



18 October 2021

Parliamentary Budget Office Activity Report

Overview

This activity report provides an update on Parliamentary Budget Office (PBO) activities since the last activity report of 17 May 2021.

The PBO's 2020–21 annual report was published on 14 October 2021 and contains details of PBO activity during 2020–21.

The PBO published its 2021–22 Corporate Plan on 30 August 2021, following consultation with the Joint Committee of Public Accounts and Audit (JCPAA).

Requests from parliamentarians and parliamentary parties

In the three months to 30 September 2021, we have received 397 requests for policy costings and requests for budget analysis. This quarter, we responded to 296 requests, at an average turnaround time of 33 business days and a median time to completion of 32 business days (see Table 1).

While we are working on reducing the average and median time to completion, the recorded completion times for this quarter are higher than the 2020–21 average median completion times (see figure 3). This reflects several factors including: an increase in the relative complexity of requests being received, the need to build capacity among new staff, implementing our new Information and Communication Technology (ICT) environment, and the statistical effect of finalising several requests that had taken a long time to complete.

Nevertheless, we are concerned that the existing average timeframes may not sufficiently support the needs of our requestors and we are reviewing aspects of our operations to identify delays, bottlenecks and other avoidable factors that are adversely affecting our completion timeframes.

During the three months to 30 September 2021, we received 32 responses from Commonwealth agencies to our information requests, with an average turnaround time of 10 business days (see Table 2). The relatively low volume of responses in this quarter reflects the fact that there was no update to the Budget - these generally occur in May and November or December of each year and trigger a large volume of requests to and responses from Commonwealth agencies. No responses were received late, reflecting the strong relationships that we have with agencies.

Table 3 contains details of the responsiveness of Commonwealth agencies to information requests during this period.

In the period since the last activity report, 3 policy costings and 1 budget analysis have been publicly released. These are available on our website (see Table 4).

Evaluations

We have not undertaken any further evaluations of our models so far in the 2021–22 year. This reflects a deliberate choice to focus on preparing for the election, including building the capability of new staff and implementing our new ICT environment. We undertook evaluations of several of our key models in 2020-21, and implementation of the relevant recommendations is underway.

Self-initiated work program

The PBO public information program is focussed on analysis that improves and informs assessments of the medium-term trends and pressures facing Australia's fiscal position. We also seek to improve the understanding that parliamentarians and the public have of complex budget and financial mechanisms.

The PBO's 2021-22 self-initiated work program was set out in the 2021-22 Corporate Plan and features a focus on shorter reports aimed at enhancing understanding of budget concepts and transparency, with fewer major reports. Over the year ahead, some of our public information resources will be redirected towards costing work in the lead-up to the general election and towards the preparation of the election commitments report which is required shortly after the election.

Subject to the timing of the general election, if time permits, we will continue to:

- publish explainers on key aspects of the budget and fiscal position, such as the government's balance sheet and the contingency reserve, as well as to expand the online budget glossary and to make key historical fiscal data more readily available
- build on our guide to understanding the budget papers
- develop online interactive tools to facilitate understanding of budget and fiscal policy issues.

The PBO has released four self-initiated publications since our last activity report in May:

- *2021-22 Budget at a glance*, published on 8 June, provides a graphical summary of information contained in the 2021-22 Budget. This new combined product replaced the previous Budget Snapshot and Budget Chart Pack publications.
- *Unlegislated measures carried forward in the budget estimates—August 2021*, published on 4 August, provides estimates of the medium-term impact on the Commonwealth budget of measures with significant financial implications that have been announced but are yet to be implemented.
- *Beyond the budget 2021-22: Fiscal outlook and scenarios*, published on 21 September. Expanding on our earlier medium-term fiscal projections report, *Beyond the budget* provides independent projections of key budget outcomes such as debt and the budget balance over the next decade and assesses fiscal sustainability over the next forty years.
- *Bracket creep and its fiscal impacts*, published on 29 September, is the first in a series of shorter web-based explainer pieces on key fiscal issues and concepts. It supports other shorter pieces to assist understanding, such as our Online budget glossary and *Guide to the budget*.

Our self-initiated work continues to be positively received. We continue to present and discuss the results of our work, including through presentations to external conferences and seminars such as the 2021 Australian Conference of Economists (on our JobSeeker Payment paper) and the Parliamentary Library lecture series (focusing on our Fiscal sustainability paper). In August the PBO appeared at a Joint Committee of Public Accounts and Audit Committee inquiry into 'alternative' (or 'balance sheet') financing of government policies; the inquiry has a focus on issues raised in a 2020 PBO report on this topic.

General election preparation

Planning for the general election has commenced, including for the secondment of additional staff for the preparation of the election commitments report.

General election guidance

Section 64MA of the *Parliamentary Service Act 1999* requires the Parliamentary Budget Officer to release a report outlining the financial impacts of all the election commitments that have a material impact on the budget for all parliamentary parties with five or more members (referred to as 'designated' parties or major parties).

Since our last activity report in May, the PBO has published three election guidance notes for Parliamentarians, which form part of our preparations for the next election:

- Guidance note 1, released on 13 July, set out how independent members or parties with fewer than five members can opt into the PBO's report of election commitments.
- Guidance note 2, released on 18 August, provided an overview of the PBO's approach to the next election commitments report.
- Guidance note 3, also released on 18 August, outlined the PBO's approach to costing policy proposals during the caretaker period.

External engagement

PBO Expert Panel

The PBO has refreshed and expanded its panel of independent expert advisors to include individuals with diverse experience as professionals in related fields or as readers of our work. The expert panel meets annually and discussed the PBO's self-initiated publication program in September 2021. Engagement with members continues regularly out of session throughout the year.

Stakeholder survey

Each term of parliament the PBO conducts a stakeholder survey. In October 2021 the PBO received the results of the survey for the 46th parliament. The survey was a mixture of one-on-one interviews and an online survey of parliamentarians, parliamentary staff, journalists, and economists. The number of responses (85) was higher than previous surveys conducted in 2018 (35) and 2015 (63).

The results indicated high levels of satisfaction with the services delivered by the PBO, with some specific areas of improvement identified, including by:

- enhancing the awareness that parliamentarians have of our services through more active outreach to parliamentarians and their staff,
- enhancing the experience that parliamentarians have of our services through greater recognition of the different needs that they have, including for the timeliness of information and the way we interact with them, and
- ensuring that our website is more user focused, by making information easier to find and more interactive.

We will prioritise acting on this feedback for the remainder of 2021–22 and beyond. The summary findings are available at [Stakeholder feedback - Parliamentary Budget Office \(pbo.gov.au\)](https://pbo.gov.au/stakeholder-feedback).

Staffing

At 30 September 2021, the PBO had 49.68 full-time equivalent (FTE) staff (headcount: 52). In 2021–22, the PBO is estimating an average staffing level (ASL) of 48.

We are continuing to participate in the Parliament of Australia graduate program. Ten graduates from the 2021 program are joining the PBO for periods of three to six months over the course of the year.

APS Census results

Throughout May and June 2021, the PBO participated in the APSC Employee Census for the first time. The PBO had high levels of engagement, with a 98% response rate. Survey results were circulated to all staff on 13 August 2021 and are available at [APS Employee Census - Parliamentary Budget Office \(pbo.gov.au\)](https://pbo.gov.au/aps-census).

In summary, the PBO's index score for 'employee engagement' was 81% (ranked 7 out of 101 responding agencies); 'wellbeing policies and support' also received a score of 81% (ranked 6 of 101); and the agency received 75% (ranked 3 of 101) for 'enabling innovation'. Additionally, the PBO performed strongly in areas such as 'inclusion' with the percentage of positive responses above 90%.

A staff-led survey working group has been convened to work through actions going forward from the census. Areas for improvement are likely to include enhancements to communication and change management within the PBO. The PBO plans on ongoing participation in the APS Employee Census to track its results over time.

Capability building

The PBO recognises that it is important to consider the results of the APS Employee Census in conjunction with the results of the recent stakeholder survey, to ensure that we take a strategic approach to capability building. As part of this approach, we anticipate that we will adopt more flexible ways of working on a regular basis, and that an increased focus on digital products and work processes will be needed to ensure we are delivering services in a way that meets the needs of our stakeholders.

Response to COVID-19

In response to advice from Presiding Officers to minimise non-essential activity at Australian Parliament House (APH) during sitting weeks, most PBO staff were working offsite from early August 2021. Following the announcement of the ACT lockdown on 12 August 2021, all PBO staff were requested to work from home, until further notice.

The PBO is well placed to respond to the current ACT situation given frameworks, plans and resources in place since 2020. The PBO anticipates that we will continue to minimise PBO staff attendance at APH during sitting weeks for the remainder of the 2021 calendar year. Where there is an operational requirement for PBO staff to attend the office, subject to ACT health guidance, staff may do so during those periods.

The PBO continues to actively consider staff availability, resourcing, health and wellbeing, and strategic priorities in the context of COVID-19.

Review into Parliamentary culture

The PBO provided input, alongside the other Parliamentary Departments, into the Australian Human Rights Commission's Independent Review into Commonwealth Parliamentary Workplaces.

Staff were provided with details on how to provide information to the inquiry, including but not limited to individual or small-group participation in interviews and focus groups, as well as an optional online survey.

Initiatives to support staff have also included all-staff seminars on wellbeing and the process for making a complaint, on site confidential counselling, and training on bullying and harassment and resilience.

The report detailing the inquiry's findings is due to be tabled in Parliament in November 2021. The PBO anticipates working closely with the other Parliamentary Departments to effectively coordinate responding to the Jenkins review and associated matters, including the Foster review and any recommendations from Comcare.

Notable internal developments

- In early July 2021, the PBO's underlying ICT environment was significantly upgraded to a modern, collaborative, and integrated Microsoft cloud-based environment.

Requests from parliamentarians and parliamentary parties for costings and budget analyses

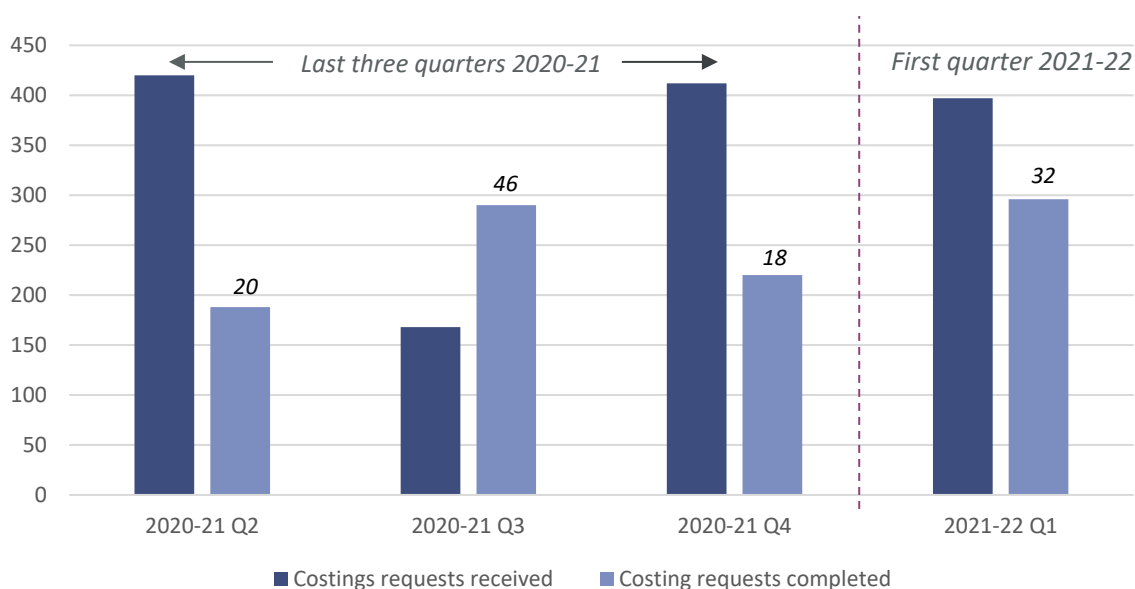
Table 1: Completion of costing and budget analysis requests

	2017–18 Total	2018–19 Total	2019–20 Total	2020–21 Total	2021–22 Q1	2021–22 Total	Trend ¹
Requests received in period	2,218	3,019	332	1,253	397	397	-
Requests completed in period	1,560	2,970*	279	813	296	296	-
Average time to completion (business days)	20	18	27	31	33	33	↑
Median time to completion (business days)	15	12	25	25	32	32	↑

* Includes 429 costings and budget analyses prepared for the purpose of the election commitment report.

Note: The table identifies the number of ‘options’ received by the PBO, noting that a single request can contain multiple options.

Figure 1: Number of received and completed costing requests in each of the last four quarters (median time (business days) to completion for quarter shown above relevant column)



¹ In comparison to the previous financial year

Figure 2: PBO response times for completed requests in 2021–22 quarter one

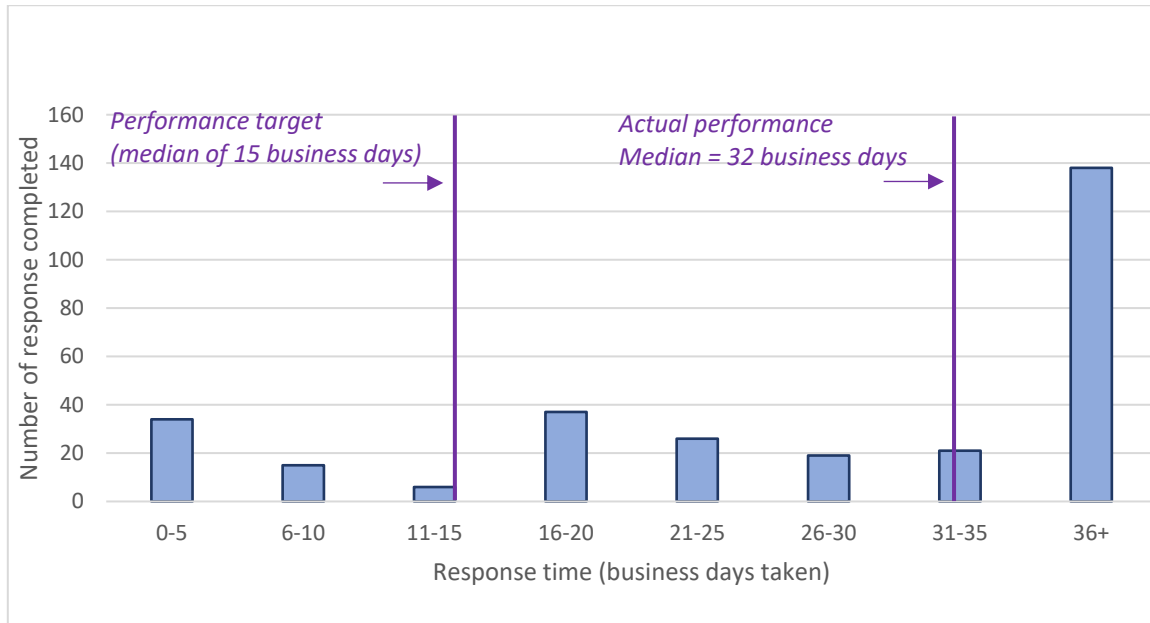
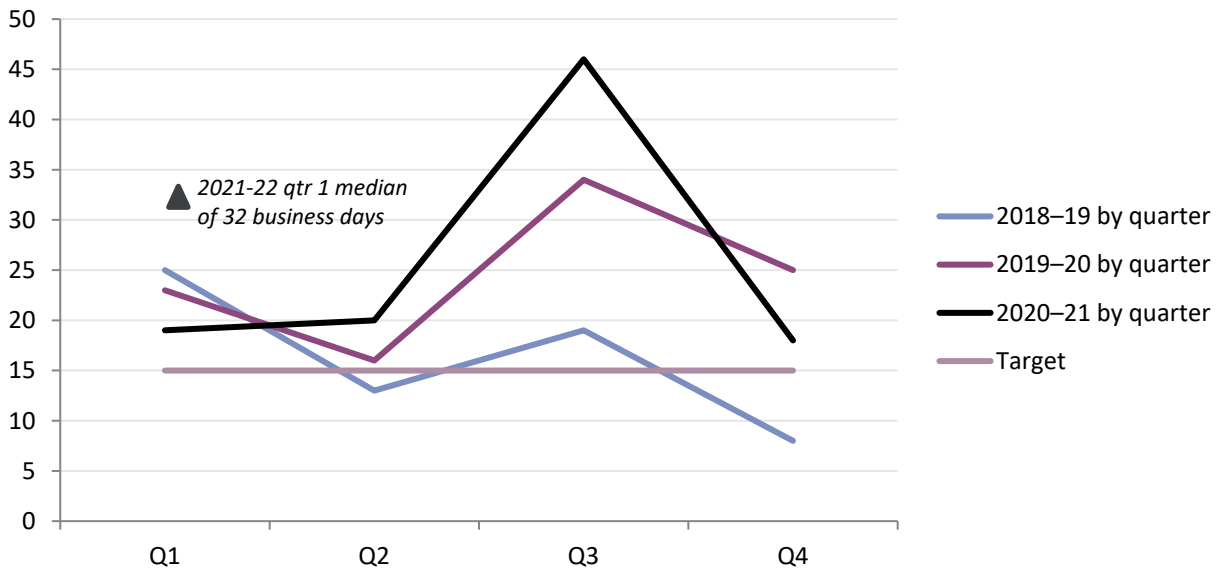


Figure 3: Median response time for policy costing and budget analysis requests by quarter



Requests by the PBO for information from agencies

Table 2: Responses to PBO information requests

	2017–18	2018–19	2019–20	2020–21	2021–22	2021–22
	Total	Total	Total	Total	Q1	Total
Responses received in period	429	549	175	523	32	32
Percentage received on time (%)	99	98	99	99%	100%	100%
Average response time (business days)	9	7	12	11	10	10

As at 30 September 2021, no responses to requests for information were late.

Table 3: Information request responsiveness by agencies in 2021–22 quarter one

Department/Agency	Responses received in period	Average of Time taken to respond (business days)	Responses received after due date	Per cent late
Attorney-General's Department	1	10	0	0%
Australian Taxation Office	2	7	0	0%
Australian Transaction Reports and Analysis Centre	1	10	0	0%
Department of Agriculture, Water and the Environment	3	10	0	0%
Department of Education, Skills and Employment	3	13	0	0%
Department of Finance	3	7	0	0%
Department of Foreign Affairs and Trade	1	8	0	0%
Department of Health	1	18	0	0%
Department of Home Affairs	3	19	0	0%
Department of Industry, Science, Energy and Resources	3	10	0	0%
Department of Infrastructure, Transport, Regional Development and Communications	2	11	0	0%
Department of Social Services	3	11	0	0%
Department of the Treasury	3	8	0	0%
National Indigenous Australians Agency	3	10	0	0%
Total	32	10	0	0

**Table 4: Costings or budget analysis publicly released by parliamentarians
in the period since the activity report of 17 May 2021**

Description of policy announcement	Party or Parliamentarian announcing policy	Method of Announcement	Date of announcement	Date of release of costing minute on the PBO website
One Million Homes	Mr Adam Bandt MP	Online media article	17 October 2021	18 October 2021
Mining Super Profits Tax	Mr Adam Bandt MP	Media release	6 September 2021	6 September 2021
Corporate Super Profits Tax	Mr Adam Bandt MP	Media release	6 September 2021	6 September 2021
Distributional analysis of the stage 3 tax cuts	Mr Adam Bandt MP	Media release	28 July 2021	29 July 2021