

Standing Committee on Finance and Public Administration

ANSWER TO QUESTION ON NOTICE

Supplementary Budget Estimates Hearing – October 2009

Department of Finance and Deregulation

Finance and Deregulation Portfolio

Outcome 1, Program 1.1

Topic: 2008-09 Operating Losses due to Bond Rate Change

Question reference number: F27

Type of Question: Hansard F&PA Page 20, 20 October 2009

Date set by the committee for the return of answer: 4 December 2009

Number of Pages: 1

Senator Coonan asked:

How many were operating at a loss and approved because of the change in bond rate?

Answer:

A reconciliation performed after the 2008-09 Final Budget Outcome regarding bond rate effects on agencies' budgets revealed that five material and five small agencies (with the Minister's approval to budget for operating losses in 2008-09) incurred a loss as a consequence of movements in the government bond rate only. Note that the change in the bond rate affects the valuation of an agency's liabilities and does not have a cash impact. See Table 1 below.

No.	Department/Agency
1	AusAID [M]
2	Australian Federal Police [M]
3	Australian Institute of Family Studies
4	Australian Sports Commission [M]
5	Department of Climate Change [M]
6	Department of Families, Housing, Community Services and Indigenous Affairs [M]
7	Department of the Senate
8	Food Standards Australian and New Zealand
9	IP Australia
10	Professional Services Review

[M] represents a Material Agency