



# Part 1: Overview

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# The portfolio

The following details provide an overview of the Finance portfolio and a summary of changes that occurred within the portfolio in 2018–19.

## Portfolio ministers

These ministers were responsible for the Finance portfolio and its agencies during the reporting period 2018–19:

### **Senator the Hon Mathias Cormann**

Minister for Finance (from 29 May 2019)

Minister for Finance and the Public Service (from 28 August 2018 to 29 May 2019)

Special Minister of State (from 20 December 2017 to 23 August 2018)

Minister for Finance (from 18 September 2013 to 23 August 2018)

### **Senator the Hon Zed Seselja**

Assistant Minister for Finance, Charities and Electoral Matters (from 29 May 2019)

Assistant Minister for Treasury and Finance (from 28 August 2018 to 29 May 2019)

### **The Hon Alex Hawke MP**

Special Minister of State (from 28 August 2018 to 29 May 2019)

### **The Hon David Coleman MP**

Assistant Minister for Finance (from 20 December 2017 to 28 August 2018)

(Changes to the portfolio are a result of the Prime Minister's announcement of changes to the ministry on 28 August 2018 and 29 May 2019.)<sup>1</sup>

<sup>1</sup> In the second Morrison ministry, the Minister for Finance performs the ministerial responsibilities previously held by the Special Minister of State.



## Portfolio structure

The portfolio structure at 30 June 2019:

### Department of State

#### **Department of Finance**

Secretary: Rosemary Huxtable PSM

### Non-corporate Commonwealth entities

#### **Australian Electoral Commission**

Electoral Commissioner: Tom Rogers

#### **Future Fund Management Agency**

Chair: The Hon Peter Costello AC

Chief Executive Officer: David Neal

#### **Independent Parliamentary Expenses Authority**

Chair: Jillian Segal AO

Chief Executive Officer: Annwyn Godwin

### Corporate Commonwealth entity

#### **Commonwealth Superannuation Corporation**

Chair: Patricia Cross

Chief Executive Officer: Peter Carrigy-Ryan

### Commonwealth companies

#### **ASC Pty Ltd**

Chair: Bruce Carter

Chief Executive Officer: Stuart Whiley

#### **Australian Naval Infrastructure Pty Ltd**

Chair: Lucio Di Bartolomeo

Chief Executive Officer: David Knox

## Changes to the portfolio in 2018–19

There have been no changes to the portfolio in 2018–19.

# Role and functions

As a central agency of the Australian Government, the Department of Finance (Finance) plays a key role in assisting the Government to shape and deliver its priorities. We focus on ensuring public expenditure programs are effective, sustainable and reflect best value for the Government and the Australian community.

Our responsibilities are diverse, spanning the full range of public administration functions from the earliest points of developing policy through to implementing and reviewing programs.

To fulfil these responsibilities, we deliver an array of support and services including:

- providing policy and financial advice to the Minister for Finance, senior ministers and Cabinet's Expenditure Review Committee on government expenditure and program delivery
- supporting the Government in its Budget preparation, delivery and ongoing management through the Budget process
- providing leadership in the reform of the Australian Public Service (APS), such as through the Public Service Modernisation Fund and by promoting public sector productivity, including by overseeing and delivering shared services
- fostering leading public-sector practice through public-sector resource management, governance and accountability frameworks
- providing advice to the Government on optimal arrangements for construction, management and sale of public assets
- administering the Government's general insurance fund, investment funds and superannuation schemes
- managing the Government's shareholdings in a number of Government Business Enterprises (GBEs) and other public non-financial corporations
- providing a range of facilities and services to parliamentarians, their staff and former senators and members
- delivering whole-of-government information and communication technology services
- developing and maintaining the Government's procurement policy framework
- managing the Government's special claims, insurance and risk management operations
- administering discretionary compensation payments.

## Purpose

Finance assists the Australian Government to achieve its fiscal and policy objectives by advising on expenditure, managing sustainable public sector resourcing, driving public sector transformation and delivering efficient, cost-effective services to, and for, Government.

## Values

Underpinning our work and our interactions are the Australian Public Service Values:

- Impartial
- Committed to service
- Accountable
- Respectful
- Ethical

## Operating environment

As a central agency, Finance delivers advice from a whole-of-government perspective in a challenging, complex and continually changing operating environment. Our role is to assist government decision-making, particularly in contributing to fiscal and policy objectives. We do this by being informed and connected through our internal and external relationships.

We need to take account of the many diverse issues that impact on our operating environment, which include:

- global and regional economic and strategic shifts
- Australia's changing demographics and population pressures
- the demand for infrastructure to support domestic economic growth and trade
- increasing demands and expectations on government, in particular for citizen-focused service delivery and improved social services
- meeting the Government's fiscal policy objectives
- rapidly advancing technology
- policy debates subject to political and public opinion.

Finance is also responsible for the delivery of services in a time when rapidly evolving technology and client expectations require the application of leading edge digital services to deliver efficient, modern, customer-friendly processes. This applies equally in the design and delivery of business processes by Finance as the Department continues to look for opportunities to reduce the administrative impact of its policies across government.

These factors present opportunities for the Department to provide innovative solutions and services, balancing policy and financial priorities to assist government in achieving its outcomes.

## Outcomes and programs

Part 2 of this report details the Department's achievements during the year, based on the three outcomes outlined in Finance's Portfolio Budget Statements 2018–19. Figure 1 shows our outcome and program structure at 30 June 2019.

Figure 1: Outcome and program structure, 2018–19

Finance assists the Australian Government to achieve its fiscal and policy objectives by advising on expenditure, managing sustainable public sector resourcing, driving public sector transformation and delivering efficient, cost-effective services to, and for, government.

## Outcomes



Support sustainable Australian Government finances through providing high-quality policy advice and operational support to the government and Commonwealth entities to maintain effective and efficient use of public resources.

### Program

- 1.1 Budget and financial management

#### **Contributing business areas:**

*Budget and Financial Reporting, Governance and APS Transformation*



Support for Parliamentarians and others as required by the Australian Government through the delivery of and advice on, work expenses and allowances, entitlements and targeted programs.

### Program

- 3.1 Ministerial and parliamentary services

#### **Contributing business area:**

*Business Enabling Services*



Support an efficient and high-performing public sector through providing leadership to Commonwealth entities in ongoing improvements to public sector governance, including through systems, frameworks, policy, advice and service delivery.

### Programs

- 2.1 Public sector governance
- 2.2 Transforming government
- 2.3 Property and construction
- 2.4 Insurance and risk management
- 2.5 Technology and procurement services
- 2.6 Service Delivery Office
- 2.7 Public Sector superannuation
- 2.8 Australian Government investment funds

#### **Contributing business areas:**

*Business Enabling Services, Commercial and Government Services, Governance and APS Transformation*

## Finance executive

The Department of Finance is led by the Secretary, Rosemary Huxtable PSM, supported by four deputy secretaries, each with responsibility for one business area. Further information about the operations of the Executive Board is provided under 'Corporate governance' (see page 72). The Department's organisational structure at 30 June 2019 is shown at Figure 2 on page 11.

### Secretary Rosemary Huxtable PSM

Rosemary Huxtable has led Finance since October 2016 and was appointed Secretary in February 2017. As Secretary, Rosemary is responsible for all functions and services delivered by the Department, including supporting the delivery of the Australian Government Budget, overseeing the financial framework of Australian Government agencies, providing shareholder oversight of GBEs and managing the Australian Government's non-Defence domestic property portfolio, key asset sales and aspects of public sector modernisation.



Rosemary joined Finance in June 2013 as Deputy Secretary of Budget and Financial Reporting. Before that, Rosemary was a Deputy Secretary in the Department of Health and Ageing and was responsible for driving significant health and aged care reforms, particularly in the areas of Medicare, the Pharmaceutical Benefits Scheme, hospital financing, mental health and aged care.

Rosemary has worked extensively in the areas of budget management and health and community services across both public and private sectors, including working in ministerial offices and managing a private consulting business in Western Australia. Rosemary has more than 25 years experience in Commonwealth administration.

Rosemary received a Public Service Medal for her work on the Medicare program in 2005.





Deputy  
Secretary  
David  
Fredericks

David Fredericks was appointed Deputy Secretary of Budget and Financial Reporting in February 2017. He had previously been Deputy Secretary of Business Enabling Services in Finance. Before moving to Finance, David was a Deputy Secretary at the Attorney-General's Department for more than four years, first in the Civil Justice and Legal Services Group and then as the Chief Operating Officer.

## Budget and Financial Reporting

Budget and Financial Reporting provides policy and financial advice on government expenditure and non-taxation revenue matters to the Minister for Finance, other senior ministers and the Expenditure Review Committee of Cabinet.

Budget and Financial Reporting supports the Government in its preparation, delivery and ongoing management of the Budget and assists agencies in meeting their financial management and reporting obligations. It aims to ensure that the analysis, policy advice and costing information provided to government support informed decision making and that economic updates are delivered within timeframes and meet their legislative requirements.



Deputy  
Secretary  
Stein  
Helgeby

Dr Stein Helgeby was appointed Deputy Secretary of Governance and APS Transformation in October 2015. Dr Helgeby joined Finance in February 2010 as the Deputy Secretary of the former Financial Management Group. Before this, Stein worked in the Victorian Department of Treasury and Finance where he was responsible for budget and financial management, long-term policy research, taxation, business tax reform and intergovernmental relations.

## Governance and APS Transformation

Governance and APS Transformation develops policy and advises on the resource management and governance frameworks for public sector agencies, accounting policy, the Government's investment funds and superannuation arrangements for members of Parliament and Commonwealth employees. It also advises on and coordinates government information and advertising campaigns.

Additionally, Governance and APS Transformation consolidates Budget updates, contributes to the preparation of the budget statements and prepares the Commonwealth's monthly and annual consolidated financial statements. It also provides policy and program leadership on initiatives aimed at modernising and increasing the public sector's productivity, including shared and common services for back-office functions and grants administration.





Deputy  
Secretary  
Andrew  
Jaggers

Andrew Jaggers was appointed Deputy Secretary of Commercial and Government Services in December 2018. He was previously the First Assistant Secretary of the Commercial Division in Finance. Before that he was the Executive Director of the Infrastructure Investment Division at the Department of Infrastructure and Regional Development.

## Commercial and Government Services

Commercial and Government Services plays an important role in managing the Australian Government's commercial interests with respect to property, government procurement, risk management and GBEs.

Commercial and Government Services works with agencies and entities across the Commonwealth to deliver value for money outcomes. It does this by managing the domestic non-Defence property portfolio, including coordinating whole-of-government service delivery, providing data and analysis and supporting government decision-making. The Group develops and maintains the Australian Government's procurement policy framework and manages the Australian Government's special claims, insurance and risk management operations. It also supports the analysis and delivery of government investment through GBEs and other entities.



Deputy  
Secretary  
Katherine  
Jones PSM

Katherine Jones was appointed Deputy Secretary of Business Enabling Services in Finance in October 2017. Prior to that Katherine was a Deputy Secretary in the Attorney-General's Department, where she led the National Security, Criminal Justice and Emergency Management Group. In 2017, Katherine received a Public Service Medal for her outstanding contribution in this role.

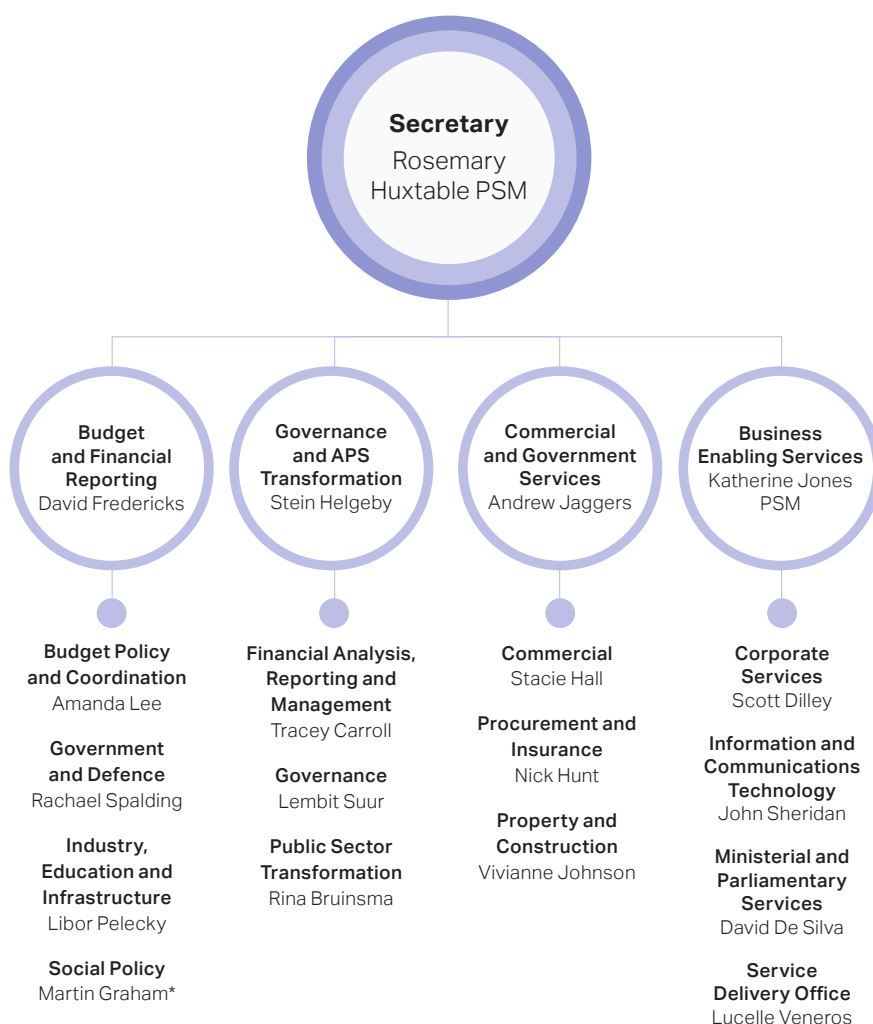
Before joining the public service in 1999, Katherine spent 10 years as a publisher at McGraw Hill.

## Business Enabling Services

The Business Enabling Services Group delivers services and support to Finance, whole-of-government information technology systems and platforms, service delivery to client agencies through the Service Delivery Office and a range of services and support to parliamentarians and their staff through the Ministerial and Parliamentary Services Division.

# Organisational structure

Figure 2: Organisational structure, at 30 June 2019



\* Denotes acting.

