

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Finance and Administration

February Estimates Hearings 2003-04 – 17 February 2004

Question: F31.1

Across all Outcomes and Outputs

Topic: Administered Programmes in the Department of Finance and Administration

Hansard page: N/A

Written Question on Notice: 17 February 2004

Senator Conroy asked:

Could you provide a list of all administered programmes in the Department of Finance, including:

- a description of the programme;
- number of people directly receiving funds/assistance under the programme;
- a breakdown on those receiving funds/assistance under the programme by electorate;
- the policy objective of the programme;
- whether the programme is ongoing;
- the funding in each financial year of the forward estimates for the programme (with a breakdown of administered and departmental expenses), including:
 - how much funding was allocated for the programme;
 - how much is committed to the programme; and
 - how much is unspent.
 - indication of whether an evaluation of the programme effectiveness has been conducted;
 - if so, when that evaluation occurred; and
 - if so, the conclusion of that evaluation.

Answer:

Ministerial and Parliamentary Services (classified as an administered programme from 2003-04).

A description of the programme

Under this programme a range of support services are provided to current Senators and Members of Parliament, their staff, and former Senators and Members. This includes the provision of electorate office facilities, administration of travel and accommodation entitlements and personnel-related services. The programme is directed towards the delivery of the Department of Finance and Administration's third outcome – "an efficiently functioning Parliament".

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Number of people directly receiving funds/assistance under the programme

1483 as at 1 February 2004. This figure only includes Senators, Members, Staff employed under the *Members of Parliament (Staff) Act 1984* (other than relief staff) and former Prime Ministers. The figure does not include service providers whose costs are met from the administered programme 'Ministerial and Parliamentary Services'

Breakdown on those receiving funds/assistance under the programme by electorate

The information sought is not readily available in consolidated form and it would be a significant use of Departmental resources to assemble this information. Established practice has been not to authorise the use of Departmental resources in assembling such information on a general basis. To provide this information would require Ministerial and Parliamentary Services to look up the address of each of the 1483 individuals and then allocate each against one of the 150 electorates for the House of Representatives.

Policy objective of the programme

The provision of a parliamentary entitlements framework based on the principles of flexibility, accountability, cost effectiveness, transparency, and simplicity (FACTS).

Whether the programme is ongoing

Yes.

The funding in each financial year of the forward estimates for the programme (with a breakdown of administered and departmental expenses), including:

- how much funding was allocated for the programme;

All funding under the administered programme 'Ministerial and Parliamentary Services' are administered expenses.

2003-04 \$M	2004-05 \$M	2005-06 \$M	2006-07 \$M	2007-08 \$M
256.2	273.3	283.0	292.0	291.5

- how much is committed to the programme; and

The administered programme 'Ministerial and Parliamentary Services' is demand driven and as such there are few forward commitments other than the following amounts:

2003-04 \$M	2004-05 \$M	2005-06 \$M	2006-07 \$M	2007-08 \$M
8.1	35.9	17.6	6.1	3.0

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- how much is unspent.

As at 31 January 2004, 48% or \$126,915,680 was unspent for 2003-04. For all forward years all funds are unspent.

Indication of whether an evaluation of the programme effectiveness has been conducted:

- if so, when that evaluation occurred; and

An evaluation of this programme has not been undertaken.

- if so, the conclusion of that evaluation.

Not applicable.

Superannuation Act 1922, 1976 and 1990

A description of the programme

Provision of superannuation benefits to civilian employees of the Government including through the Commonwealth Superannuation Scheme (CSS) and the Public Sector Superannuation Scheme (PSS).

Number of people directly receiving funds/assistance under the programme

As at 30 June 2003, there were 125,268 pensioners under these schemes.

Breakdown on those receiving funds/assistance under the programme by electorate

The Department of Finance and Administration does not hold data in this form.

Policy objective of the programme

Provision of superannuation benefits to civilian employees of the Government.

Whether the programme is ongoing

Yes.

The funding in each financial year of the forward estimates for the programme (with a breakdown of administered and departmental expenses), including:

- how much funding was allocated for the programme;

Based on the estimates reflected in the Department of Finance and Administration's 2004-05 Portfolio Budget Statement (PBS), the estimated unfunded expenses on an accrual basis for the programme (reflecting the growth in the liability to pay future benefits) are:

2003-04 \$M	2004-05 \$M	2005-06 \$M	2006-07 \$M	2007-08 \$M
3,599	4,336	4,782	4,855	4,938

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The 2003-04 figure includes a downward revaluation of the unfunded liability, taking account of factors including actuarial assessments and revaluations associated with the anticipated payments to the Telstra Superannuation Scheme and the Australia Post Superannuation Scheme.

- how much is committed to the programme; and

Based on the estimates reflected in the 2004-05 PBS, the estimated annual superannuation payments to be made in the forward estimates period in respect of this item are:

2003-04 \$M	2004-05 \$M	2005-06 \$M	2006-07 \$M	2007-08 \$M
6,700	4,776	3,454	3,493	3,530

The above figures include anticipated lump sum payments to the Telstra Superannuation Scheme and the Australia Post Superannuation Scheme in 2003-04 and 2004-05 respectively.

- how much is unspent.

Not applicable.

Indication of whether an evaluation of the programme effectiveness has been conducted:

- if so, when that evaluation occurred; and
- if so, the conclusion of that evaluation.

The Australian Government's civilian superannuation schemes have been subject to periodic review. In 1990, the CSS was closed and the PSS was established as a defined benefits scheme. Further, on 17 October 2003, the Government announced changed superannuation arrangements for new employees who join the Public Sector Superannuation Scheme (PSS) from 1 July 2005. The new arrangements will convert the PSS from a defined benefits scheme to a fully funded accumulation scheme for new employees who become PSS members from 1 July 2005. The changes will not affect any existing Australian Government employee members of the scheme at 30 June 2005.

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Parliamentary Contributory Superannuation Act 1948

A description of the programme

Provision of superannuation benefits to Members of Parliament.

Number of people directly receiving funds/assistance under the programme

Currently, 342 persons are in receipt of benefits.

Breakdown on those receiving funds/assistance under the programme by electorate

Scheme data is not held in this form.

Policy objective of the programme

Provision of superannuation benefits to Members of Parliament.

Whether the programme is ongoing

Yes.

The funding in each financial year of the forward estimates for the programme (with a breakdown of administered and departmental expenses), including:

- how much funding was allocated for the programme;

Based on estimates reflected in the 2004-05 PBS, the estimated expenses for the programme on an accrual basis (including expenses associated with the growth in the liability to pay future benefits) are:

2003-04 \$M	2004-05 \$M	2005-06 \$M	2006-07 \$M	2007-08 \$M
54	56	56	58	60

- how much is committed to the programme; and

Based on figures reflected in the PBS, the estimated annual payments in the forward estimates period in respect of this item are:

2003-04 \$M	2004-05 \$M	2005-06 \$M	2006-07 \$M	2007-08 \$M
21	26	26	26	26

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- how much is unspent.

Not applicable.

Indication of whether an evaluation of the programme effectiveness has been conducted:

- if so, when that evaluation occurred; and
- if so, the conclusion of that evaluation.

The Government has announced the closure of the Parliamentary Contributory Superannuation Scheme (PCSS) to new Members of Parliament from the next election, and that it will be replaced with accumulation superannuation arrangements that attract a Government contribution at the community standard rate of 9%. The 9% Government contribution will be paid to a complying superannuation fund or Retirement Savings Account chosen by the Member of Parliament.

South Australia and Tasmania - Payments to former State rail employees, including payments covered by Appropriation Bill No. 2.

Description of the programme

Payments to South Australian and Tasmanian Government superannuation schemes to meet part of the superannuation benefits paid to former State rail employees.

Number of people directly receiving funds/assistance under the programme

The payments are made to South Australian and Tasmanian Government superannuation schemes, not directly to individuals.

Breakdown on those receiving funds/assistance under the programme by electorate

Not applicable.

Policy objective of the programme

To meet the Government's obligation to pay a share of the superannuation benefits received by former State rail employees, arising from the transfer of certain State Government railways to the Australian Government.

Whether the programme is ongoing

Yes.

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The funding in each financial year of the forward estimates for the programme (with a breakdown of administered and departmental expenses), including:

- how much funding was allocated for the programme;

Based on the estimates reflected in the 2004-05 PBS, the estimated expenses on an accrual basis for the programme (reflecting the liability to make future payments) are:

2003-04 \$M	2004-05 \$M	2005-06 \$M	2006-07 \$M	2007-08 \$M
29	28	26	25	23

- how much is committed to the programme; and

Based on estimates reflected in the PBS, the estimated annual payments in the forward estimates period are:

2003-04 \$M	2004-05 \$M	2005-06 \$M	2006-07 \$M	2007-08 \$M
49	44	45	46	47

- how much is unspent.

Not applicable.

Indication of whether an evaluation of the programme effectiveness has been conducted:

- if so, when that evaluation occurred; and
- if so, the conclusion of that evaluation.

An evaluation of this programme has not been undertaken. The arrangements have been agreed between the Australian Government and the South Australian and Tasmanian Governments.