

LOAN BILL 2009

Introduction and First Reading

Bill introduced, on motion by **Mr T.R. Buswell (Treasurer)**, and read a first time.

Explanatory memorandum presented by the Treasurer.

Second Reading

MR T.R. BUSWELL (Vasse — Treasurer) [2.35 pm]: I move —

That the bill be now read a second time.

This bill seeks a new Loan Act authorisation of \$8 316.197 million—sufficient to meet the planned general government purposes borrowing requirements until 30 June 2013. Borrowing for general public purposes—as distinct from borrowing by statutory authorities with borrowing powers in their enabling acts—must be authorised by Loan Acts.

The last authorisation for consolidated account general purpose borrowing was provided in the Loan Act 2004. As the capital works program has been funded in recent years largely from revenue, \$446.676 million of Loan Act authorisation remains currently available for use. It is estimated that borrowings of \$671.901 million will be required before 30 June 2009 to meet the consolidated account requirements. However, the borrowing of the balance of \$225.225 million above the existing authorisation required this financial year cannot take place until this bill is passed. The current budget forecasts anticipate that the consolidated account borrowing requirements are: for 2009-10, \$2 956.536 million; for 2010-11, \$2 166.053 million; for 2011-12, \$1 728.463 million; and for 2012-13, \$1 239.920 million.

In accordance with clause 4 of the bill, the proceeds of all loans raised under this authority must be paid into the consolidated account. The moneys are then advanced to agencies by appropriations in the budget. Details of the capital works program are laid out in the budget papers already tabled in this house. In addition to seeking the authority for loan raisings, the bill also permanently appropriates moneys from the consolidated account to meet principal repayments, interest and other expenses of borrowings under this authority.

I commend the bill to the house.

Debate adjourned, on motion by **Mr D.A. Templeman**.