

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Finance and Administration

Estimates Hearings 2002-2003 – 28 May 2003

Question: F18

Outcome 1 - Sustainable Government Finances, Output 1.1.2 - Financial Reporting

Topic: Purchases of property, plant and equipment

Hansard Page: F&PA 309

Senator Conroy asked:

Can you tell me which of these purchases of property, plant and equipment generates actual or imputed income, like rent and which are depreciating assets that will eventually be written off?

Answer:

The Commonwealth predominately purchases property, plant and equipment for its own purposes and, consistent with Australian Accounting Standards, these assets are in the main depreciated. Assets which may not be depreciated include land, work in progress, and heritage and cultural assets.

Of those additions identified in Table 1 attached to the response to question F6 (Hansard page F&PA 138), the following agencies represent the significant proportion of purchases and additions over the period 1 July 1996 to 30 June 2002:

- Department of Defence, which predominantly purchased specialist military equipment (\$16,863 million), land and buildings (\$1,773 million), plant and equipment (\$910 million);
- Defence Housing Authority, which purchased land and buildings (\$1,011 million) to enable it to provide accommodation services to Australian Defence Force personnel;
- Department of Finance and Administration, which purchased buildings (\$505 million), and infrastructure, plant and equipment (\$350 million);
- Department of Foreign Affairs and Trade, which mainly purchased infrastructure, plant and equipment (\$156 million);
- Department of Health and Aging, which mainly purchased infrastructure, plant and equipment (\$79 million) and computer software (\$79 million);

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- CSIRO, which predominantly purchased equipment (\$247 million) and buildings (\$216 million);
- Australian Broadcasting Corporation, which mainly purchased equipment (\$189 million). As well, the ABC has been developing a number of properties (\$145 million), including its Ultimo headquarters in Sydney;
- Australian Bureau of Statistics, which mainly purchased infrastructure, plant and equipment (\$103 million) and computer software (\$85 million);
- Australian Customs Service, which mainly purchased infrastructure, plant and equipment (\$101 million);
- Australian Federal Police, which mainly purchased infrastructure, plant and equipment (\$82 million);
- Department of Agriculture, Fisheries and Forestry Australia, which mainly purchased buildings (\$115 million);
- Department of Education, Science and Training, which mainly purchased computer software (\$92 million) and infrastructure, plant and equipment (\$57 million);
- Department of Employment and Workplace Relations, which mainly purchased infrastructure, plant and equipment (\$75 million);
- Department of Family and Community Services, which mainly purchased computer software (\$169 million) and infrastructure, plant and equipment (\$105 million);
- The Australian Tax Office largely purchased buildings (\$54 million), computer software (\$285 million), and infrastructure, plant and equipment (\$151 million);
- Centrelink's asset purchases mainly consisted of computer software (\$161 million), buildings (\$145 million), infrastructure, plant and equipment (\$189 million);
- Department of Immigration and Multicultural and Indigenous Affairs whose asset purchases consisted of buildings (\$77 million), infrastructure, plant and equipment (\$95 million), and computer software (\$66 million);
- Department of Environment and Heritage, which mainly purchased infrastructure, plant and equipment (\$188 million);
- Department of Transport and Regional Services, which mainly purchased infrastructure, plant and equipment (\$68 million);

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- Health Insurance Commission, which mainly purchased infrastructure, plant and equipment (\$86 million) and computer software (\$86 million);
- National Museum of Australia, which mainly purchased buildings (\$56 million) and infrastructure, plant and equipment (\$65 million);
- Department of Veterans Affairs, which mainly purchased computer software (\$64 million);
- National Capital Authority, which mainly purchased infrastructure, plant and equipment (\$58 million);
- National Gallery of Australia, which purchased works of art (\$61 million);
- Department of Communications, IT and the Arts largely purchased buildings (\$258 million) and infrastructure, plant and equipment (\$110 million); and
- The Australian Nuclear Science and Technology Organisation's whose asset purchases mainly consist of infrastructure, plant and equipment (\$174 million).