



# Budget

## 2017-18

**Portfolio Budget Statements 2017-18**  
**Budget Related Paper No. 1.8**

FINANCE Portfolio

Budget Initiatives and Explanations of  
Appropriations Specified by Outcomes  
and Programs by Entity

© Commonwealth of Australia 2017

ISBN 978-1-76044-849-3

This publication is available for your use under a [Creative Commons BY Attribution 3.0 Australia](http://creativecommons.org/licenses/by/3.0/au/legalcode) licence, with the exception of the Commonwealth Coat of Arms, the Department of Finance (Finance) logo, photographs, images, signatures and where otherwise stated. The full licence terms are available from <http://creativecommons.org/licenses/by/3.0/au/legalcode>.



Use of Finance material under a [Creative Commons BY Attribution 3.0 Australia](http://creativecommons.org/licenses/by/3.0/au/legalcode) licence requires you to attribute the work (but not in any way that suggests that Finance endorses you or your use of the work).

*Australian Government Department of Finance material used 'as supplied'*

Provided you have not modified or transformed Finance material in any way including, for example, by changing Finance text; calculating percentage changes; graphing or charting data; or deriving new statistics from published Finance statistics – then Finance prefers the following attribution:

*Source: The Australian Government Department of Finance*

### **Derivative material**

If you have modified or transformed Finance material, or derived new material from those of Finance in any way, then Finance prefers the following attribution:

*Based on the Australian Government Department of Finance data*

### **Use of the Coat of Arms**

The terms under which the Coat of Arms can be used are set out on the It's an Honour website (see [www.itsanhonour.gov.au](http://www.itsanhonour.gov.au))

### **Other Uses**

Enquiries regarding this licence and any other use of this document are welcome at:

Copyright Coordinator  
Department of Finance  
One Canberra Avenue  
FORREST ACT 2603  
Email: [publications@finance.gov.au](mailto:publications@finance.gov.au)

President of the Senate  
Australian Senate  
Parliament House  
CANBERRA ACT 2600

Speaker  
House of Representatives  
Parliament House  
CANBERRA ACT 2600

Dear Mr President  
Dear Mr Speaker

I hereby submit Portfolio Budget Statements in support of the 2017-18 Budget for the Finance Portfolio.

These statements have been developed, and are submitted to Parliament, as a statement on the outcomes for the portfolio.

I present these statements to provide accountability to the Parliament, and, through it, to the public.

Kind regards

Mathias Cormann  
**Minister for Finance**

May 2017

## **Abbreviations and conventions**

The following notation may be used:

NEC/nec	not elsewhere classified
-	nil
..	not zero, but rounded to zero
na	not applicable (unless otherwise specified)
nfp	not for publication
\$m	\$ million
\$b	\$ billion

Figures in tables and in the text may be rounded. Figures in text are generally rounded to one decimal place, whereas figures in tables are generally rounded to the nearest thousand. Discrepancies in tables between totals and sums of components are due to rounding.

## **Enquiries**

Should you have any enquiries regarding this publication, please contact the Chief Finance Officer, Department of Finance, on (02) 6215 2222.

Links to Portfolio Budget Statements (including Portfolio Additional Estimates Statements and Portfolio Supplementary Additional Statements) can be located on the Australian Government Budget website at: <http://www.budget.gov.au>.

**USER GUIDE  
TO THE  
PORTFOLIO BUDGET STATEMENTS**

## USER GUIDE

The purpose of the *2017-18 Portfolio Budget Statements* (PB Statements) is to inform Senators and Members of Parliament of the proposed allocation of resources to government outcomes by entities within the portfolio. Entities receive resources from the annual appropriations acts, special appropriations (including standing appropriations and special accounts), and revenue from other sources.

A key role of the PB Statements is to facilitate the understanding of proposed annual appropriations in Appropriation Bills (No. 1 and No. 2) 2017-18 (or Appropriation (Parliamentary Departments) Bill (No. 1) 2017-18 for the parliamentary departments). In this sense, the PB Statements are Budget related papers and are declared by the Appropriation Acts to be 'relevant documents' to the interpretation of the Acts according to section 15AB of the *Acts Interpretation Act 1901*.

The PB Statements provide information, explanation and justification to enable Parliament to understand the purpose of each outcome proposed in the Bills.

As required under section 12 of the *Charter of Budget Honesty Act 1998*, only entities within the general government sector are included as part of the Commonwealth general government sector fiscal estimates and produce PB Statements where they receive funding (either directly or via portfolio departments) through the annual appropriation acts.

### **The Enhanced Commonwealth Performance Framework.**

The following diagram outlines the key components of the enhanced Commonwealth performance framework. The diagram identifies the content of each of the publications and the relationship between them. Links to the publications for each entity within the portfolio can be found in the introduction to Section 2: Outcomes and planned performance.

**Enhanced Commonwealth Performance Framework**  
- key components of relevant publications

**Portfolio Budget Statements (May)**  
*Portfolio based*

Supports Annual Appropriations. Informs Senators and Members of Parliament of the proposed allocation of other resources to **government outcomes and programs**.

Provides links to **relevant programs** undertaken by other Commonwealth entities.

Provides high level performance information for current, ongoing programs, particularly a **forecast of performance for the current year**.

Provides **detailed** prospective performance information for proposed new budget measures that require a **new program** or **significantly change an existing program**.

**Corporate Plan (August)**  
*Entity based*

**Primary planning document** of a Commonwealth entity.

Sets out the **purposes** of the entity, the **activities** it will undertake to achieve its purposes and the **results** it expects to achieve over a minimum four year period.

Describes the **environment** in which the entity **operates**, the **capability** it requires to undertake **activities** and a discussion of **risk**.

Explains how the entity's **performance** will be **measured and assessed**.



**Annual Performance Statement (October following year)**  
*Entity based*

Included in the Commonwealth entity's Annual Report. Focuses on **recent performance**.

Reports on the **actual performance results** for the year against the **forecasts** made in the **corporate plan** and **Portfolio Budget Statements**, and provides other performance information relevant to the entity.

Provides an **analysis** of the factors that **contributed** to the **entity's performance results**.



# CONTENTS

<b>FINANCE PORTFOLIO OVERVIEW</b> .....	<b>1</b>
<b>ENTITY RESOURCES AND PLANNED PERFORMANCE</b> .....	<b>7</b>
Department of Finance .....	9
Australian Electoral Commission .....	67
Commonwealth Superannuation Corporation .....	89
Future Fund Management Agency .....	109
Independent Parliamentary Expenses Authority .....	131
<b>PORTFOLIO GLOSSARY</b> .....	<b>149</b>



# **PORTFOLIO OVERVIEW**



## FINANCE PORTFOLIO OVERVIEW

### Ministers and portfolio responsibilities

The Ministers responsible for the Finance portfolio and its entities are:

- Senator the Hon Mathias Cormann, Minister for Finance; and
- Senator the Hon Scott Ryan, Special Minister of State.

The Minister for Finance has overall responsibility for the Finance portfolio, and particular responsibility for the following:

- Budget policy advice and process, and review of governmental programs.
- Government financial accountability, governance and financial management frameworks, including grants and procurement policy and services.
- Shareholder advice on Government Business Enterprises (GBEs) and commercial entities treated as GBEs.
- Policy guidance and management of Act of Grace requests and waiver of debts owed to the Commonwealth.
- General policy guidelines for Commonwealth statutory authorities.
- Superannuation arrangements for Australian Government civilian employees and parliamentarians, and retirement benefits for Governors-General, Federal Judges and Federal Court Judges.
- Asset sales.
- Policy advice on the Future Fund and the Australian Government Investment Funds, and authorisation of payments from the Australian Government Investment Funds to entities.
- The Public Works Committee.
- The administration of the Commonwealth non-Defence property portfolio and lease arrangements, with a view to reducing the Commonwealth's property holdings and ensuring lease arrangements deliver better value for money across government.

The Special Minister of State is responsible for the following:

- Administration of parliamentary expenses.
- *Members of Parliament (Staff) Act 1984* (MOPs) employment framework<sup>1</sup>.
- Electoral administration and electoral policy<sup>2</sup>.

---

<sup>1</sup> Shared responsibility with the Prime Minister.

<sup>2</sup> Working together with the Minister for Finance on electoral policy, including developing government responses to recommendations made by the Joint Standing Committee on Electoral Matters.

*Portfolio overview*

- Requests for act of grace payments and waivers of debt under the *Public Governance, Performance and Accountability Act 2013*.
- Government campaign advertising.
- Service Delivery and Coordination Committee on the government's campaign advertising.
- Comcover, the government's self-managed insurance fund.
- Responding to correspondence relating to the administration of government superannuation.

For information on resourcing across the portfolio, please refer to Part 1: Agency Financial Resourcing in *Budget Paper No. 4: Agency Resourcing*.

**Figure 1: Finance portfolio structure and outcomes**





