

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Finance and Administration

Estimates Hearings 14-18 February 2005

Question: F10

Outcome: Outcome 1, Output 1.2.2

Topic: Calculations of Surplus Revenue for the Purposes of Section 94 of the Constitution.

Hansard Page: F&PA 46

Written Question on Notice: 15 February 2005

Senator Sherry asked:

Senator SHERRY—Would you be able to provide the (1999-2000 to 2002-03 surplus revenue) calculations to the committee, and are they available for 1997-98 and 1998-99?

Answer:

Calculations for 1999-2000 to 2002-03 are attached.

The surplus revenue calculations pursuant to section 94 of the Constitution prior to 1999-2000 differ from those which have been undertaken since that date. In both 1997-98 and 1998-99, there was a nil surplus due to the application of amounts that would otherwise have been classed as surplus for the purposes of the Loan Consolidation and Investment Reserve. This was provided for by section 6 of Appropriation Act (No. 1) 1997-98 and section 7 of Appropriation Act (No. 1) 1998-99.

Under the previous financial framework, which was based on fund accounting, a nil balance in the Consolidated Revenue Fund was sufficient to indicate a position of nil surplus revenue.

Calculation of Surplus Revenue under Section 94 of the Constitution

As at 30 June 2000

	Amount	Amount	Note
Material FMA Agency Cash Balances		\$3,171,442,000	1
Plus			
small FMA Agency cash balances		\$79,593,000	1
Plus			
Special Public Monies			1
Equals: Audited Consolidated Revenue Fund balance		<u>\$3,251,035,000</u>	1
Plus			
Reserve Bank of Australia investment by AOFM out of the OPA		\$9,200,000,000	2
Equals: Total Revenue caught by Section 94 of the Constitution		<u>\$12,451,035,000</u>	
Less			
Undrawn Appropriations -- Annual Appropriations and Special Appropriations (for specified amounts)			
Previous years' annual departmental	\$161,851,788		3
Previous years' administered retention	\$586,212,984		3
Special appropriations	No data	\$748,064,772	
		<u>\$1,496,129,544</u>	
Annual Appropriation Budget Bills			
Act 1 00-01	\$38,530,846,000		4
Act 2 00-01	\$5,128,526,000		4
PD Act 1 00-01	\$154,492,000	\$43,813,864,000	4
		<u>\$43,813,864,000</u>	
Standing Appropriations for Debt Repayment that are quantifiable and certain with respect to due date for payment			
• Securities issued to non-Commonwealth entities (bills, notes, bonds)	\$76,448,292,000		5
• Loans	\$6,183,171,000		5
• Other debt - assuming it fits the above requirements	\$3,854,472,000	\$86,485,935,000	5
		<u>\$86,485,935,000</u>	
Equals: Total Offsets		<u>\$131,047,863,772</u>	
Equals: Surplus/(deficit) Revenue		<u><u>(\$118,596,828,772)</u></u>	

Notes

- 1 Department of Finance and Administration internal working papers - *Consolidated Revenue Fund calculation as at 30 June 2000*
- 2 Department of Finance and Administration - *Cash Management IT System*; and Australian Office of Financial Management Annual Report 1999-00 - *Note 7D Financial assets administered*
- 3 Department of Finance and Administration - *Cash Management IT System*
- 4 2000-01 Budget Appropriation Acts, reproduced in 2000-01 Budget Paper No.4
- 5 1999-2000 Whole of Government - *Statement of Financial Performance*

Calculation of Surplus Revenue under Section 94 of the Constitution

As at 30 June 2002

	Amount	Amount	Note
Material FMA Agency Cash Balances		\$1,360,619,000	1
Plus			
small FMA Agency cash balances		\$112,572,000	1
Plus			
Special Public Monies			1
Equals: Audited Consolidated Revenue Fund balance		<u>\$1,473,191,000</u>	1
Plus			
Reserve Bank of Australia investment by AOFM out of the OPA		\$10,400,000,000	2
Equals: Total Revenue caught by Section 94 of the Constitution		<u>\$11,873,191,000</u>	
Less			
Undrawn Appropriations – Annual Appropriations and Special Appropriations (for specified amounts)			
Previous years' annual departmental	\$518,353,055		3
Previous years' administered retention	\$1,244,541,255		3
Special appropriations	No data	\$1,762,894,310	
		<u>\$3,525,788,620</u>	
Annual Appropriation Budget Bills			
Act 1 02-03	\$43,445,965,000		4
Act 2 02-03	\$6,120,821,000		4
PD Act 1 02-03	\$166,102,000	\$49,732,888,000	4
		<u>\$49,732,888,000</u>	
Standing Appropriations for Debt Repayment that are quantifiable and certain with respect to due date for payment			
• Securities issued to non-Commonwealth entities (bills, notes, bonds)	\$63,821,067,000		5
• Loans	\$5,752,582,000		5
• Other debt - assuming it fits the above requirements	\$3,562,513,000	\$73,136,162,000	5
		<u>\$73,136,162,000</u>	
Equals: Total Offsets		<u>\$124,631,944,310</u>	
Equals: Surplus/(deficit) Revenue		<u><u>(\$112,758,753,310)</u></u>	

Notes

- 1 Department of Finance and Administration internal working papers - *Consolidated Revenue Fund calculation as at 30 June 2002*
- 2 Department of Finance and Administration - *Cash Management IT System*; and Australian Office of Financial Management Annual Report 2001-02 - *Note 16C Assets administered on behalf of government*
- 3 Department of Finance and Administration - *Cash Management IT System*
- 4 2002-03 Budget Appropriation Acts, reproduced in 2002-03 Budget Paper No.4
- 5 2001-02 Whole of Government - *Statement of Financial Performance*

Calculation of Surplus Revenue under Section 94 of the Constitution

As at 30 June 2003

	Amount	Amount	Note
Material FMA Agency Cash Balances		\$1,278,818,000	1
Plus			
small FMA Agency cash balances		\$105,103,000	1
Plus			
Special Public Monies		\$77,136,000	1
Equals: Audited Consolidated Revenue Fund balance		<u>\$1,461,057,000</u>	1
Plus			
Reserve Bank of Australia investment by AOFM out of the OPA		\$12,200,000,000	2
Equals: Total Revenue caught by Section 94 of the Constitution		<u>\$13,661,057,000</u>	
Less			
Undrawn Appropriations – Annual Appropriations and Special Appropriations (for specified amounts)			
Previous years' annual departmental	\$1,597,846,995		3
Previous years' administered retention	\$1,745,234,798		3
Special appropriations	No data	\$3,343,081,793	
		<u>\$3,343,081,793</u>	
Annual Appropriation Budget Bills			
Act 1 03-04	\$40,503,801,000		4
Act 2 03-04	\$5,528,876,000		4
PD Act 1 03-04	\$167,279,000	\$46,199,956,000	4
		<u>\$46,199,956,000</u>	
Standing Appropriations for Debt Repayment that are quantifiable and certain with respect to due date for payment			
• Securities issued to non-Commonwealth entities (bills, notes, bonds)	\$57,953,011,000		5
• Loans	\$4,710,731,000		5
• Other debt - assuming it fits the above requirements	\$2,096,178,000	\$64,759,920,000	5
		<u>\$64,759,920,000</u>	
Equals: Total Offsets		<u>\$114,302,957,793</u>	
Equals: Surplus/(deficit) Revenue		<u><u>(\$100,641,900,793)</u></u>	

Notes

- 1 Consolidated Financial Statements for the year ended 30 June 2003 - *Note 41 Consolidated Revenue Fund*
- 2 Department of Finance and Administration - *Cash Management IT System*; and Australian Office of Financial Management Annual Report 2002-03 - *Note 18 C Assets administered on behalf of government*
- 3 Department of Finance and Administration - *Cash Management IT System*
- 4 2003-04 Budget Appropriation Acts, reproduced in 2003-04 Budget Paper No.4
- 5 2002-03 Whole of Government - *Statement of Financial Performance*