number of cataract operations and more than halfway through hip and knee surgery.

The Government is pleased to receive a boost in the fight against drugs.

The Commonwealth's decision to contribute to the States' efforts will be a welcome contribution to reinforce our anti-drug abuse programs.

The emphasis will be on early intervention and providing more access to treatment places.

We have already established 51 local drug action groups, strong education programs and family support.

All this has occurred since the \$4 million *Together Against Drugs* program was launched less than two years ago.

### **Law and Order, and Justice**

The expenditure of \$789 million in this budget, for law, order and justice, is an increase of \$61.7 million above the 1998-99 estimates, strengthening our SAFER WA initiatives.

SAFER WA is a partnership of the Government, the Police, local councils, and, above all, the community.

The combined Police-SAFER WA initiatives are achieving results and generating strong community support.

### ***Police***

In the Year 2000 new police facilities will open at Rockingham, Busselton, Geraldton, Clarkson and Lockridge. This will bring to 26 the number of new police facilities built by the Government over the past four years.

Provision has been made in this budget for architectural plans for the \$3 million Kensington station to replace those at South Perth and Victoria Park.

Construction will commence on the \$45 million police academy at Joondalup with a \$10.8 million allocation in this budget.



Work will also start on the \$42 million police operations centre at Midland and the \$124 million Delta Communications and Technology Plan to give the service the most modern technology and equipment will continue, with \$16 million allocated in this budget.

It is anticipated that the equivalent of close to 100 police officers will be freed up to return to normal police duties through the transfer of the management of prisoner transportation and court security services from the Police Service to the Ministry of Justice.

Western Australia has by far the highest police to population ratio for any State in Australia and our police are among the best paid.

### ***Justice***

There is a need for more prisons to meet the demands of the majority of Western Australians who want tougher treatment for criminals who threaten the safety of law abiding people.

Significant projects included in this budget are the new medium security prison at Wooroloo, additional accommodation at Canning Vale, at Rangeview for juveniles and at Bandyup and Pyrtton.

Following the success of the two existing work camps at Walpole and Badgingarra, we will develop four more camps.

The six camps, some of which will be mobile, will involve 50 prisoners operating on a seven day a week basis at a total cost of \$2.7 million in 1999-2000.

About 80 prisoners have gone through the award-winning Walpole work camp established 18 months ago and Warramia work camp near Badgingarra established eight months ago.

The success of the camps can be gauged by the continuing strong support from the local communities and the dedication of the prisoners – none of whom has tried to escape.

### ***Fire and Emergency Services***

In this budget we have allocated \$8.6 million which includes provision for new equipment and upgrade of facilities in all regions.

The Government has changed the face of Fire and Emergency Services in recent years by combining them under one roof and increasing funds to put the service on a better equipped footing. This has paid off handsomely for the people the services are safeguarding.

We have made further funding available in this budget for training purposes, the completion of the Forrestfield Training Academy and a \$695,000 increase for the operation of the Volunteer Sea Search and Rescue Services.

### **The Environment**

The Regional Forest Agreement, signed this week, is a victory for balance and common sense.

It means that our children will enjoy our old growth forests forever.

It is impossible to please everyone, but this agreement does the following:

- it means more than two thirds of our old growth forests will remain untouched;
- the remainder will be among the best managed forests in the world;
- the Government will create 12 new national parks and 90 new conservation reserves or additions to existing reserves;
- a new Forest Production Commission will have responsibility for commercial timber operations in native forests. CALM will not be involved; and
- the forest-based timber industry is also receiving support and a \$59 million package will be available to assist.

### **Transport and Roads**

The Department of Transport receives a budget of \$760 million to enhance our transport infrastructure.

Our large roads program of \$742 million in 1999-2000 includes around \$300 million additional funds provided from sources other than the Department of Transport.

Without a first class road network, Western Australia would be unable to take advantage of its many outstanding resource and tourism projects and our agricultural sector, one of the best and biggest in Australia, would also be impeded.

That's why we embarked on the first billion dollar road program five years ago.

Now, through TransformWA, our second billion dollar program, we are building the finest road system in Australia.

Work is about to begin on the \$49 million second Narrows Bridge for additional car and non-stop bus lanes which, by Christmas 2000, will be operating, relieving traffic congestion to the southern suburbs, improving safety and reducing pollution.

This also applies to the Graham Farmer Freeway and the Burswood bridge.

They will give Perth a free-flowing east-west traffic system and divert vehicles around the CBD. The removal of the Loftus and Lord streets bottlenecks will also be seen as a blessing by thousands of motorists.

Within twelve months, the Mitchell Freeway extension to Hodges Drive will be operational and work will start on widening the freeway from Karrinyup Road to Hepburn Avenue.

In the rural and regional areas, this year's program includes \$19 million of the \$97 million for the Mt Magnet to Agnew road, and \$15.2 million for the Mt Keith to Wiluna section of the Goldfields Highway.

Under the Government's System 21 Ten Year Better Public Transport Plan, another 130 new buses will be put into service and the CAT inner city services will be extended.

### **Commerce and Trade, Technology**

The total budget is \$94.3 million and includes work to begin on the \$200 million maritime support facility at Jervoise Bay and the marine industry technology park in the same precinct.

When the engineering project is completed this State will be well placed to win a greater share of the multi-million dollar resource-related construction industry.

The \$10 million Statewide Telecommunications Enhancement Program, known as STEP, is being progressively implemented to give all Western Australians, no matter where they live, the best services, including tele-health, video conferencing, the Internet and electronic commerce.

Electronic commerce will also be a feature of Commerce and Trade's on-line Business and Investment Embassy. This Internet-based gateway will provide information to international investors and promote our State as a place for opportunities, to do business, to work and live.

### **Primary Industry**

The combined budget for agriculture and fisheries is \$108.25 million.

But that funding is only part of the story.

For most of this century, Western Australia has been one of the outstanding agricultural States and, for many years now has been a world leader in cereal production and a prolific producer of wool, with a sheep population of around thirty million.

Transport, roads, the sciences, education, health and so many other agencies continue to throw their efforts behind the men and women on the land and those in the country towns who are supporting them.

In 1999-2000, Agriculture WA will undertake these initiatives:

- \$2.5 million to support interstate freight quarantine services;
- \$3.3 million for the management of feral wildlife and \$490,000 to maintain the State Barrier Fence;
- \$1 million for the final stages of the Footrot Eradication Program;
- \$1.5 million to promote the wool industry;
- \$1.2 million for research and development into new pasture species;
- \$2.4 million to continue the *Better Business Program*; and
- \$2.3 million for the *Progress Rural WA* initiative.

There is continued funding for crop improvement programs and food and fibre promotions in South East Asia.

Capital funding of \$22.8 million is allocated to expand agricultural and horticultural production on the Ord River, with \$1.4 million available in this budget.

A provision of \$1.8 million has been made as part of the Government's total funding of \$27.2 million for agricultural centres and regional accommodation.

The Government has continued its commitment to the protection of the State's fisheries and its fish stock. The budget estimates include an amount of \$2 million for the continued Aquaculture project and \$2 million is provided to ensure sustainability of the fishstock which would provide a legacy for future generations of Western Australians.

## **Regions**

As I have already demonstrated, Mr Speaker, much of what we are doing in this budget is reaching all Western Australians. It is a seamless service which means our rural and remote residents are not disadvantaged.

As we enter the 21st century we want all of our citizens to be recipients of the same facilities and special services available in the city.

There will always be special requirements exclusive to specific areas and they will be dealt with on their merits.

What I can say, Mr Speaker, is that we are developing a special program for our regions which is an Australian first.

We are finalising the nation's most comprehensive regional development policy. The policy has been developed through a steering committee involving fifteen State Government agencies. A total of 42 agencies were investigated or consulted to produce the most far-reaching and integrated regional development policy in Australia. A draft regional development policy will be presented to Cabinet in mid-1999, released for public consultation soon after and a final policy will be launched later this year.

In this budget, each of the regional development commissions receives special purpose funding. For example, the Gascoyne is receiving \$1 million over three years for the Aboriginal and Heritage Cultural Centre and \$300,000 for work on a passenger terminal at Learmonth Airport.

The Mid West Commission receives \$5.3 million for the continuation of the construction of the museum at Geraldton. This museum will be important in imparting the history of the Dutch shipwrecks.

A further \$3.82 million goes to the Batavia Coast Marina development.

In the Pilbara, \$1.23 million has been allotted this year to further the development of a visitors' centre at the Karijini National Park.

### **Native Title**

Mr Speaker, for some years our critics have claimed that the Government has had an obsession with Native Title.

Our obsession is to put a workable legislative framework in place.

Everything we predicted is coming true and regional Western Australia is being badly affected.

In this State, our economic prospects are endangered by the present unworkable system. Unless the system is changed, it will collapse.

In this budget we have provided an additional \$850,000 for negotiation and implementation of native title agreements.

## **Tourism**

The Tourism Commission receives funding of \$37.8 million, an increase on forward estimates of \$7.7 million.

Tourism's promotion budget, including the successful and ongoing Elle campaign, is \$10.8 million. In addition, the Tourism Development Fund for regional facilities has been allocated \$3 million over the next two years.

Kings Park remains our most visited tourist attraction and a \$5.1 million program is under-way for the protection and enhancement of the Mt Eliza scarp. A major plan for Kings Park will be ready for public comment in October.

Our tourism potential will be enhanced with the redevelopment of Barrack Square at a cost of \$19.2 million. Work will begin on phase one of The Waterfront, Fremantle, maritime museum and exhibition area, at a cost of \$20.6 million in 1999-2000.

The Tourism Commission is now managing the development of the planned Perth Convention and Exhibition Centre Project and, with expenditure of \$3.2 million in 1999-2000, the seven expressions of interest which have been received will be progressed through assessment.

## **Social Services**

The Government is particularly proud of its Disability Services program. The \$644.8 million Disability Services budget has funded some impressive programs under the *Count Us In* strategy. Disability is a sensitive and compelling issue and for 1999-2000, the last year of this five-year program, we have made a commitment of \$151.7 million.

There is a need for even more funding, but the States have been unable to make any headway in their negotiations with the Commonwealth. We are optimistic that the next round of ministerial talks will have better results.

Family and Children's Services will receive recurrent funding of \$153 million, an increase of \$2.5 million, to pursue strategies to support families and provide care and protection for children.

An allocation of \$1.5 million will provide a new community-based low interest loan scheme to help low income families avoid the poverty trap.

Although this budget places great emphasis on the future generation, the Government is committed to helping our older people and a major new plan in this, the International Year of Older Persons, is a Centre for Positive Ageing which is supported by all of our universities.

### **Aboriginal Affairs**

There is total funding of \$17.6 million which includes an ongoing allocation of \$1.5 million to take the department's regional offices from seven to 23.

The Jigalong demonstration project will be completed soon and is expected to improve the quality of life of the community there. The second project at Oombulgurri is also nearing completion.

Numerous other agencies, including Commerce and Trade, have programs involving Aboriginal people in training and self employment.

The Government believes that education and training is the answer to Aboriginal employment and that is borne out by the fact that there are now hundreds of indigenous people working in the public service.

On the issue of social behaviour, the Government will provide another \$800,000 to support the Aboriginal patrols, which now number 16, and are doing an excellent job of reducing anti-social behaviour among their people. The community-based patrols have played a significant part in reducing by up to 50% the number of indigenous people being sent to police lockups.

### **REVENUES**

Our revenues are flat in 1999-2000, largely as a result of Grants Commission cuts and lower royalties flowing from subdued commodity prices.

There is only one tax increase – stamp duties on motor vehicles sales.

From July 1 1999 we will be introducing a sliding scale for the stamp duty that relates to the sale and licensing of motor vehicles.

A car worth, say, \$15,000, will attract a stamp duty bill \$75 less than what it does today.

From \$15,000 up, the stamp duty will increase until it reaches 5% on vehicles valued at \$40,000 or more.

For all vehicles valued at less than \$20,000, which account for about three-quarters of total sales, the stamp duty will be less than it is under the existing flat 3% rate. Nevertheless, the new scale is expected to raise additional revenue in 1999-2000 of \$21.6 million and \$25 million in a full year.

A new land tax scale will benefit land owners by reducing the impact of bracket creep. The new scale provides concessions to taxpayers totalling around \$7 million a year.

The Government has decided not to increase gas and electricity tariffs, but sewerage, drainage and water rates will go up by a modest 2%.

In a bid to reduce water consumption, as well as encouraging people to be proactive in water conservation, the following increases are proposed:

- a five per cent increase will apply to consumption between 350 kilolitres and 550 kilolitres for metropolitan households and 350 kilolitres and 750 kilolitres for country households;
- there will be a ten per cent increase for metropolitan consumption above 550 kilolitres and 750 kilolitres in the country; and
- there is also a restructuring of the tariffs and charges for business customers to better reflect actual consumption rather than on property values.

There will have to be some increases in bus and train fares to meet the cost of more frequent services and improvements to the bus and rail fleets.

The proposed changes are not excessive and are in line with the Government's previously announced plan that fares should contribute 40% of operating costs by the year 2001.

There will be an average 2.3% increase in standard fares and 3.8% increase in concession fares. But even under this new scale, 80% of standard fares and more than 90% of concessions will be either unaffected or will result in no more than an extra ten cents per journey.

Finally, there will be an equally modest 3.6% increase in compulsory third party insurance premiums but, even then, compulsory third party insurance for a private motor car will still be the lowest in Australia.

I repeat, the cost of these increases to an average family is only eighty cents a week.

## **CONCLUSION**

Mr Speaker, the State has experienced remarkable economic strength in recent years and that is borne out by the quality of our services and the growth in assets.

This budget acknowledges the levelling out of some aspects of the economy.

It is a blueprint for stability.

In more difficult times, it maintains essential services at the highest level and creates an environment for jobs for our young people.



I would now like to go to the formal purposes of the two Appropriation Bills which seek the sums required for services in the coming financial year. Appropriation Bill No 1 is for recurrent services and Appropriation Bill No 2 is for capital services.

The recurrent expenditure estimates of \$7,254,200,000 include a sum of \$1,085,770,000 permanently appropriated under Special Acts, leaving an amount of \$6,168,430,000 which is to be appropriated in the manner shown in the Schedule to Appropriation Bill No 1.

The capital expenditure estimates and financial transactions of \$524,500,000 comprise a sum of \$45,400,000 permanently appropriated under Special Acts and an amount of \$479,100,000 which is to be appropriated in the manner shown in the Schedule to Appropriation Bill No 2.

Mr Speaker, I commend the Bill to the House and seek leave to table:

- Budget Speech – Budget Paper No 1
- Budget Statements – Budget Paper No 2
- Economic and Fiscal Overview – Budget No 3.