

**SENATE LEGAL AND CONSTITUTIONAL LEGISLATION COMMITTEE
AUSTRALIAN FEDERAL POLICE**

Question No. 3

Senator Ludwig asked the following question at the hearing on 16 October 2006:

Senator LUDWIG—That is what I wanted to look at: the original item that the capital expenditure was going to be pinned on. If it was Papua New Guinea, then in that sense it is clear—it was returned at some point so you can tell me when it was returned. If the priority for which the money was originally indented changed then you can tell me what happened to the money and how it was then spent.

Mr Gaukroger—That particular amount was not returned. It remains in our cash in bank. There was an amount of \$17 million that was returned back in 2005-06, but certainly not the \$29.8 million that is part of our cash in bank.

Senator LUDWIG—So not all the PNG money was returned?

Mr Gaukroger—No.

Senator LUDWIG—How much was not returned?

Mr Gaukroger—In 2003-04 we had \$29.8 million. There was that amount in 2004-05, and we returned just a little over a million dollars. There was an amount appropriated in 2005-06 of \$17.6 million; we returned \$17 million of that. Then there were some smaller amounts in 2006-07 of half a million dollars, which was not returned.

Senator LUDWIG—So in the order of \$23 million is still sitting in receivables.

Mr Gaukroger—It is possible we may have spent some of it because we did not go into Papua New Guinea. I just do not have that information here at the moment.

a) That is what I wanted to look at: the original item that the capital expenditure was going to be pinned on. If it was Papua New Guinea, then in that sense it is clear—it was returned at some point so you can tell me when it was returned. If the priority for which the money was originally indented changed then you can tell me what happened to the money and how it was then spent.

The answer to the honourable senator's question is as follows and should be read in conjunction with questions 2 and 8:

The actual PNG Capital funding that was not returned to budget was as follows:

- 2003-04, \$29.8 million provided (\$2.2 million expended in 2004-05, with \$27.6 million retained);
- 2004-05, \$1.1 million provided (\$1.1 million spent);
- 2005-06, \$17.6 million provided (\$0.6 million spent, the residual returned);

Of the total capital of \$48.5 million provided over the three years, \$17 million was returned to Government and \$3.9 million spent on mission related activity leaving a residual of \$27.6 million.