

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
SUPPLEMENTARY BUDGET ESTIMATES 2012-2013

Finance and Deregulation Portfolio

Department/Agency: Department of Finance and Deregulation

Outcome/Program: 1/1.3

Topic: Payments made from Nation-building Funds

Senator: Cormann

Question reference number: F8

Type of question: Hansard, F&PA Committee, page 20, 16 October 2012

Date set by the committee for the return of answer: Friday, 30 November 2012

Number of pages: 2

Question:

Senator CORMANN: So as at June the Education Investment Fund was \$4.298 billion, the BAF was \$5.878 billion and the Health and Hospitals Fund stood at \$3.315 billion. How much was drawn down from these respective funds during the financial year 2011-12 by the government?

Mr Helgeby: I think that might be a question for Finance. Is it the 2011-12 financial year?

Senator CORMANN: Yes.

Mr Helgeby: So this is payments including for projects commenced in early years. Payments made out of the BAF were \$2.7 billion, out of the Education Investment Fund, \$846½ million, and out of the HHF, \$1.240.9 million. So those were the payments made for 2011-12. That represents the full payments up until 30 June.

Senator CORMANN: And that is accounted for in the government's budget for 2011-12?

Senator CORMANN: So it is like the effect is immediate as you draw down.

Mr Helgeby: There can be a short time lag between payments coming out of the funds and payments going to respective agencies.

Senator CORMANN: Has there been any lag from 2011-12 to 2012-13?

Mr Helgeby: I am not aware of any. I would have to take it on notice as to whether there was any actual lag.

Senator CORMANN: Yes, if there was any lag I would be interested in the dollar figure that relates to it. That is assuming that there is no lag from one financial year into the next, but if there is then I would appreciate it if you could put the dollar figure to it

Mr Helgeby: We will take it on notice and try and answer it later.

Answer:

The Department of Finance and Deregulation (Finance) processes payments from the Nation-building Funds to relevant portfolio agencies following confirmation by the agencies that the payments relate to the achievement of milestones for approved infrastructure projects.

Portfolio agencies are then responsible for making payments directly to the recipients or via the COAG Reform Fund (in the Department of the Treasury) where the recipient is a State or Territory Government. Portfolio agencies are required to make payments to recipients as soon as practicable and confirm to Finance following payments being made to recipients.

All Nation-building Funds' payments that were requested by portfolio agencies for projects in 2011-12 were processed by Finance. The relevant agencies have also confirmed that all these payments were made to the recipients by 30 June 2012.