

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Finance and Administration

Supplementary Estimates Hearings - 1 November 2005

Question: F48

Outcome 1, Output 1

Topic: Finance's estimates performance

Written Question on Notice

Senator Sherry asked:

For the measures below and specified on page 42, Output 1.1.1 of the 2005-06 Department of Finance and Administration PBS 1.9A report the outcome for 2003-04 and 2004-05 for the following against the specified benchmark.

1% difference between first forward year estimated expenses and final outcome.

0.5% difference between Budget estimated expenses and final outcome.

0.3% difference between revised estimated expenses at Mid Year Economic Fiscal Outlook and final outcome.

0.25% difference between revised estimated expenses at Budget time and final outcome.

Answer:

Accuracy Indicator (+/-) ¹	First forward year to FBO 1.00%	Budget to FBO 0.5%	MYEFO to FBO 0.3%	Revised budget to FBO 0.25%
2003-04	9.69%	-5.36%	-7.55%	0.33%
2004-05	18.21%	12.74%	-2.38%	-1.83%

The variance to the accuracy indicators mainly relates to:

- Estimated expenses for the Australian Government superannuation that were updated during the financial year to reflect the impact of an increase in the 2004-05 opening balance of the unfunded liability; partially offset by
- An actuarial update of Comcover's insurance claims expense which reflected a favourable claims experience.

¹ The actual outcome compares Final Budget Outcome (FBO) against relevant reporting period on an Australian Generally Accepted Accounting Principles basis after excluding government decisions and economic parameter changes.