



Budget 2018-19

Portfolio Budget Statements 2018-19
Budget Related Paper No. 1.17A

Department of the
House of Representatives

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

2018-19 BUDGET PAPERS

Budget Speech

- No. 1 Budget Strategy and Outlook 2018-19
Contains information on the economic and financial outlook, together with information on the fiscal strategy.
- No. 2 Budget Measures 2018-19
Provides a comprehensive statement on the budget expense, revenue and capital measures in the 2018-19 Budget.
- No. 3 Federal Financial Relations 2018-19
Provides information on the Australian Government's financial relations with the States, Territories and local government.
- No. 4 Agency Resourcing 2018-19
Contains information on resourcing for Australian Government agencies (including special appropriations, special accounts and a summary of agency resourcing).

2018-19 BUDGET RELATED PAPERS

- No. 1 Portfolio Budget Statements
Detailed information on the resources available and the planned performance of each Australian Government entity for 2018-19.



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PARLIAMENT HOUSE
CANBERRA 2600

Honourable Members

I hereby submit Portfolio Budget Statements in support of the 2018-19 Budget for the Department of the House of Representatives.

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

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

Yours sincerely

A handwritten signature in blue ink that reads 'Tony Smith'.

Hon. Tony Smith MP

Speaker

2 May 2018

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nfp	not for publication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 Kate Moore, Chief Finance Officer, Department of the House of Representatives on (02) 6277 4448.

Links to this document can be located on the Australian Government Budget website at: www.budget.gov.au.

**USER GUIDE
TO THE
PORTFOLIO BUDGET STATEMENTS**

USER GUIDE

The purpose of the *2018-19 Portfolio Budget Statements* (PB Statements) is to inform 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 (Parliamentary Departments) Bill (No. 1) 2018-19. 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**.

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DEPARTMENTAL OVERVIEW

THE DEPARTMENT OF THE HOUSE OF REPRESENTATIVES OVERVIEW

Departmental responsibilities

The Department is one of four parliamentary departments supporting the Australian Parliament.

The Department's purpose, as set out in its Corporate Plan, is:

To support the House of Representatives, and the wider Parliament, in the role of a representative and legislative body primarily by providing advice and services, and through engaging with the community and other parliaments.

The Department provides facilities, support, advice and information to ensure that:

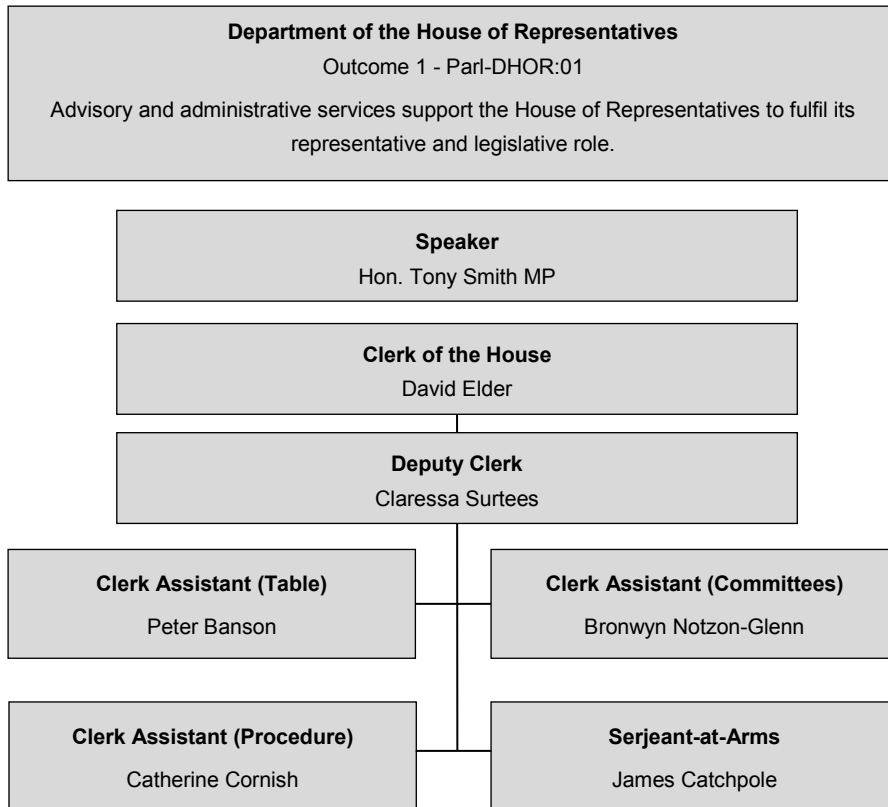
- the Chamber and Federation Chamber operate effectively;
- parliamentary committees operate effectively;
- Members receive appropriate services to fulfil their parliamentary duties;
- international and regional relationships with other parliaments, parliamentary bodies and organisations are maintained;
- the community understands, and interacts with, the work of the House of Representatives and the Australian Parliament; and
- the corporate offices fulfil their responsibilities for the management of people, finances, and office services.

The Speaker, Hon. Tony Smith MP, has accountability obligations to the House of Representatives for the Department. The Clerk of the House of Representatives, Mr David Elder, is responsible for leading the Department.

The Department works with the Department of the Senate, the Department of Parliamentary Services, the Office of the Governor-General and relevant government agencies to ensure the outcomes of parliamentary proceedings are processed and recorded accurately and on time.

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

Figure 1: Departmental outcome and structure



**DEPARTMENT OF THE HOUSE OF
REPRESENTATIVES**

**DEPARTMENTAL RESOURCES AND
PLANNED PERFORMANCE**

DEPARTMENT OF THE HOUSE OF REPRESENTATIVES

Section 1: Departmental overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Department of the House of Representatives is one of four departments of the Australian Parliamentary Service established under the Parliamentary Service Act 1999. The department's purpose is to support the House of Representatives, and the wider Parliament, in the role of a representative and legislative body primarily by providing advice and services, and through engaging with the community and other parliaments.

The department is committed to the delivery of high standards of service to the House of Representatives, committees and Members; to the wider Parliament; and to the public. We seek to work collaboratively with other parliamentary departments, and with other key people and organisations to ensure a seamless service delivery to our clients.

The strategic priority areas for the department are to:

- develop and maintain a capable and experienced workforce to ensure the department has sufficient and sustainable capability and capacity to undertake the range of activities required to achieve its purpose;
- identify ways to improve information management and processes, using a risk-based approach to identify and prioritise information management projects and initiatives;
- promote the work of the House and its committees through a range of publications and awareness activities, including digital publications, events, seminars and social media activities;
- manage assets to meet the evolving needs and expectations of stakeholders, and the business requirements of the House and the Parliament;
- uphold the institution of the Parliament, and of the House in particular, by building understanding of its history, traditions and procedures; and
- collaborate with colleagues across the parliamentary service, and rely on their professional skills to provide services to members and others.

Further details on the performance criteria for each of the department's activity areas can be found in section 2 of this document.

1.2 DEPARTMENTAL RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to the Department for its operations.

The table summarises how resources will be applied by outcome and by administered (on behalf of the Government) and departmental (for the entity's operations) classification.

For more detailed information on special accounts and special appropriations, please refer to *Budget Paper No. 4 – Agency Resourcing*.

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis, whilst the 'Budgeted expenses by Outcome 1' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: Departmental resource statement — Budget estimates for 2018-19 as at Budget May 2018

	2017-18 <i>Estimated actual</i> \$'000	2018-19 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available (b)	11,742	14,402
Departmental appropriation (c)	24,242	24,113
s74 Retained revenue receipts (d)	618	116
Departmental capital budget (e)	640	637
Total departmental annual appropriations	37,242	39,268
Total departmental resourcing	37,242	39,268
Administered		
Annual appropriations - ordinary annual services (a)		
Outcome 1	320	313
Total administered annual appropriations	320	313
Total administered resourcing	320	313
Total resourcing for the Department of the House of Representatives	37,562	39,581
	2017-18	2018-19
Average staffing level (number)	154	166

Prepared on a resourcing (that is, appropriations available) basis.

Please note: All figures shown above are GST exclusive – these may not match figures in the cash flow statement.

- (a) Appropriation Bill (Parliamentary Departments (No. 1)) 2018-19.
- (b) Excludes any amounts subject to quarantine by Finance or withheld under section 51 of the Public Governance, Performance and Accountability Act 2013 (PGPA Act).
- (c) Excludes departmental capital budget (DCB).
- (d) Estimated retained revenue receipts under section 74 of the PGPA Act.
- (e) Departmental capital budgets are not separately identified in Appropriation Bill (Parliamentary Departments (No. 1)) 2018-19 and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

Third party payments from and on behalf of other entities

	<i>2017-18 Estimated actual \$'000</i>	2018-19 Estimate \$'000
Payments made on behalf of the Department of Finance (as disclosed in the respective entity's resource statement)	29,046	50,945
Payments made on behalf of the Australian Public Service Commission (as disclosed in the respective entity's resource statement)	19,640	-

1.3 DEPARTMENTAL PROGRAM FRAMEWORK

The Department has two programs. Program 1 supports five activities and Program 2, the Administered program, supports one activity.

Figure 2: Program activity table

2018-19 Budget year

Outcome 1: Advisory and administrative services support the House of Representatives to fulfil its representative and legislative role.

Program 1 - Other Departmental

Activity 1.1: Chamber and Federation Chamber	Activity 1.4: Community Awareness
Departmental Activities: <i>Resources supporting the effective operation of the Chamber and Federation Chamber of the House of Representatives.</i> <i>Revenue from other sources (s74)</i>	Departmental Activities: <i>Resources supporting the provision of services to increase community understanding of, and interaction with the work of the House of Representatives and the Australian Parliament.</i> <i>Revenue from other sources (s74)</i>
Activity 1.2: Committee Support	Activity 1.5: Members' and Corporate Support
Departmental Activities: <i>Resources supporting the House of Representatives and some joint committees in fulfilling their role in the parliamentary consideration of policy and legislation and the scrutiny of government.</i>	Departmental Activities: <i>Provision of advice, services and support to Members in Parliament House.</i> <i>Payment of Members' salaries and allowances</i> <i>Provision of advice, services and support to the department.</i> <i>Provision of financial and human resource management and office services.</i> <i>Revenue from other sources (s74)</i>
Activity 1.3: Inter - Parliamentary Relations and Capacity Building	
Departmental Activities: <i>Provision of advice and support to facilitate the conduct of the Parliament's international and regional affairs.</i> <i>Resources to facilitate building capacity in Parliaments primarily in the Pacific Region.</i> <i>Revenue from other sources (s74)</i>	

Program 2 - Administered

Activity 2.1: Schools Hospitality
Departmental Activities: <i>Resources supporting the provision of hospitality to school groups visiting Parliament House.</i>

Section 2: Outcomes and planned performance

Parliamentary outcomes are the intended results, impacts or consequences of actions by the Parliament on the Australian community. Parliamentary departments deliver programs which are designed to achieve the intended results of their outcome statements. The department's programs contribute to its outcome over the Budget and forward years.

The department's outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements - included in Annual Reports - to provide an entity's complete performance story.

The most recent corporate plan for Department of the House of Representatives can be found at: www.aph.gov.au/DHR/CorporatePlan.

The most recent annual performance statement can be found at: www.aph.gov.au/DHR/AnnualReport.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

This table shows how much the department intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by Administered and Departmental funding sources.

Outcome 1: Advisory and administrative services support the House of Representatives to fulfil its representative and legislative role.

Table 2.1.1: Budgeted expenses for Outcome 1

Outcome 1: Advisory and administrative services support the House of Representatives to fulfil its representative and legislative role.					
	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
Program 1: Other Departmental DHOR					
Departmental expenses					
Departmental appropriation	23,371	24,113	24,115	24,283	24,424
s74 Retained revenue receipts (a)	618	116	86	121	116
Expenses not requiring appropriation in the Budget year (b)	2,874	2,690	2,740	2,780	2,890
Departmental total	26,863	26,919	26,941	27,184	27,430
Total expenses for program 1	26,863	26,919	26,941	27,184	27,430
Program 2: Schools Hospitality					
Administered expenses					
Ordinary annual services (Appropriation (Parliamentary Departments) Bill No. 1)	320	313	319	324	330
Administered total	320	313	319	324	330
Total expenses for program 2	320	313	319	324	330
Outcome 1 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation (Parliamentary Departments) Bill No. 1)	320	313	319	324	330
Administered total	320	313	319	324	330
Departmental expenses					
Departmental appropriation	23,371	24,113	24,115	24,283	24,424
s74 Retained revenue receipts (a)	618	116	86	121	116
Expenses not requiring appropriation in the Budget year (b)	2,874	2,690	2,740	2,780	2,890
Departmental total	26,863	26,919	26,941	27,184	27,430
Total expenses for Outcome 1	27,183	27,232	27,260	27,508	27,760
Average staffing level (number)					
	2017-18	2018-19			
	154	166			

- (a) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.
 (b) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, audit fees and resources received free of charge.
 (c) Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year.

Table 2.1.2: Program components of Outcome 1

Program 1: Other Departmental DHOR					
	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
1.1 - Chamber and Federation Chamber					
Annual departmental expenses:					
Departmental item appropriation	3,736	3,958	3,954	3,987	4,008
s74 Retained revenue receipts (a)	15	15	10	15	15
Total component 1.1 expenses	3,751	3,973	3,964	4,002	4,023
1.2 - Committee Services					
Annual departmental expenses:					
Departmental item appropriation	9,144	9,449	9,438	9,518	9,571
s74 Retained revenue receipts (a)	-	-	-	-	-
Total component 1.2 expenses	9,144	9,449	9,438	9,518	9,571
1.3 - Inter - Parliamentary Relations and Capacity Building					
Annual departmental expenses:					
Departmental item appropriation	1,194	1,236	1,234	1,245	1,253
s74 Retained revenue receipts (a)	571	61	61	61	61
Total component 1.3 expenses	1,765	1,297	1,295	1,306	1,314
1.4 - Community Relations and Awareness					
Annual departmental expenses:					
Departmental item appropriation	974	1,000	1,019	1,007	1,013
s74 Retained revenue receipts (a)	22	30	10	30	30
Total component 1.4 expenses	996	1,030	1,029	1,037	1,043
1.5 - Members' and Corporate Support					
Annual departmental expenses:					
Departmental item appropriation	8,323	8,470	8,470	8,526	8,579
s74 Retained revenue receipts (a)	10	10	5	15	10
Total component 1.5 expenses	8,333	8,480	8,475	8,541	8,589
Expenses not requiring appropriation in the Budget year	2,874	2,690	2,740	2,780	2,890
Total program 1 expenses	26,863	26,919	26,941	27,184	27,430
Program 2: Administered					
	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
2.1 - Schools Hospitality					
Annual administered expenses: (Appropriation Parliamentary)	320	313	319	324	330
Total program 2 expenses	320	313	319	324	330

(a) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.

Table 2.1.3: Performance criteria for Outcome 1

Table 2.1.3 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2018-19 Budget measures have created new programs or materially changed existing programs.

Outcome 1 – Advisory and administrative services support the House of Representatives to fulfil its representative and legislative role.	
Program 1 – <i>The Department of the House of Representatives undertakes five distinct activities to achieve its outcome.</i>	
<ol style="list-style-type: none"> 1. Chamber and Federation Chamber – <i>Provide advice and services to enable the House and Federation Chamber to meet and address business as scheduled.</i> 2. Committee Support – <i>Provide procedural, research, analytical, drafting and administrative support to enable House of Representatives and certain joint committees to conduct and report on inquiries.</i> 3. Inter-parliamentary Relations and Capacity Building – <i>Provide advice and services to support the Parliament’s national, international and regional relationships. Assist and partner with developing parliaments, primarily within the Asia/Pacific region.</i> 4. Community Awareness – <i>Provide services to increase public knowledge and awareness of and intersection with, the work of the House of Representatives and the Australian Parliament through a wide range of media resources and other activities.</i> 5. Members and Corporate Support – <i>Provide high quality advice and services to Members and the Department relating to accommodation, work, health and safety, salaries and allowances. Seek to obtain the resources needed to sustain the work of the House, Committees and wider Department into the future.</i> 	
Delivery	<p><i>The Department’s approach to achieving its purpose in the long-term focuses on four key result areas.</i></p> <ol style="list-style-type: none"> i. Service delivery and governance - adopting best practice in service delivery and corporate governance to enhance business effectiveness and efficiency and exploiting emerging technology opportunities ii. Engagement and stewardship - sustaining the institution of Parliament and strengthening the Department’s relationships with members and developing a 'Whole of Parliamentary Service' perspective through practicing sound stewardship and custodianship iii. Leadership - strengthening the Department’s leadership and developing the leaders of the future iv. People - embedding a culture of professionalism and enabling staff to work to their full potential

Table 2.1.3: Performance criteria for Outcome 1

2017-18 Performance information	
Performance criteria	Targets
1. Chamber and Federation Chamber - proposed legislation and other business is processed within deadlines and in accordance with the Standing Orders and House practice. Maintain and publish comprehensive and accurate procedural and statistical data and analysis.	Legislation and business: 100% completion; accurate and timely. Client satisfaction target: 90%
2. Committee Support - advice and services provided to committees is thorough, accurate and timely to facilitate the work of committees and to enable the preparation of inquiry reports to a standard that meets Members' requirements.	Members surveyed are satisfied with the standard of support provided, and reports. Target: 90% satisfied.
3. Inter-parliamentary Relations and Capacity Building - arrangements for incoming and outgoing delegations meet the expectations of the Presiding Officers, delegates and diplomatic representatives. Facilitated study programs meet the needs of participants. Selected parliaments within the Asia/Pacific region are provided with capacity building activities and support that meets their identified needs.	Survey of delegates participating in incoming and outgoing delegations. Target: 90% satisfied. Survey of participants in capacity building activities. Target: 90% satisfied.
4. Community Awareness - published information about legislative processes meets community expectations. Clients are satisfied with seminars.	Interaction with the work of the House increasing over time. Seminar participants are 90% satisfied.
5. Members and Corporate Support - level of satisfaction of the Speaker's Office with the overall quality of support services provided, including accommodation, office support, transport coordination, salary processing and other members' support services. Level of satisfaction among members with the overall quality of support services provided, including accommodation, salary processing and other members' support services. Level of satisfaction among staff with the quality of corporate advice and services provided by the Department.	Level of satisfaction of the Speaker, target: very satisfied. Members survey results, target 90% satisfied. Annual Staff survey, target 90% satisfied with corporate advice and services.

2018-19 and beyond performance information	
Performance criteria	Targets
As per 2017-18	Targets as per 2017-18

Purpose
The purpose of the Department of the House of Representatives is to support the House of Representatives, and the wider Parliament, in the role of a representative and legislative body by providing advice and services, and through engaging with the community and other parliaments.

Table 2.1.3: Performance criteria for Outcome 1

2018-19 Performance information	
Performance criteria	Targets
1. Chamber and Federation Chamber - proposed legislation and other business is processed within deadlines and in accordance with the Standing Orders and House practice. Maintain and publish comprehensive and accurate procedural and statistical data and analysis.	Legislation and business: 100% completion; accurate and timely. Client satisfaction target: 90%
2. Committee Support - advice and services provided to committees is thorough, accurate and timely to facilitate the work of committees and to enable the preparation of inquiry reports to a standard that meets Members' requirements.	Members surveyed are satisfied with the standard of support provided, and reports. Target: 90% satisfied.
3. Inter-parliamentary Relations and Capacity Building - arrangements for incoming and outgoing delegations meet the expectations of the Presiding Officers, delegates and diplomatic representatives. Facilitated study programs meet the needs of participants. Selected parliaments within the Asia/Pacific region are provided with capacity building activities and support that meets their identified needs.	Survey of delegates participating in incoming and outgoing delegations. Target: 90% satisfied. Survey of participants in capacity building activities. Target: 90% satisfied.
4. Community Awareness - published information about legislative processes meets community expectations. Clients are satisfied with seminars.	Interaction with the work of the House increasing over time. Seminar participants are 90% satisfied.
5. Members and Corporate Support - level of satisfaction of the Speaker's Office with the overall quality of support services provided, including accommodation, office support, transport coordination, salary processing and other members' support services. Level of satisfaction among members with the overall quality of support services provided, including accommodation, salary processing and other members' support services. Level of satisfaction among staff with the quality of corporate advice and services provided by the Department.	Level of satisfaction of the Speaker, target: very satisfied. Members survey results, target 90% satisfied. Annual Staff survey, target 90% satisfied with corporate advice and services.

2019-20 and beyond performance information	
Performance criteria	Targets
As per 2018-19	Targets as per 2018-19

Purpose
The purpose of the Department of the House of Representatives is to support the House of Representatives, and the wider Parliament, in the role of a representative and legislative body by providing advice and services, and through engaging with the community and other parliaments.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2018-19 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Explanatory notes and analysis of budgeted financial statements

In the 2017-18 budget year the department received additional funding of \$12.4m across the budget and forward estimates. This additional funding has ensured that the department has sufficient resources to support the work of the Parliament and its committees into the future.

As shown in table 3.1, for 2017-18 the department is expecting a surplus before depreciation of \$0.905m. This surplus is attributable primarily to lower than expected staffing levels within the department due to positions remaining temporarily vacant while recruitment activities were underway. It is forecast that staffing levels will return to normal across the forward estimates.

The Department's own source income for 2017-18 contains funds received under agreements with the Department of Foreign Affairs for the delivery of activities within the Pacific Partnerships Linkages Program. These funding agreements cease at the end of the 2017/18 financial year. The Department also receives modest revenue amounts from its seminar program and the sale of parliamentary publications.

The Department continues to provide a booking service and hospitality for school groups visiting Parliament House. Funds are provided through administered funding and expenditure is shown at table 3.7.

The department's balance sheet remains in a strong position with sufficient cash reserves to cover its liabilities. Over the past five years the department has progressively been replacing general use office furniture as part of its furniture replacement project. This project will be completed in July 2018. The department also completed an upgrade of the print room equipment during the 2017-18 financial year. From 2018-19 onwards other non-financial assets will be replaced, redeveloped or maintained where necessary. Funding for these items will come from the departmental capital budget.

Depreciation and amortisation expenses are not funded as part of operating revenue as the department receives a contribution through equity for its departmental capital budget. This is shown at table 3.5.

3.2. BUDGETED FINANCIAL STATEMENTS TABLES

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
EXPENSES					
Employee benefits	20,137	20,969	20,964	21,129	22,000
Suppliers	5,739	5,150	5,127	5,165	4,540
Depreciation and amortisation (a)	984	800	850	890	890
Losses from asset sales	3	-	-	-	-
Total expenses	26,863	26,919	26,941	27,184	27,430
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	42	50	20	50	50
Interest	61	61	61	61	61
Royalties	5	5	5	10	5
Other	510	-	-	-	-
Total own-source revenue	618	116	86	121	116
Gains					
Sale of assets					
Other	1,924	1,890	1,890	1,890	2,000
Total gains	1,924	1,890	1,890	1,890	2,000
Total own-source income	2,542	2,006	1,976	2,011	2,116
Net (cost of)/contribution by services	(24,321)	(24,913)	(24,965)	(25,173)	(25,314)
Revenue from Government	24,242	24,113	24,115	24,283	24,424
Surplus/(deficit) attributable to the Australian Government	(79)	(800)	(850)	(890)	(890)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation surplus	-	300	-	-	-
Total other comprehensive income	-	300	-	-	-
Total comprehensive income/(loss)	(79)	(500)	(850)	(890)	(890)
Total comprehensive income/(loss) attributable to the Australian Government	(79)	(500)	(850)	(890)	(890)

(a) From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June (continued)

	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations	905	300	-	-	-
less depreciation/amortisation expenses previously funded through revenue appropriations (a)	984	800	850	890	890
Total comprehensive income/(loss) - as per the statement of comprehensive income	(79)	(500)	(850)	(890)	(890)

(b) From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.

Prepared on Australian Accounting Standards basis.

Table 3.2: Budgeted departmental balance sheet (as at 30 June)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	506	506	506	506	506
Trade and other receivables	14,497	14,612	14,716	14,716	14,716
Other investments	2,546	2,546	2,546	2,546	2,546
Total financial assets	17,549	17,664	17,768	17,768	17,768
Non-financial assets					
Property, plant and equipment	8,575	8,612	8,498	8,699	8,804
Intangibles	1,420	1,520	1,420	970	620
Inventories	12	9	19	19	19
Other non-financial assets	156	156	156	156	156
Total non-financial assets	10,163	10,297	10,093	9,844	9,599
Assets held for sale					
Total assets	27,712	27,961	27,861	27,612	27,367
LIABILITIES					
Payables					
Suppliers	286	286	286	286	286
Other payables	146	149	152	152	152
Total payables	432	435	438	438	438
Provisions					
Employee provisions	6,454	6,563	6,674	6,674	6,674
Total provisions	6,454	6,563	6,674	6,674	6,674
Liabilities included in disposal groups held for sale					
Total liabilities	6,886	6,998	7,112	7,112	7,112
Net assets	20,826	20,963	20,749	20,500	20,255
EQUITY*					
Parent entity interest					
Contributed equity	(9,753)	(9,116)	(8,480)	(7,839)	(7,194)
Reserves	14,192	14,492	14,492	14,492	14,492
Retained surplus (accumulated deficit)	16,387	15,587	14,737	13,847	12,957
Total parent entity interest	20,826	20,963	20,749	20,500	20,255
Total equity	20,826	20,963	20,749	20,500	20,255

*'Equity' is the residual interest in assets after deduction of liabilities.

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2018-19)

	Retained earnings	Asset revaluation reserve	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2018				
Balance carried forward from previous period	16,387	14,192	(9,753)	20,826
Adjusted opening balance	16,387	14,192	(9,753)	20,826
Comprehensive income				
Other comprehensive income	-	300	-	300
Surplus/(deficit) for the period	(800)	-	-	(800)
Total comprehensive income	(800)	300	-	(500)
of which:				
Attributable to the Australian Government	(800)	300	-	(500)
Transactions with owners				
Contributions by owners				
Departmental Capital Budget (DCB)	-	-	637	637
Sub-total transactions with owners	-	-	637	637
Estimated closing balance as at 30 June 2019	15,587	14,492	(9,116)	637
Less: non-controlling interests	-	-	-	-
Closing balance attributable to the Australian Government	15,587	14,492	(9,116)	20,963

Prepared on Australian Accounting Standards basis.

Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	24,582	23,998	24,011	24,283	24,424
Sale of goods and rendering of services	42	50	20	50	50
Interest	61	61	61	61	61
Net GST received	465	443	428	431	383
Other	(147)	5	5	10	5
Total cash received	25,003	24,557	24,525	24,835	24,923
Cash used					
Employees	20,027	20,857	20,850	21,129	22,000
Suppliers	3,816	3,257	3,247	3,275	2,540
Net GST paid	465	443	428	431	383
Total cash used	24,308	24,557	24,525	24,835	24,923
Net cash from/(used by) operating activities	695	-	-	-	-
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	1,340	637	636	641	645
Purchase of financial instruments	2,546	-	-	-	-
Total cash used	3,886	637	636	641	645
Net cash from/(used by) investing activities	(3,886)	(637)	(636)	(641)	(645)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	640	637	636	641	645
Total cash received	640	637	636	641	645
Net cash from/(used by) financing activities	640	637	636	641	645
Net increase/(decrease) in cash held	(2,551)	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	3,057	506	506	506	506
Cash and cash equivalents at the end of the reporting period	506	506	506	506	506

Prepared on Australian Accounting Standards basis.

Table 3.5: Departmental capital budget statement (for the period ended 30 June)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	640	637	636	641	645
Total new capital appropriations	640	637	636	641	645
<i>Provided for:</i>					
Purchase of non-financial assets	640	637	636	641	645
Total items	640	637	636	641	645
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB (a)	640	637	636	641	645
Funded internally from departmental resources (b)	700				
TOTAL	1,340	637	636	641	645
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	1,340	637	636	641	645
Total cash used to acquire assets	1,340	637	636	641	645

(a) Does not include annual finance lease costs. Includes purchases from current and previous years' Departmental capital budgets (DCBs).

(b) Includes the following sources of funding:

- current Bill 1 and prior year Act 1/3/5 appropriations (excluding amounts from the DCB);
- donations and contributions;
- gifts;
- internally developed assets;
- s 74 Retained revenue receipts; and
- proceeds from the sale of assets.

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of asset movements (Budget year 2018-19)

	Other property, plant and equipment \$'000	Heritage and cultural \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2018				
Gross book value	9,107	419	3,786	13,312
Accumulated depreciation/ amortisation and impairment	(951)	-	(2,366)	(3,317)
Opening net book balance	8,156	419	1,420	9,995
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation ordinary annual services (a)	37	-	600	637
Total additions	37	-	600	637
Other movements				
Depreciation/amortisation expense	(300)	-	(500)	(800)
Disposals (b)	-	-	-	-
Other	250	50	-	300
Total other movements	(50)	50	(500)	(500)
As at 30 June 2019				
Gross book value	9,394	469	4,386	14,249
Accumulated depreciation/ amortisation and impairment	(1,251)	-	(2,866)	(4,117)
Closing net book balance	8,143	469	1,520	10,132

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation (Parliamentary Departments) Bill (No.1) 2018-19 for depreciation/amortisation expenses, DCBs or other operational expenses. Net proceeds may be returned to the OPA.

(b) Net proceeds may be returned to the OPA.

Prepared on Australian Accounting Standards basis.

Table 3.7: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
EXPENSES					
Suppliers	320	313	319	324	330
Total expenses administered on behalf of Government	320	313	319	324	330
Net (cost of)/contribution by services	(320)	(313)	(319)	(324)	(330)
Surplus/(deficit)	(320)	(313)	(319)	(324)	(330)
Total comprehensive income/(loss)	(320)	(313)	(319)	(324)	(330)

Prepared on Australian Accounting Standards basis.

Table 3.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
ASSETS					
Financial assets					
Trade and other receivables	4	4	4	4	4
Total financial assets	4	4	4	4	4
Total assets administered on behalf of Government	4	4	4	4	4
LIABILITIES					
Payables					
Suppliers	26	26	26	26	26
Other payables	4	4	4	4	4
Total payables	30	30	30	30	30
Total liabilities administered on behalf of Government	30	30	30	30	30
Net assets/(liabilities)	(26)	(26)	(26)	(26)	(26)

Prepared on Australian Accounting Standards basis.

Table 3.9: Schedule of budgeted administered cash flows (for the period ended 30 June)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash used					
Suppliers	320	313	319	324	330
Total cash used	320	313	319	324	330
Net cash from/(used by) operating activities	(320)	(313)	(319)	(324)	(330)
Net increase/(decrease) in cash held	(320)	(313)	(319)	(324)	(330)
Cash and cash equivalents at beginning of reporting period	-	-	-	-	-
Cash from Official Public Account for:					
- Appropriations	320	313	319	324	330
Total cash from Official Public Account	320	313	319	324	330
Cash and cash equivalents at end of reporting period	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

GLOSSARY

Term	Meaning
Activities	The actions/functions performed by the department to deliver government policies.
Actual available appropriation	The Actual Available Appropriation indicates the total appropriations available to the entity for 2017-18 as at the 2018-19 Budget. It includes all appropriations made available to the entity in the year (+/- section 75 transfers, formal reductions, Advance to the Minister for Finance, movements of funds and other quarantines). It is to be the same as the comparator figure included in the Appropriation Bills, and as such provides a comparison with the appropriation proposed for the budget year.
Administered Item	Appropriation that consists of funding managed on behalf of the Commonwealth. This funding is not at the discretion of the entity and any unspent appropriation is returned to the CRF at the end of the financial year. An administered item is a component of an administered program. It may be a measure but will not constitute a program in its own right.
Agency Advice Unit (AAU)	Advisers within Budget Group, Department of Finance that analyse expenditure trends of entities, agree costings of New Policy Proposals, validate entities' program estimates and advise entities on financial and budget matters.
Appropriation	An amount of relevant money the Parliament authorises for spending (i.e. funds to be withdrawn from the CRF). The Parliament makes laws for appropriating money under the Annual Appropriation Acts and under Special Appropriations, with spending restricted to the purposes specified in the Appropriation Acts.
Appropriations and Cash Management Module (ACM)	A module of the Central Budget Management System from which entities draw down funds from the CRF.
Budget Paper 1 (BP1)	Budget Strategy and Outlook. Provides information on the economic and fiscal outlook for the Australian Government, including information on the Government's fiscal strategy.
Budget Paper 2 (BP2)	Budget Measures. Provides a description of each budget measure (revenue, expense and capital) by Portfolio.
Budget Paper 3 (BP3)	Australia's Federal Relations. Provides information and analysis on Federal funding provided to the States, Territories and local government.

Glossary

Budget Paper 4 (BP4)	Agency Resourcing. Contains information on resourcing for Australian Government entities (including special appropriations, special accounts and a summary of agency resourcing).
Central Budget Management System (CBMS)	CBMS is the Australian Government's central budget and financial management information system administered by the Department of Finance. It contains the Commonwealth's programme list and produces the annual Appropriation Bills
Clear Read Principle	<p>The outcomes framework provides an essential clear link between the Appropriation Bills, the PB Statements, the PAES, and annual reports of entities. Information should be consistent across these and other budget documents, and where possible, duplication of reporting within the PB Statements should be avoided. This is called the "clear read" between the different documents.</p> <p>Under this principle the planned performance in PB Statements is to be provided on the same basis as actual performance in the annual reports covering the same period, to permit a clear read across planning and actual performance reporting documents. Entities should take this into account in designing their performance reporting arrangements</p>
Consolidated Revenue Fund (CRF)	The principal operating fund from which money is drawn to pay for the activities of the government. Section 81 of the Australian Constitution provides that all revenue raised or monies received by the Executive Government forms one consolidated revenue fund from which appropriations are made for the purposes of the Australian Government.
Contractor	A person engaged by an agency, usually on a temporary basis. Treated as an employee of the agency for the purposes of program performance reporting.
Departmental Item	Resources (assets, liabilities, revenues and expenses) that the entity's Accountable Authority controls directly. This includes outsourced activities funded and controlled by the entity. Examples of departmental items include entity running costs, accrued employee entitlements and net appropriations. A departmental item is a component of a departmental program
Entities	For the purposes of this guidance, this means Commonwealth entities and Commonwealth companies as defined under the <i>Public Governance, Performance and Accountability (PGPA) Act 2013</i> that are within the General Government Sector; the High Court of Australia; and the Future Fund Board of Guardians

Estimated Actual Expenses	Details of the current year's estimated final figures as included in the Budget documentation. As the Budget is released in May each year, but the financial year does not close off until 30 June, the current year numbers that are used for comparison with Budget amounts can only be estimates.
Expenses not requiring appropriation in the Budget year	Expenses not involving a cash flow impact are not included within the calculation of an appropriation. An example of such an event is goods or services received free of charge that are then expensed: eg Australian National Audit Office (ANAO) audit services – the ANAO does not charge for audit services however the expense must be recognised. Similarly, bad debts are recognised as an expense but are not recognised for the purpose of calculating appropriation amounts to be sought from Parliament.
Financial Management Information System (FMIS)	A system that holds the financial information of an entity.
Forward Estimates Period	The three years following the budget year. For example, if 2018-19 is the budget year, 2019-20 is forward year 1, 2020-21 is forward year 2 and 2021-22 is forward year 3. This period does not include the current financial (2017-18) or budget year (2018-19).
General Government Sector (GGS)	A Government Finance Statistics' classification of all entities that are controlled and largely funded by the Commonwealth Government. The GGS provides public services that are mainly non-market in nature and for the collective consumption of the community, or involve the transfer or redistribution of income. These services are largely financed through taxes and other compulsory levies, user charging and external funding. This sector comprises all government departments, offices and some other bodies.
Government Finance Statistics (GFS)	A reporting framework that is a specialised statistical system designed to support economic analysis of the public sector. It allows for comprehensive assessments of the economic impact of government and is consistent with international statistical standards of the International Monetary Fund and the System of National Accounts
Intended Result	Intended result is a key part of an outcome statement and describes the goal or objective of an agency. The intended result is typically distilled from the Government's economic, social, health or environmental policy goals.

Glossary

Materiality	Reflects the importance of government financial or other information that if omitted, misstated or not disclosed has the potential to adversely affect decisions about the allocation of resources made by users of the financial report, or the discharge of accountability by the management or governing body of an entity.
Measure	A new policy or savings decision of the government with financial impacts on the government's underlying cash balance; fiscal balance; operating balance; headline cash balance; net debt or net worth. Such proposals are normally made in the context of the annual Budget, and are typically published in BP No. 2, in the Mid-Year Economic and Fiscal Outlook (MYEFO) and in the Pre-election Economic and Fiscal Outlook (PEFO).
Mid-Year Economic and Fiscal Outlook (MYEFO)	The MYEFO provides an update of the government's budget estimates by examining expenses and revenues in the year to date, as well as provisions for new decisions that have been taken since the Budget. The report provides updated information to allow the assessment of the government's fiscal performance against the fiscal strategy set out in its current fiscal strategy statement.
Official Public Account (OPA)	The OPA is the Australian Government's central bank account held within the Reserve Bank of Australia. The OPA reflects the operations of the Consolidated Revenue Fund.
Outcome	An outcome is the intended result, consequence or impact of Government actions on the Australian community
Outcome Statement	<p>An outcome statement articulates the intended results, activities and target group of an Australian Government entity. An outcome statement serves three main purposes within the financial framework:</p> <ul style="list-style-type: none">• to explain and control the purposes for which annual appropriations are approved by the Parliament for use by entities;• to provide a basis for annual budgeting, including (financial) reporting against the use of appropriated funds; and• to measure and assess entity and program (non-financial) performance in contributing to Government policy objectives.

Portfolio Budget Statements (PB Statements)	Budget related paper detailing budget initiatives and explanations of appropriations specified by outcome and programme by each entity within a Portfolio.
Program	Activity that delivers benefits, services or transfer payments to individuals, industry and/or the community as a whole, with the aim of achieving the intended result specified in an outcome statement.
Program Support	The departmental running costs allocated to a program. This is funded through an entity's departmental appropriations.
Public Governance Performance and Accountability Act 2013 (PGPA Act)	<p>The <i>Public Governance, Performance and Accountability Act 2013</i> replaced the <i>Financial Management and Accountability Act 1997</i> (FMA Act) and the <i>Commonwealth Authorities and Companies Act 1997</i> (CAC Act) on 1 July 2014. As the primary piece of Commonwealth resource management legislation, the PGPA Act establishes a coherent system of governance and accountability for public resources, with an emphasis on planning, performance and reporting. The Act applies to all Commonwealth entities and Commonwealth companies.</p> <p>The PGPA Act sets out main principles and requirements Commonwealth Resource Management Framework. Rules and other legislative instruments establish the requirements and procedures necessary to give effect to the governance, performance and accountability matters covered by the Act.</p>
Sub-function	Government Finance Statistics classification of government expenses.
Target Group	A specific group being targeted for assistance by government policy.

Budget

Portfolio Budget Statements 2018-19
Budget Related Paper No. 1.17A
Department of the
House of Representatives