



Budget

2018-19

Portfolio Budget Statements 2018-19
Budget Related Paper No. 1.7

Finance Portfolio

Budget Initiatives and Explanations of
Appropriations Specified by Outcomes
and Programs by Entity

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SENATOR THE HON MATHIAS CORMANN
Minister for Finance
Leader of the Government in the Senate

President of the Senate
Australian Senate
Parliament House
CANBERRA ACT 2600

Speaker
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear Mr President
Dear Mr Speaker

I hereby submit Portfolio Budget Statements in support of the 2018-19 Budget for the Finance portfolio.

These statements have been developed and are submitted to the Parliament, as a statement on the outcomes for the portfolio.

I present these statements to provide accountability to the Parliament and, through it, the public.

Yours sincerely

A large, stylized handwritten signature in blue ink, consisting of a large 'M' and 'C'.

Mathias Cormann
Minister for Finance

3 May 2018

**USER GUIDE
TO THE
PORTFOLIO BUDGET STATEMENTS**

USER GUIDE

The purpose of the *2018-19 Portfolio Budget Statements* (PB Statements) is to inform Senators and Members of Parliament of the proposed allocation of resources to government outcomes by entities within the portfolio. Entities receive resources from the annual appropriations, special appropriations (including standing appropriations and special accounts) and revenue from other sources.

A key role of the PB Statements is to facilitate the understanding of proposed annual appropriations in Appropriation Bills (No. 1 and No. 2) 2018-19 (or Appropriation (Parliamentary Departments) Bill (No. 1) 2018-19 for the parliamentary departments). In this sense, the PB Statements are Budget related papers and are declared by the Appropriation Acts to be 'relevant documents' to the interpretation of the Acts according to section 15AB of the *Acts Interpretation Act 1901*.

The PB Statements provide information, explanation and justification to enable Parliament to understand the purpose of each outcome proposed in the Bills.

As required under section 12 of the *Charter of Budget Honesty Act 1998*, only entities within the general government sector are included as part of the Commonwealth general government sector fiscal estimates and produce PB Statements where they receive funding (either directly or via portfolio departments) through the annual appropriations acts.

The Enhanced Commonwealth Performance Framework

The following diagram outlines the key components of the enhanced Commonwealth performance framework. The diagram identifies the content of each of the publications and the relationship between them. Links to the publications for each entity within the portfolio can be found in the introduction to Section 2: Outcomes and planned performance.

Enhanced Commonwealth Performance Framework
- key components of relevant publications

Portfolio Budget Statements (May)
Portfolio based

Supports Annual Appropriations. Informs Senators and Members of Parliament of the proposed allocation of other resources to **government outcomes and programs**.

Provides links to **relevant programs** undertaken by other Commonwealth entities.

Provides high level performance information for current, ongoing programs, particularly a **forecast of performance for the current year**.

Provides **detailed** prospective performance information for proposed new budget measures that require a **new program** or **significantly change an existing program**.

Corporate Plan (August)
Entity based

Primary planning document of a Commonwealth entity.

Sets out the **purposes** of the entity, the **activities** it will undertake to achieve its purposes and the **results** it expects to achieve over a minimum four year period.

Describes the **environment** in which the entity **operates**, the **capability** it requires to undertake **activities** and a discussion of **risk**.

Explains how the entity's **performance** will be **measured** and **assessed**.



Annual Performance Statement (October following year)
Entity based

Included in the Commonwealth entity's Annual Report. Focuses on **recent performance**.

Reports on the **actual performance results** for the year against the **forecasts** made in the **corporate plan** and **Portfolio Budget Statements**, and provides other performance information relevant to the entity.

Provides an **analysis** of the factors that **contributed** to the **entity's performance results**.

PORTFOLIO OVERVIEW

FINANCE PORTFOLIO OVERVIEW

Ministers and portfolio responsibilities

The Minister for Finance has overall responsibility for the Finance portfolio and particular responsibility for the following:

- Budget policy advice and process and review of government programs.
- Government financial accountability, governance and financial management frameworks, including grants and procurement policy and services.
- Shareholder advice on Government Business Enterprises (GBEs) and commercial entities treated as GBEs.
- Policy guidance and management of act of grace requests and waiver of debts owed to the Commonwealth.
- General policy guidelines for Commonwealth statutory authorities.
- Superannuation arrangements for Australian Government civilian employees and parliamentarians and retirement benefits for Governors-General, Federal Judges and Federal Court Judges.
- Asset sales.
- Policy advice on the Future Fund and Australian Government Investment Funds and authorisation of payments from Australian Government Investment Funds to entities.

The Special Minister of State has responsibility for the following:

- Administration of Parliamentary entitlements.
- *Members of Parliament (Staff) Act 1984* (MOP(S)) Act employment framework¹.
- Electoral administration and electoral policy.

¹ Shared responsibility with the Hon Malcolm Turnbull MP, Prime Minister

Portfolio overview

The Assistant Minister for Finance assists the Finance Minister in performing functions in relation to:

- Whole-of-Government property policy and administration, including non Defence owned estate.
- The Public Works Committee.
- Western Sydney Airport (excluding appointments).
- Moorebank Intermodal Terminal (excluding appointments).
- Government campaign advertising.
- Service Delivery and Coordination Committee (SDCC) on the government's campaign advertising.
- Requests for act of grace payments and waivers of debt under the *Public Governance, Performance and Accountability Act 2013*.
- Comcover, the government's self-managed insurance fund.
- Responding to correspondence relating to the administration of government superannuation.

For information on resourcing across the portfolio, please refer to part 1: Agency Financial Resourcing in *Budget Paper No. 4: Agency Resourcing*.

Figure 1: Finance portfolio structure and outcomes

<p>Minister for Finance Special Minister of State Senator the Hon Mathias Cormann</p> <p>Assistant Minister for Finance The Hon David Coleman MP</p>	
	<p>Department of Finance Portfolio Secretary: Rosemary Huxtable PSM</p> <p>Outcome 1 Support sustainable Australian Government finances through providing high quality policy advice and operational support to the government and Commonwealth entities to maintain effective and efficient use of public resources.</p> <p>Outcome 2 Support an efficient and high-performing public sector through providing leadership to Commonwealth entities in ongoing improvements to public sector governance, including through systems, frameworks, policy, advice and service delivery.</p> <p>Outcome 3 Support for Parliamentarians and others as required by the Australian Government through the delivery of and advice on, work expenses and allowances, entitlements and targeted programs.</p>
	<p>Australian Electoral Commission Electoral Commissioner: Tom Rogers</p> <p>Outcome 1 Maintain an impartial and independent electoral system for eligible voters through active electoral roll management, efficient delivery of polling services and targeted education and public awareness programs.</p>
	<p>Commonwealth Superannuation Corporation Chair: Patricia Cross</p> <p>Outcome 1 Retirement and insurance benefits for scheme members and beneficiaries, including past, present and future employees of the Australian Government and other eligible employers and members of the Australian Defence Force, through investment and administration of their superannuation funds and schemes.</p>
	<p>Future Fund Management Agency Chair: Hon Peter Costello AC</p> <p>Outcome 1 Make provision for the Commonwealth's unfunded superannuation liabilities, payments for the creation and development of infrastructure and payments from the DisabilityCare Australia Fund and Medical Research Future Fund by managing the investment activities of the Future Fund, Nation-building Funds, DisabilityCare Australia Fund and Medical Research Future Fund, in line with the Government's investment mandates.</p>
	<p>Independent Parliamentary Expenses Authority CEO: Annwyn Godwin</p> <p>Outcome 1 Support for current and former Parliamentarians and others as required by the Australian Government through the delivery of, independent oversight and advice on, work resources and travel resources.</p>

