

SECTION 2 — PORTFOLIO OVERVIEW

PORTFOLIO BUDGET STATEMENTS

PROGRAMMES AND AGENCIES

The Treasury Portfolio comprises nine programmes. The Department of the Treasury pursues the achievement of the Portfolio programme objectives in association with other agencies in the Portfolio.

Programme 1 — Treasury

The Programme objective is to improve living standards of the Australian community through high, sustainable economic and employment growth with low inflation and efficient and sustainable use of resources.

Treasury advises and assists the Treasury Portfolio Ministers in the discharge of their responsibilities in a wide variety of policy and operational areas including: fiscal policy; monetary policy; taxation policy; labour market policy; external economic policy and relations; Commonwealth-State financial relations; management of Commonwealth Government debt; financial markets, including banking and non-banking institutions; superannuation policy; structural policy; competition policy; foreign investment in Australia; and coinage.

The Department's principal clients are the Treasurer, the Assistant Treasurer and the Parliamentary Secretary to the Treasurer.

Major legislation administered by Treasury includes:

Asian Development Bank Act 1966
Bank Integration Act 1991
Banking Act 1959
Banks (Shareholdings) Act 1972
Bills of Exchange Act 1909
Cheques and Payment Orders Act 1986
Commonwealth Inscribed Stock Act 1911
Competition Policy Reform Act 1995
Corporations Act 1989
Currency Act 1985
European Bank for Reconstruction and Development Act 1990
First Corporate Law Simplification Act 1995
Financial Agreement Act 1994
Financial Corporations Act 1974
Foreign Acquisitions and Takeovers Act 1975
Housing Loans Insurance Act 1959
Housing Loans Insurance Corporation (Transfer of Assets and Abolition) Act 1996
International Finance Corporation Act 1955
International Monetary Agreements Act 1947
Reserve Bank Act 1959
States Grants (General Purposes) Act 1994

Programme 2 — Royal Australian Mint

The Royal Australian Mint is a part of the Treasury Portfolio but is not budget funded, working instead through a Commercial Activities Fund. It is responsible for producing Australia's circulating and numismatic coins, and official Government honours and medals.

Programme 3 — Australian Bureau of Statistics

The Australian Bureau of Statistics (ABS) is Australia's official statistical agency. It provides statistics on a wide range of economic and social activity to government, business and society generally.

The ABS assists and encourages informed decision-making, research and discussion within governments and the community by providing a high-quality, objective and responsive national statistical service.

Major legislation administered by the ABS includes:

Australian Bureau of Statistics Act 1975

Census and Statistics Act 1905

Statistics (Arrangements with States) Act 1956

Programme 4 — Taxation Administration

The Australian Taxation Office (ATO) collects the revenue, properly payable, to fund services and support for the people of Australia.

Within the ATO, the Child Support Agency (CSA) assists the payment of child support between payers and payees for the benefit of children, whether by collection or support for self-administration.

Within the ATO, the Australian Valuation Office (AVO) provides independent valuation services and advice.

Within the ATO, the Superannuation line supports the provision of retirement income for the people of Australia.

Major legislation administered by the ATO includes:

Child Support (Assessment) Act 1989

Child Support (Registration and Collection) Act 1988

Development Allowance Authority Act 1992

Fringe Benefits Tax Assessment Act 1986

Fringe Benefits Tax (Cost of Compliance) Act 1996

Higher Education Funding Act 1988

Income Tax Assessment Act 1936

Income Tax Assessment Act 1997

Medicare Levy Act 1986

Sales Tax Assessment Act 1992

Superannuation Guarantee (Administration) Act 1992

Programme 5 — Productivity

The Productivity Commission (PC) was formed on 16 April 1998 having been preceded by the Industry Commission (IC) and the Economic Planning Advisory Commission (EPAC) which had amalgamated on an administrative basis along with the Bureau of Industry Economics (BIE) to prepare for the formation of the PC.

The PC aims to contribute to the well-being of all Australians by conducting public inquiries and providing information, analysis and advice to Australian governments and the Australian community about ways of best utilising the nation's resources.

Major legislation administered includes:

Productivity Commission Act 1998

Programme 6 — Australian Competition and Consumer Commission

The Australian Competition and Consumer Commission (ACCC) is an independent statutory authority which seeks to improve competition and efficiency in markets, foster adherence to fair trading practices in well informed markets, promote small business interests through the coordination of enforcement and education activity in relation to small business issues, promote competitive pricing wherever possible, and restrain price rises in markets where competition is less than effective.

In seeking to prevent or limit anti-competitive conduct and to ensure adherence to fair trading principles, the Commission takes action through compliance education programmes, litigation or enforceable undertakings if necessary to overcome market problems. It also:

- adjudicates on business practices (including merger proposals);
- arbitrates on access to essential facilities;
- enforces product safety standards; and
- has functions under provisions of the *Trade Practices Act 1974* which impose a liability on manufacturers for damages caused by defective goods.

It undertakes certain functions relating to prices surveillance, public inquiries and monitoring of goods and services under the *Prices Surveillance Act 1983*; maintains a close liaison with Federal, State and Territory Governments and regulatory authorities on current economic reform issues; and provides guidance to business and consumers about the *Trade Practices Act 1974* and the *Prices Surveillance Act 1983*.

The Commission is also responsible for administering new arrangements and structures pursuant to the Government's regulatory approach embodied in the *Trade Practices Amendment (Telecommunications) Act 1996* to ensure promotion of open competition resulting in more efficient and better quality services in the Australian telecommunications market to all users, business and consumers alike.

Following the expected passing of legislation (the Gas Pipelines Access (Commonwealth) Bill 1997), the ACCC will be performing the function of gas regulator for transmission pipelines in all States and Territories except Western Australia and distribution regulator in the Northern Territory.

Major legislation administered by the ACCC includes:

Trade Practices Act 1974

Prices Surveillance Act 1983

Trade Practices Amendment (Telecommunications) Act 1996

Programme 7 — Insurance and Superannuation Commission

The Insurance and Superannuation Commission (ISC) is the financial supervisor responsible for prudentially regulating the insurance and superannuation industries. The ISC is integral to the achievement of the Government's economic and social goals, as well as maintaining financial system stability. The ISC's mission is to promote public confidence in the Australian insurance and superannuation industries by protecting the interests of insurance policyholders and superannuation fund members. It also encourages savings for retirement and capital formation through the development of insurance and superannuation industries which are strong, profitable and dynamic, and fair trading and effective competition within the insurance sector.

Major legislation administered by the ISC includes:

Insurance Act 1973

Insurance (Agents and Brokers) Act 1984

Insurance Contracts Act 1984

Life Insurance Act 1995

Superannuation Entities (Taxation) Act 1987

Superannuation Industry (Supervision) Act 1993

Superannuation (Resolution of Complaints) Act 1993

Programme 8 — Business Affairs

The Australian Securities Commission (ASC) is an independent authority established by the *Australian Securities Commission Act 1989*. Its role is to facilitate and improve the performance of companies, and of the securities and futures markets. It aims to maintain investor confidence in capital markets by ensuring adequate investor protection mechanisms, by achieving uniform application of the Corporations Law throughout Australia and by enforcing that law. The ASC also maintains a database of documents lodged with and processed by the Commission under the Corporations Law.

Major legislation administered by the ASC includes:

Australian Securities Commission Act 1989
Corporations Act 1989

The Companies and Securities Advisory Committee (CASAC) is a body appointed by the Government to make recommendations to the responsible Minister on the operations of the Corporations Law. The members have knowledge and/or experience in business, administration of companies, the financial market, law, economics or accounting.

Programme 9 — National Competition Council

The National Competition Council (NCC) is an independent advisory body for all Australian Governments involved in implementing the competition reforms. The three Intergovernmental Agreements, signed in April 1995, and the *Trade Practices Act 1974*, as amended, form the Council's guiding principles and establish strong incentives for a nationally-consistent, cooperative approach to achieving a more competitive economy.

In summary, the Council's roles and responsibilities include:

- recommendations to relevant Commonwealth, State and Territory Ministers in response to applications for access to significant infrastructure services;
- recommendations on whether access regimes established by States and Territories are effective;
- work related to the assessment of the progress of Governments in implementing competition policy reform;
- recommendations on whether State and Territory Government businesses should be declared for prices surveillance; and
- reports to the Commonwealth Parliament where the Commonwealth is considering overriding State and Territory legislation reliant on section 51 of the *Trade Practices Act 1974*.

Major legislation administered by the NCC includes:

Trade Practices Act 1974, Part IIIA

CHANGES TO THE TREASURY PORTFOLIO STRUCTURE

There are three minor changes from the 1997-98 Programme structure.

The Sub-Programmes in Programme 4, Taxation Administration have expanded from three in 1997-98 to four in 1998-99 to include the Australian Valuation Office (AVO) as a new Sub-Programme 4.4. Taxation Administration Sub-Programme 4.1 has also taken on the functions of the Development Allowance Authority (DAA). The DAA functions were transferred from the Department of the Treasury (Programme 1).

Programme 5, Productivity, includes the Productivity Commission which incorporates the previous Industry Commission, the Bureau of Industry Economics and the Economic Planning Advisory Commission.

A schematic illustration of the 1998-99 Programme structure follows at Page 7. For reference, the 1997-98 Programme structure is included in the Appendices at page 195.

A graphical presentation showing the Treasury Portfolio Ministers and senior management of agencies within the Portfolio follows at page 8.

1998-99 PORTFOLIO PROGRAMME STRUCTURE

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3. Australian Bureau of Statistics	3.1 Statistical Operations	78
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