

Supplementary Budget Estimates 2002-03
Questions on Notice Index
Finance and Administration Portfolio

QoN No.	Agency/Program	Senator	Hansd pg	QUESTION	Comments
F1	Budget Group	Conroy	6	Why are they no longer disclosed separately in the budget papers? They used to be. No? Dr Watt is shaking his head.	Ans. 22/1/03
F2	Budget Group	Conroy	6	Senator CONROY —It is on page 237. This is for 1998-99. All of them seem to be in here agency by agency. Dr Watt —I am not sure that this is the totality. As I understand it, this deals with the reserved money fund and the commercial activities fund. The listing you have is of those things, and it starts with table 9. I am not sure whether this is the totality of funds or not. Senator CONROY —It seems to be. It is quite a lengthy document. Dr Watt —We are happy to check for you.	Ans. 22/1/03
F3	Budget Group	Conroy	6	Given that this amount of detail was there previously, why is it not there now?	Ans. 22/1/03
F4	Budget Group	Conroy	7	I am just pointing out that it used to be, and for most of the 100 years before that it was. It was significant enough for it to be in there for the best part of 100 years. Changing the accounting system does not mean you have to drop the details, Senator Minchin. Can you provide revenue and expenditure for the CRF and each component of the CRF for the financial years 1998-99 through to 2002-03? The last one may not be possible yet, but I suspect it is. Could you actually give us that information?	Ans. 22/1/03
F5	Budget Group	Conroy	8	I would like to talk about the cash position of the Commonwealth now, if I could. I understand that, when asked about the management of cash by the Joint Committee of Public Accounts and Audit during its review of accrual documentation published in June 2002, Finance responded: <i>... I should reassure the committee that we have a very good handle on cash. We know the Commonwealth's total cash balance and the cash balance for each agency. I am told that within a few minutes after midnight ... all of that information is available.</i> That is off the transcript. I can provide it to you. But I am sure it sounds familiar. Can you provide the closing cash balance for the CRF and each component of the CRF for the financial years 1998, 1999, through to 2002-03?	Ans. 22/1/03
F6	Budget Group	Conroy	9	That is all I was trying to ascertain. Could you also provide the closing cash balance for the CRF and each component of the CRF for the financial years 1998-99 through to 2002-03 inclusive?	Ans. 22/1/03

QoN No.	Agency/Program	Senator	Hansd pg	QUESTION	Comments
F7	Budget Group	Conroy	12	The minister has indicated that he will have a think about it, so I will not pressure you any further on that. Just so we are absolutely clear—hopefully, I will not mislead you—can you provide a reconciliation between the cash, GFS and AAS31 accrual budgets in the budget papers? The information was there previously. I just want to clarify that so that Senator Minchin—who has much on his plate at the moment—and you are clear on exactly what it is we are seeking to be in the budget papers.	Ans. 22/1/03
F8	Budget Group	Conroy	14	I guess now is after the election as well. I understand that the Australian National Audit Office audited the final budget outcome of the Commonwealth until 1996-97. Is that right?	Ans. 22/1/03
F9	Budget Group	Conroy	15	To narrow it down to the pointy end, did the department of finance recommend previously that that audit cease or was it a government decision that it cease?	Ans. 22/1/03
F10	Budget Group	Conroy	15	Dr Watt —I think the important point Mr Bowen is emphasising is that the documentation is now very different as a result of the Charter of Budget Honesty. We have a very different final budget outcome from what we had before. We did not call it that, if my memory serves me correctly. If you would like, we are happy to undertake to compare the documentation previously published and audited on the budget outcome with what we have now and indicate differences and similarities. I think it is so different that they are very hard to compare. We would be happy to do that for you.	Ans. 22/1/03
F11	Budget Group	Conroy	17	How many special accounts are there?	Ans. 22/1/03
F12	Budget Group	Conroy	18	Do you know how many Commonwealth agencies have special accounts?	Ans. 22/1/03
F13	Budget Group	Conroy	19	Have any special accounts been created in 2002 under the current minister for finance?	Ans. 22/1/03
F14	Budget Group	Conroy	19	I do not want to go there or Senator Sherry will jump in and steal my thunder, so we will quickly pass on from the discussion of that. I do not want to let him off the leash yet; he is fired up. What were the total revenue and expenditure and the closing balance on all special accounts in each financial year from 1998-99 through to 2002-03, inclusive? I would imagine you would have to take that on notice.	Ans. 22/1/03
F15	Budget Group	Conroy	20	Could I have each individual revenue and expenditure and closing balance on each individual account [for each of the financial years from 1998-99 to 2002-03]. I asked for the total and then the individual.	Ans. 22/1/03
F16	Budget Group	Conroy	21	Why has the Finance brief entitled 'Integrating special accounts into outputs appropriations' been withdrawn from your web site?	Ans. 22/1/03
F17	Budget Group	Conroy	21	You used to look after those ones, though. Could we get a copy of the Finance brief 'Integrated special accounts into outputs appropriations'? You were going to look for it.	Ans. 22/1/03
F18	Budget Group	Conroy	22	I would not want you to give me inaccurate information. Let's not set a precedent! Mr Bowen, we were talking about special accounts not lapsing and the money being kept. It appears that there is a sum total of around \$24 billion in the special accounts. Does that ring a bell at all?	Ans. 22/1/03

QoN No.	Agency/Program	Senator	Hansd pg	QUESTION	Comments
F19	Budget Group	Conroy	26	How will the ethanol fuel production subsidy announced by the Prime Minister in September be paid? Will it be paid through a special account?	Ans. 22/1/03
F20	Budget Group	Conroy	26/27	I am just wondering about the payment mechanism when the minister in charge of it says he will not be putting anything through parliament. It is a new thing. I am just looking to understand how he is actually going to transact it when he says he will not put it through parliament.	Ans. 22/1/03
F21	Budget Group	Conroy	27	Were any payments relating to the entitlements of employees of National Textiles paid through a special account? [if so, which account?]	Ans. 22/1/03
F22	Budget Group	Conroy	27	Will any payments relating to workers' entitlements, including to former Ansett employees, be paid through a special account?	Ans. 22/1/03
F23	Budget Group	Conroy	27	Will any payments be made through a special account to fund the new child-care centre in Ballarat?	Ans. 22/1/03
F24	Budget Group	Conroy	29	I thought it might. This \$1 billion was subsequently transferred from the PM&C special account to other special accounts at other agencies. Is that correct?	Ans. 22/1/03
F25	Budget Group	Conroy	30	I do not mean in that sense, Senator. We are here talking about the accounting arrangements rather than anything else. We are not aware of that mechanism. My recollection—and this is no more than my recollection—is that this money was certainly expended by other agencies on Federation Fund projects. But, as I said, I am not aware of the mechanism by which the money was moved from the trust fund to the agencies, so we will have to take that on notice.	Ans. 22/1/03
F26	Budget Group	Conroy	30	To assist, because you went away to look at not just your own but the general transfers, could you look at the other departments, if you are able to: industry, education, environment, transport, veterans' affairs and agriculture. They have all made annual reports that they also received those funds.	Ans. 22/1/03
F27	Budget Group	Conroy	31	Thank you. I would like to ask about the Natural Heritage Trust. As at 30 June 2002, this trust held \$591 million. Can you please tell me the proposed balance of the trust as at 30 June 2003?	Ans. 22/1/03
F28	Budget Group	Conroy	39	Senator, you asked a question earlier in the day about the components of the CRF. I would like to take that question on notice because, again, the answer is fairly complicated. The major component of the CRF is the official public account, which is reported in the budget documentation, but there are a number of other components and it is probably useful if I give you a complete answer.	Ans. 22/1/03
F29	Budget Group	Conroy	39	When your officers came back with an answer with \$3 billion in it, I wondered if they included that particular special account.	Ans. 22/1/03
F30	Budget Group	Conroy	44	Can we get a list of everything that has been rephased?	Ans. 22/1/03

QoN No.	Agency/Program	Senator	Hansd pg	QUESTION	Comments
F31	Budget Group	Conroy	44	How many programs of expenditure have been rephased under the new accrual accounting framework? That is obviously over a number of years and I appreciate that you will need to take that on notice. What programs of expenditure have been rephased under the new accrual accounting framework? I would appreciate it if you took that on notice. How many rephasings have been approved by the department of finance? I appreciate that you said that is zero. How many rephasings have been approved by the minister for finance? How many rephasings have been approved by cabinet if they have had to go up the line? What has been the total sum of appropriations that have been rephased under the new accrual accounting framework? What is expenditure undertaken on a 'not requested basis'? I hope you can answer that one.	Ans. 22/1/03
F32	Budget Group	Conroy	46	The memo does not mention it. How much money was appropriated for depreciation in 2002-03?	Ans. 22/1/03
F33	Budget Group	Conroy	46	What is the total amount set aside for depreciation?	Ans. 22/1/03
F34	Budget Group	Conroy	47	Senator CONROY —That is an annual flow, not the stock. Mr Bowen —That was, yes. We would have to isolate depreciation from the balance sheet. Senator CONROY —If you could, that would be great. I would appreciate it if you would take it on notice. I am trying to move quickly, so I will not make you ponder. How much money was appropriated with a capital use charge in 2002-03? I think it was about \$6.5 billion. Are those funds held in the agency bank accounts as well?	Ans. 22/1/03
F35	Budget Group	Conroy	47	Asset write-downs, bad and doubtful debts—I think they are about \$4.1 billion. Again, is that held in the agency bank accounts? I am just trying to find out the total of what is actually in there. That is where I am going.	Ans. 22/1/03
F36	ComSuper	Sherry	50/51	You might take this on notice. Can you give me details of the corrections that have had to be made? For example, the report criticised four agencies—Customs, Defence, Foreign Affairs and Trade, and Veterans' Affairs—for high rates of failure to report new members and/or changes in members' contribution rates to ComSuper. There is a litany of other errors to varying degrees. Are you able to provide on notice a list of the way in which each of the various matters is being dealt with?	Ans. 22/1/03
F37	CSS & PSS Boards	Sherry	52	But the fund did not grow, so I am a bit puzzled about this. Did you literally sack managers for poor performance?	Ans. 22/1/03
F38	CSS & PSS Boards	Sherry	52	Can you give me a list of the investment managers and the quantum of money that they had under investment?	Ans. 22/1/03
F39	CSS & PSS Boards	Sherry	52	Please take it on notice, if you can provide the committee with some information. Obviously you are constantly scouting the fund management and return areas about where these spectacular returns—as I would call them in the current environment—can be obtained.	Ans. 22/1/03

QoN No.	Agency/Program	Senator	Hansd pg	QUESTION	Comments
F40	CSS & PSS Boards	Sherry	54	That does raise an interesting, much broader policy issue, but can you tell me whether the cost of purchasing international bonds is higher than the cost of purchasing Australian bonds?	Ans. 22/1/03
F41	Outcome 2	Sherry	55	Yes, I understand. I would ask you to double-check whether or not any of those consultants and contractors are entitled to superannuation payments for the purposes of the Superannuation (Productivity Benefit) Act.	Ans. 22/1/03
F42	Outcome 2	Sherry	55	Have there been any occasions over the last financial year when government departments have sought advice on this issue?	Ans. 22/1/03
F43	Outcome 2	Sherry	55	Could you provide me with a copy of that?	Ans. 22/1/03
F44	Outcome 2	Lundy	57	In evidence provided to this committee at the time by Mr Ross Smith—during Senate estimates in early 2000—it was made very clear that OASITO had in fact embarked upon a probity audit process. This was found not to be the case by the Audit Office. They specifically found that there had been no appropriately constructed probity report into the incident, and that contributed, obviously, to their serious findings. Further to that, the department of finance, having been asked for a copy of that probity report, set about investigating internally within the department the probity issues and preparing a probity evaluation and report. Can you tell me the date upon which the department of finance began to prepare its own probity report into the matter?	Ans. 22/1/03
F45	Outcome 2	Ray	58	Was that made available to the Audit Office?	Ans. 22/1/03
F46	Outcome 2	Ray	59	Is there any impediment to tabling the document of the advice that you got?	Ans. 22/1/03
F47	Outcome 2	Ray	60	You said—it was not that you took umbrage—you did not entirely agree with it. The department was sent a draft report. Did you comment on this item in the draft report before the final report came out? That is the normal process, isn't it, to prevent errors and all that? Did you actually object at that stage?	Ans. 22/1/03
F48	Outcome 2	Ray	62	I wonder whether, with the transparency of government, there was any mention in the press release when this contract was awarded of some of the problems that were associated with it. Just for transparency's sake. Was there? You cannot answer that; maybe your advisers can.	Ans. 22/1/03
F49	Outcome 2	Faulkner	63	Are you able to say, Dr Watt, whether any of the former officers whose names have been mentioned here by senators at the table—Mr Hutchinson, Mr Smith and Mr Galbraith—have any current contractual arrangements with the Commonwealth?	Ans. 22/1/03
F50	Outcome 2	Faulkner	64	Have you been able to pass on to other departments the lessons you have learnt from this fiasco in your department?	Ans. 22/1/03
F51	Outcome 2	Faulkner	65	Did anyone in OASITO miss out on performance pay after their big effort here?	Ans. 22/1/03

QoN No.	Agency/Program	Senator	Hansd pg	QUESTION	Comments
F52	Outcome 3	Ray	68	Yes, of course—a consultant position. Could I ask in regard to the consultant position—without going to the exact level; well, you will not answer the question by going to the exact level—is that paid at approximately principal adviser level? Don't blurt out the figure; otherwise you will not get performance pay!	Ans. 22/1/03
F53	Outcome 3	Faulkner	71	How many rounds of increases have there been since July 1999 for those four?	Ans. 22/1/03
F54	Outcome 3	Ray	71	Were they increased in April this year?	Ans. 22/1/03
F55	Outcome 3	Ray	72	Could you indicate to me how many times you have: (a) been requested to exercise this discretion, and (b) actually exercised the discretion?	Ans. 22/1/03
F56	Outcome 3	Ray	73	Without revealing the staff member, you might indicate the two circumstances in which this permission was given. In other words, I do not want to know the staff member's name in this case but their employer.	Ans. 22/1/03
F57	Outcome 3	Faulkner	75	I have a question about mobile phones, which you are aware from correspondence from me have been a concern in relation to opposition MOPS staff. Minister, what is the situation in relation to government ministerial staff? Is it true that all government ministerial staff get mobile phones?	Ans. 22/1/03
F58	Outcome 3	Faulkner	76	And why? You may not know that, of course. You must be caught up in the whole of government juggernaut.	Ans. 22/1/03
F59	Outcome 3	Faulkner	76	But you are able to say to me that no questions have been referred from the Department of Prime Minister and Cabinet to you on this issue from the budget hearings in May this year?	Ans. 22/1/03
F60	Outcome 3	Ray	77	Who sent it to you?	Ans. 22/1/03
F61	Outcome 3	Ray	81	Was it the department's or Synergy's decision to require all members of parliament to be e-ticketed from next year or to pay out an additional \$50 per ticket? Where does that come from?	Ans. 22/1/03
F62	Outcome 3	Ray	83	I do not think it should be. I have a question that I have to preface by saying that I have noticed you have increased the relief staff budget and I have also noticed some of the other enhancements you made prior to the last federal election which were outlined in a letter to us. The one area that never seems to be looked at and that is starting to cause pressure here, especially in this financial year, is the staff travel budget. Most of us handed half of it back, as you know, and that is fine, that is good. Is it intended to review this again? I know it is normally said, 'Back in 1991, it was set at so and so,' but things change. Parliament is going to go through a very intense sitting period this financial year, one of the more intense ones, and I am wondering if it is possible for you to look at that travel budget to see whether it can be made just a little more accommodating?	Ans. 22/1/03
F63	Outcome 3	Faulkner	86	What is the cost to the DOFA portfolio of these mobile phones?	Ans. 22/1/03

QoN No.	Agency/Program	Senator	Hansd pg	QUESTION	Comments
F64	Outcome 3	Faulkner	Written qon	In relation to the 33 Government staff with Personal Classifications, which allow them to be classified and paid at a level above the substantive position they occupy, is this type of Personal Classification available to Opposition staff?	Ans. 22/1/03