

**USER GUIDE  
TO THE  
PORTFOLIO BUDGET STATEMENTS**

# USER GUIDE

The purpose of the 2015-16 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 2015-16 (or Appropriation Bill [Parliamentary Departments] No. 1 2015-16 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*, non-general government sector entities are not consolidated into the Commonwealth general government sector fiscal estimates and accordingly, these entities are not reported in the PB Statements.

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# **PORTFOLIO OVERVIEW**



# FINANCE PORTFOLIO OVERVIEW

## MINISTERS AND PORTFOLIO RESPONSIBILITIES

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

- Senator the Hon Mathias Cormann, Minister for Finance;
- Senator the Hon Michael Ronaldson, Special Minister of State; and
- the Hon Michael McCormack MP, Parliamentary Secretary to the Minister for Finance.

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 Australian Government (government) programmes;
- government financial accountability, governance and financial management frameworks, including grants and procurement policy and services;
- shareholder advice on Australian Government Business Enterprises (GBEs) and commercial entities treated as GBEs;
- superannuation arrangements for current and former government employees;
- asset sales;
- government on-line delivery and Information and Communications Technology (ICT) management; and
- policy advice on the government's investment funds.

The Special Minister of State is responsible for:

- the administration of parliamentary entitlements;
- the *Members of Parliament (Staff) Act 1984* employment framework (shared responsibility with the Hon Tony Abbott MP, Prime Minister);
- government campaign advertising; and
- electoral matters.

The Parliamentary Secretary assists the Minister for Finance with the following matters:

- discretionary compensation mechanisms, including Act of Grace payments and waivers of debts owed to the Commonwealth;
- the Commonwealth's self-managed insurance fund (Comcover);

## *Portfolio Overview*

- correspondence relating to the administration of superannuation arrangements for government civilian employees; and
- the Commonwealth's non-Defence property portfolio.

## **ENTITY OVERVIEW**

### **Department of Finance**

The key purpose of the Department of Finance (Finance) is to support the government's objectives of responsible expenditure and oversight of public sector improvement.

As one of the government's central agencies, Finance assists the government to shape and deliver its agenda by providing high quality advice and support in respect of the Budget, public sector resource management, advertising, asset sales, as well as oversight of the government's investment funds and GBEs.

Finance also provides a range of professional services relating to property management, ICT management, the Commonwealth's insurance and superannuation arrangements and entitlement administration for parliamentarians and their staff.

### **Australian Electoral Commission**

The Australian Electoral Commission provides the Australian people with an independent electoral service that meets their needs, encourages them to understand and participate in the electoral process, and supports free and fair electoral processes throughout the world.

### **Commonwealth Superannuation Corporation**

The Commonwealth Superannuation Corporation (CSC) manages and invests the monies of four regulated superannuation schemes:

- Public Superannuation Scheme Accumulation Plan;
- Public Sector Superannuation Scheme;
- Commonwealth Superannuation Scheme; and
- Military Superannuation and Benefits Scheme.

CSC also administers the related Acts and Trust Deeds for these schemes.

In addition, CSC administers five 'unfunded' superannuation schemes:

- Defence Forces Retirement Benefits Scheme;
- Defence Force Retirement and Death Benefits Scheme;



- Defence Force (Superannuation) (Productivity Benefit) Scheme;
- 1922 Scheme under the *Superannuation Act 1922*; and
- Papua New Guinea Scheme under the *Papua New Guinea (Staffing Assistance) Act 1973*.

CSC also provides administrative services for the superannuation schemes for the government's public sector and Australian Defence Force employees.

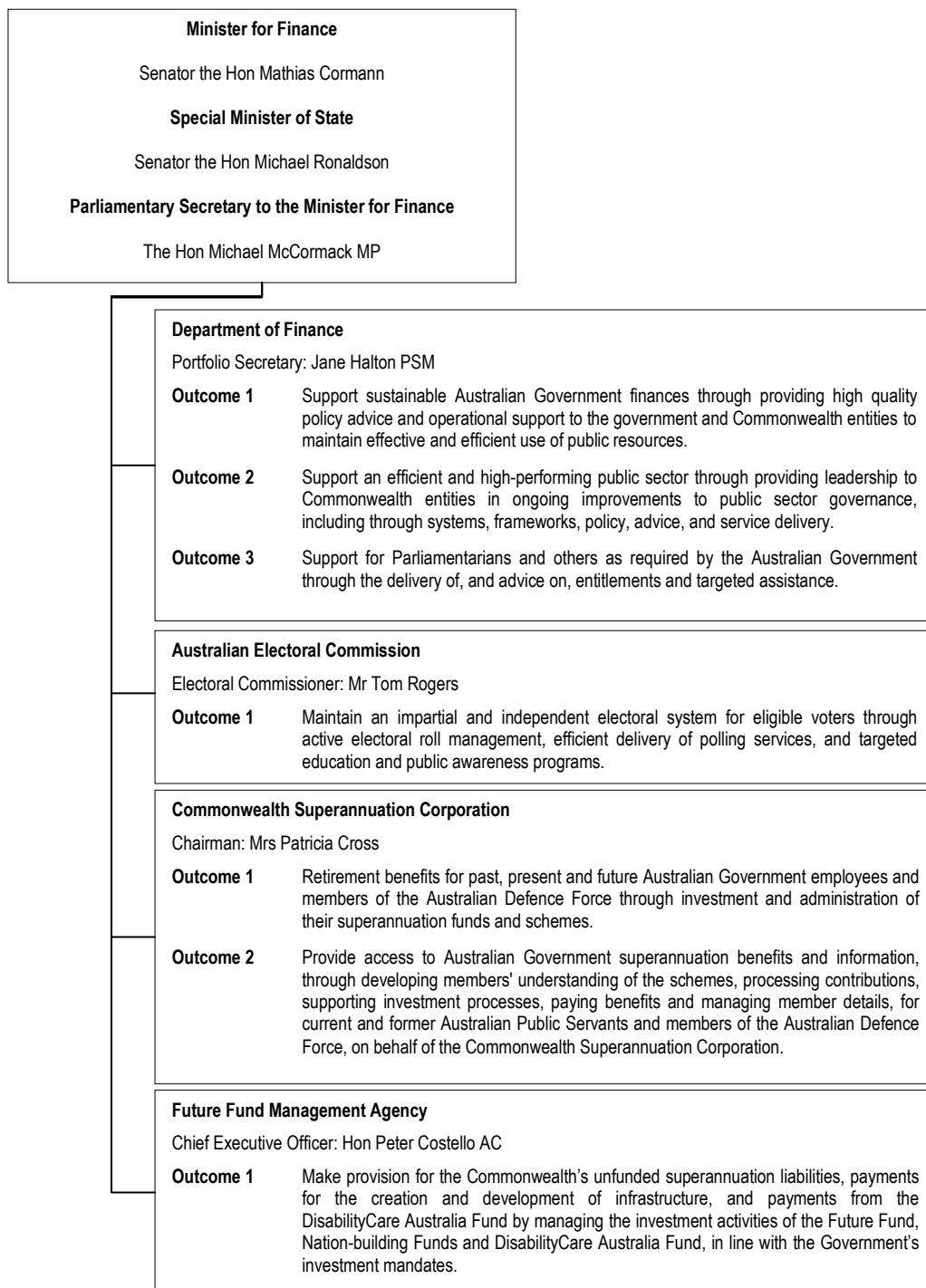
### **Future Fund Management Agency**

The Future Fund Management Agency supports the Future Fund Board of Guardians (the Board) in managing investments on behalf of the government. The Board invests to accumulate assets for the purpose of offsetting the unfunded superannuation liabilities of the government which will fall due on future generations. The Board's scope has been broadened to also include managing investments to grow other government asset funds as a means to provide financing sources for substantial future investments in the Australian economy.

### **Changes Impacting on the Portfolio**

The Australian Government announced the merger of ComSuper into CSC in the May 2014 Federal Budget. CSC will continue to be trustee of the public sector and defence force superannuation schemes. The merger is subject to legislation passing in Parliament. The Governance of Australian Government Superannuation Schemes Legislation Amendment Bill 2015 was introduced into the House of Representatives on 19 March 2015.

**Figure 1: Finance Portfolio Structure and Outcomes**



## PORTFOLIO RESOURCES

Table 1 shows the total new resources provided to the portfolio in the 2015-16 Budget Year by entity.

**Table 1: Portfolio Resources 2015-16**

	Appropriation			Receipts	Total
	Bill No. 1 \$m	Bill No. 2 \$m	Special \$m	\$m	\$m
<b>Department of Finance</b>					
Administered appropriations	290	2	10,355	23,532	34,179
Departmental appropriations	269	155	-	538	962
<b>Total</b>					<b>35,141</b>
<b>Australian Electoral Commission</b>					
Administered appropriations	-	-	-	-	-
Departmental appropriations	118	-	9	11	138
<b>Total</b>					<b>138</b>
<b>Commonwealth Superannuation Corporation</b>					
Administered appropriations	-	-	-	2,767	2,767
Departmental appropriations	-	-	-	77	77
<b>Total</b>					<b>2,844</b>
<b>Future Fund Management Agency</b>					
Administered appropriations	-	-	-	666	666
Departmental appropriations	-	-	-	-	-
<b>Total</b>					<b>666</b>
					<b>Resources available within portfolio: 38,789</b>