

RESPONSE TO QUESTION ON NOTICE

LEGISLATIVE COUNCIL

QUESTION NUMBER: Question 1
ASKED BY: Ruth Forrest MLC
ANSWERED BY: Leader of the Government

QUESTION:

With regard to the Tasmanian Risk Management Fund:

- (1) The 2021-22 Budget Papers noted in Table 7.11 in that year a line titled 'Payables'. In the 2022-23 Budget Paper No. 1 in Table 7.12 the line is titled 'Payables and Employee entitlements':
 - a. What is the reason for the change; and
 - b. what do the provisions relate to?
- (2) On page 148 of the 2022-23 Budget Paper No. 1 it states that overall costs to agencies are increasing to meet increasing costs:
 - a. Is this increase spread evenly across departments; and
 - b. if not, do departments, eg. health, pay a higher rate?
- (3) With regard to the Balance Sheet on page 149 of the 2022-23 Budget Paper No. 1, will the Treasurer consider the inclusion of a Profit & Loss or cash flow statement to enable the reader to see the expected receipts in and payments out of the fund

ANSWER:

- (1)
 - a. The descriptor changed from 'Payables' in the 2021-22 Budget to 'Payables and Employee entitlements' in the 2022-22 Budget to better reflect the nature of the liabilities within the line item. The figures remain comparable between 2021-22 and 2022-23.
 - b. The Payables and Employee Entitlements line item includes unpaid leave entitlements for staff responsible for the administration of the Tasmanian Risk Management Fund; as well as claim costs, fund administration agent fees, actuarial fees and other administrative costs incurred but not yet paid in the financial year.
- (2)
 - a. The increase in contributions is not spread evenly across agencies.

- b. The quantum of an agency's contribution is determined by an independent actuary and reflects specific consideration of each agency's coverage requirements, risk exposure, claims experience and nominated excess amounts.
- (3) The expected revenue and expense figures for the Tasmanian Risk Management Fund are included within Finance-General in the 2022-23 Budget.

Actual revenue and expense figures related to the activity of the TRMF are included within the Fund's Annual Reports, available publicly online.

~~APPROVED~~/NOT APPROVED

A handwritten signature in blue ink, appearing to read 'Michael Ferguson', is written over the 'APPROVED' portion of the text.

Hon Michael Ferguson
Deputy Premier
Treasurer

Date: 23 June 2022