

Chapter 1

Additional Budget Estimates 2018–19

Reference

1.1 On 14 February 2019, the Senate referred the following to the Senate Finance and Public Administration Legislation Committee (the committee) for examination and report:

- Particulars of proposed additional expenditure in respect of the year ending on 30 June 2019 [Appropriation Bill (No. 3) 2018–2019];
- Particulars of certain proposed additional expenditure in respect of the year ending on 30 June 2019 [Appropriation Bill (No. 4) 2018–2019];
- Particulars of proposed additional expenditure in relation to the Parliamentary departments in respect of the year ending on 30 June 2019 [Appropriation (Parliamentary Departments) Bill (No. 2) 2018–2019];
- Final Budget Outcome 2017–18; and
- Advance to the Finance Minister—Report on advances provided under the annual Appropriation Acts for 2017–18.¹

Portfolio coverage

1.2 The committee has responsibility for examining the expenditure and outcomes of the following departments and agencies:

- Parliament;²
- Prime Minister and Cabinet (PM&C) Portfolio; and
- Finance Portfolio.³

1.3 Pursuant to an order of the Senate, the committee also holds a separate hearing on cross-portfolio Indigenous matters.⁴

1.4 Departments and agencies under the committee's oversight are listed in Appendix 1 of this report.

1 *Journals of the Senate*, No. 140, 14 February 2019, p. 4692.

2 As a matter of comity between the Houses neither House inquires into the operations of the other House. For this reason, neither the annual report of, nor the proposed expenditure for, the Department of the House of Representatives is referred to a Senate committee for review.

3 *Journals of the Senate*, No. 2, 31 August 2016, pp. 75–76; Amended on 12 February 2018 (*Journals of the Senate*, No. 84, 12 February 2018, p. 2668–2669), 15 February 2018 (*Journals of the Senate*, No. 87, 15 February 2018, p. 2740) and 17 September 2018 (*Journals of the Senate*, No. 118, 17 September 2018, pp. 3770–3771).

4 *Journals of the Senate*, No. 22, 26 August 2008, p. 683; *Journals of the Senate*, No. 100, 23 June 2015, p. 2772.

Portfolio Additional Estimates Statements 2018–19

1.5 The Portfolio Additional Estimates Statements (PAES) facilitate an understanding of the proposed appropriations in Appropriation Bills (No. 3 and No. 4). The focus of the PAES is on explaining the changes in resourcing since the Budget and to provide information on new measures and their impact on the financial and non-financial planned performance of agencies.⁵ The PAES 2018–19 for the PM&C Portfolio and the Finance Portfolio were tabled in the Senate on 8 February 2019.⁶

1.6 The PAES 2018–19 for the PM&C Portfolio noted the entities receiving an additional appropriation in Appropriation Bills (No. 3 and 4) included the Department of the Prime Minister and Cabinet, the Office of National Intelligence, the Office of the Official Secretary to the Governor-General, and the Workplace Gender Equality Agency.⁷

1.7 Amendments to the Administrative Arrangements Order (AAO)⁸ of 10 May 2018 resulted in the following changes to the PM&C Portfolio:

- Responsibility for the Public Interest Disclosure Act was transferred from PM&C to the Attorney-General's Department (AGD);
- The Independent National Security Legislation Monitor was transferred from PM&C to AGD;
- The Office of the Commonwealth Ombudsman was transferred from the PM&C Portfolio to the Attorney-General's Portfolio; and
- The Office of the Inspector-General of Intelligence and Security was transferred from PM&C Portfolio to the Attorney-General's Portfolio.⁹

1.8 The PAES 2018–19 for the Finance Portfolio note the additional estimates and variations sought by the Department of Finance, the Australian Electoral Commission and the Independent Parliamentary Expenses Authority.¹⁰ The PAES also listed the ministerial changes to the Portfolio following the Prime Minister's announcement of changes to the Ministry on 28 August 2018:

5 Budget 2018–19, *Portfolio Additional Estimates Statements*, <https://www.budget.gov.au/2018-19/index.html> (accessed 21 March 2019).

6 *Journals of the Senate*, No. 140, 14 February 2019, p. 4693.

7 Portfolio Additional Estimates Statements 2018–19, *Prime Minister and Cabinet Portfolio*, p. 12.

8 The Administrative Arrangements Order is an instrument issued by the Governor-General that formally establishes matters dealt with by each Department of State and the legislation for which the Minister of State administering is responsible.

9 Portfolio Additional Estimates Statements 2018–19, *Prime Minister and Cabinet Portfolio*, p. 12

10 Portfolio Additional Estimates Statements 2018–19, *Finance Portfolio*, p. 5.

- Senator the Hon Mathias Cormann appointed to the additional role of Minister for the Public Service;
- Senator the Hon Zed Seselja appointed as the Assistant Minister for Treasury and Finance; and
- the Hon Alex Hawke MP appointed as the Special Minister of State.¹¹

Hearings

1.9 The committee held public hearings on 18, 19 and 22 February 2019. The Parliamentary departments and the PM&C Portfolio (excluding Indigenous matters) were examined on 18 February, the Finance Portfolio was examined on 19 February, and the cross-portfolio Indigenous matters hearing was held on 22 February 2019.

1.10 Senator the Hon Scott Ryan, President of the Senate, and the following Ministers appeared with officers of relevant departments and agencies:

- Senator the Hon Mathias Cormann, Minister representing the Prime Minister, Minister for Finance and the Public Service;
- Senator the Hon Zed Seselja, Assistant Minister for Treasury and Finance, Minister representing the Special Minister of State;
- Senator the Hon Marise Payne, Minister representing the Minister for Women; and
- Senator the Hon Nigel Scullion, Minister for Indigenous Affairs.

1.11 The committee expresses its appreciation for the assistance of the President, Ministers and the officers who appeared.

1.12 Over the course of the hearings, the committee took evidence from the following departments, agencies and statutory officers:

Parliamentary departments

- Parliamentary Budget Office
- Department of Parliamentary Services

Prime Minister and Cabinet Portfolio

- Australian Public Service Commission
- Department of the Prime Minister and Cabinet (Outcome 1)
- Workplace Gender Equality Agency
- Department of the Prime Minister and Cabinet (Office for Women)
- Digital Transformation Agency
- Australian National Audit Office
- Office of the Official Secretary to the Governor-General

11 Portfolio Additional Estimates Statements 2018–19, *Finance Portfolio*, p. 3.

Finance Portfolio

- ASC Pty Ltd
- Australian Naval Infrastructure Pty Ltd
- Future Fund Management Agency
- Commonwealth Superannuation Corporation
- Department of Finance
- Independent Parliamentary Expenses Authority
- Australian Electoral Commission

Cross-portfolio Indigenous Matters

- Indigenous Land and Sea Corporation
- Indigenous Business Australia
- Office of the Registrar of Indigenous Corporations
- Department of the Prime Minister and Cabinet (Outcome 2)
- Department of Health (in relation to Indigenous health issues)

1.13 Documents tabled during the hearings of Additional Budget Estimates 2018–19 are listed in Appendix 2 of this report.

Questions on notice and Hansard transcripts

1.14 In accordance with the variation to the Senate order relating to unanswered questions on notice, the committee set 29 March 2019 as the date for the return of answers to questions on notice arising from the Additional Estimates 2018–19 hearings.¹² Proof Hansard transcripts of proceedings of hearings, are published on the committee's website at: https://www.aph.gov.au/Parliamentary_Business/Senate_Estimates/fpa/2018-19_Additional_estimates

Answers to questions on notice—Supplementary Budget Estimates 2018–19

1.15 The committee's examination of the Supplementary Estimates 2018–19 took place on 22 October 2018 for the Parliamentary Departments, 22 and 23 October 2018 for the PM&C Portfolio, 23 October 2018 for the Finance Portfolio and 26 October 2018 for the cross-portfolio Indigenous matters. The committee set 7 December 2018 as the date for the return of answers to questions on notice.

12 *Journals of the Senate*, No. 138, 12 February 2019, p. 4587–4588. This variation affects the order of the Senate of 25 June 2014, Estimates hearings—Unanswered questions on notice.

Timeliness of answers to questions on notice

1.16 The committee had a total of 462 questions taken on notice¹³ with a total of 259 answers being received by the due date.

1.17 The Finance Portfolio provided all of its answers to questions on notice from its hearings on 23 October 2018 by the due date of 7 December 2018.

1.18 The Parliamentary departments provided 79 out of 80 responses to questions on notice from its hearing on 22 October 2018 by the due date of 7 December 2018. The remaining question on notice was responded to on 7 February 2019 by the Department of Parliamentary Services.

1.19 The PM&C Portfolio (including cross-portfolio) provided 93 of its 285 answers to questions on notice from its hearings on 22 and 23 October 2018 by the due date of 7 December 2018. The remaining 192 questions on notice were provided in late December 2018 and in January 2019.

13 This figure includes both questions taken during the hearings for Supplementary Budget Estimates 2018–19, and written questions on notice provided by Senators after the hearing.

