

SECTION 3 — RESOURCE SUMMARIES

SUMMARY TABLES

This section summarises the resources which are available to the Portfolio through the Budget Bills. It is divided into four subsections.

- **Appropriation Summary.** Table 3.1 takes the Budget Bills and explains where appropriations will be applied amongst the Programmes of the Portfolio.
- **Programme Summary.** Table 3.2 derives Programme Underlying Outlays from the appropriations and adjustments to the Portfolio.
- **Portfolio Underlying Outlays Summary** sets out the Budget and forward estimates of appropriations and underlying outlays until 2001-02.
- **Budget Measures Summary** sets out the measures included in the Budget, and how they will affect Programme or Sub-Programme underlying outlays in the years to 2001-02.

Appropriation Summary

How the Appropriations are Spent; the Appropriation Bills Disaggregated by Programme or Sub-Programme

The following table replicates the Budget Bills by listing all the Portfolio's line items which are contained in Schedules to the Budget Bills, and providing Programme details against the line items. In doing so, it links the Budget Bills to the Portfolio's Programme structure.

The 1997-98 Estimated Outcome figures shown in the table include the effect of Section 31 receipts (see glossary). As noted above, the 1998-99 Budget figures replicate those in the Budget Bills and therefore do not include Section 31 receipts. A note is provided for relevant appropriation items which provides the estimated level of Section 31 receipts for 1998-99.

Table 3.1: How the Appropriations are Spent; the Appropriation Bills Disaggregated by Programme or Sub-Programme

Appropriation	Programme Number and Title	1997-98 Estimated Outcome (\$'000)	1998-99 Budget (\$'000)	Page Ref
<i>Appropriation Bill No. 1</i>				
Division 670 - Administrative				
1. Running Costs (net appropriation - see section 9) (see also section 10) (i)				
	1.1 Domestic Economy	4,491	4,314	28
	1.2 International Economy	7,158	7,045	31
	1.3 Structural	2,790	2,658	37
	1.4 Taxation	17,286	10,099	40
	1.5 Fiscal	2,394	2,721	45
	1.6 Debt Management	1,486	1,436	50
	1.7 Investment	3,462	1,925	57
	1.8 Financial & Currency	3,575	3,478	60
	1.9 Business Law	4,008	3,921	64
	1.10 Corporate Direction & Support	15,579	14,671	67
		62,229	52,268	
2. Other Services				
01. Compensation and legal expenses	1.8 Financial & Currency	115	0	60
	1.10 Corporate Direction & Support	585	943	67
		700	943	
02. Loan management expenses	1.6 Debt Management	3,390	3,153	50
03. Overseas bond issues - Payments in respect of lapsed coupons	1.6 Debt Management	20	10	50
04. Australian National Railways Commission - Debt acquisition	1.6 Debt Management	926,100	118,100	50
05. Housing Loans Insurance Company Limited - Payments in respect of insurance claims	1.8 Financial & Currency	20,000	26,000	60
06. International Finance Corporation - Capital subscription	1.2 International Economy	6,893	7,350	31
07. International Bank for Reconstruction and Development - Capital subscription	1.2 International Economy	4,304	4,427	31
08. Contributions to the International Monetary Fund - Enhanced Structural Adjustment Facility	1.2 International Economy	2,500	2,500	31
09. Ex gratia payment to approved charitable organisations or trust funds in memory of the Princess of Wales	1.4 Taxation	0	793	40
		963,907	163,276	
Total Division 670		1,026,136	215,544	

Table 3.1: How the Appropriations are Spent; the Appropriation Bills Disaggregated by Programme or Sub-Programme (continued)

Appropriation	Programme Number and Title	1997-98 Estimated Outcome (\$'000)	1998-99 Budget (\$'000)	Page Ref
Division 671 - Australian Bureau of Statistics				
1. Running Costs (net appropriation - see section 9) (see also section 10) (ii)				
	3.1 Statistical Operations	222,740	186,897	78
	3.2 Corporate Services	26,100	25,730	81
		248,840	212,627	
2. Other Services				
01. Compensation and legal expenses	3.2 Corporate Services	72	74	81
Total Division 671		248,912	212,701	
Division 672 - Australian Taxation Office				
1. Running Costs (net appropriation - see section 9) (see also section 10) (iii)				
	4.1 Income and Other Taxes	841,695	851,950	86
	4.2 Child Support Agency	176,434	161,870	95
	4.3 Corporate Support	259,326	244,198	100
		1,277,455	1,258,018	
2. Other Services				
01. Compensation and legal expenses	4.1 Income and Other Taxes	14,178	600	86
	4.2 Child Support Agency	455	0	95
	4.3 Corporate Support	597	400	100
		15,230	1,000	
02. Child Support Agency - Payments to cover cheque dishonours, incorrect maintenance payments and refunds of overpayments	4.2 Child Support Agency	6,162	6,690	95
03. Compensation for detriment caused by defective administration	4.1 Income and Other Taxes	50	50	86
	4.2 Child Support Agency	40	42	95
04. Test case litigation program for tax law clarification	4.3 Corporate Support	450	2,000	100
		21,932	9,782	
Total Division 672		1,299,387	1,267,800	
Division 673 - Australian Securities Commission				
1. For expenditure under the Australian Securities Commission Act 1989				
	8.1 Australian Securities Commission	119,433	134,830	159
Total Division 673		119,433	134,830	

Table 3.1: How the Appropriations are Spent; the Appropriation Bills Disaggregated by Programme or Sub-Programme (continued)

Appropriation	Programme Number and Title	1997-98 Estimated Outcome (\$'000)	1998-99 Budget (\$'000)	Page Ref
Division 674 - Companies and Securities Advisory Committee				
1. For expenditure under Part 9 of the <i>Australian Securities Commission Act 1989</i>	8.2 Companies and Securities Advisory Committee	811	816	166
Total Division 674		811	816	
Division 675 - Australian Competition and Consumer Commission				
1. Running Costs (net appropriation - see section 9) (see also section 10) (iv)	6.1 Compliance with the Trade Practices Act	16,546	16,701	120
	6.2 Improvement in Market Conduct	8,708	8,870	125
	6.3 Education and Information	1,884	1,593	130
	6.4 Corporate Planning and Management	8,199	7,335	133
		35,337	34,499	
2. Other Services				
01. Compensation and legal expenses	6.1 Compliance with the Trade Practices Act	3,203	3,386	120
Total Division 675		38,540	37,885	
Division 676 - National Competition Council				
1. Running Costs (net appropriation - see section 9) (see also section 10) (v)	9. National Competition Council	3,004	2,582	173
Total Division 676		3,004	2,582	
Division 677 - Insurance and Superannuation Commission				
1. Running Costs (net appropriation - see section 9) (see also section 10) (vi)	7.1 Corporate Services	7,779	33,849	141
	7.2 Life Insurance	5,694	4,322	144
	7.3 Actuarial	700	0	146
	7.4 Superannuation	20,054	20,431	149
	7.5 General Insurance	3,783	2,662	151
		38,010	61,264	
2. Other Services				
01. Compensation and legal expenses	7.1 Corporate Services	120	319	141
Total Division 677		38,130	61,583	

Table 3.1: How the Appropriations are Spent; the Appropriation Bills Disaggregated by Programme or Sub-Programme (continued)

Appropriation	Programme Number and Title	1997-98 Estimated Outcome (\$'000)	1998-99 Budget (\$'000)	Page Ref
Division 678 - Productivity Commission				
1. Running Costs (net appropriation - see section 9) (see also section 10) (vii)				
	5. Productivity	25,993	19,905	114
2. Other Services				
01. Contribution to economic modelling projects	5. Productivity	788	0	114
Total Division 678		26,781	19,905	
TOTAL APPROPRIATION BILL 1				
		2,801,134	1,953,646	
Appropriation Bill No. 2				
Division 977 - Payments to or for the States, the Northern Territory and the Australian Capital Territory				
01. Australian Capital Territory - Special revenue assistance	1.5 Fiscal	34,500	25,000	45
02. Companies and securities regulation - Compensation for loss of revenue	8.1 Australian Securities Commission	132,551	134,805	159
Payments to State Governments in lieu of stamp duty on Airport Sales	1.4 Taxation	96,100	0	40
Total Division 977		263,151	159,805	
Division 979 - Australian Bureau of Statistics				
1. Capital Works and Services				
01. Plant and equipment	3.1 Statistical Operations	1,456	2,210	78
Total Division 979		1,456	2,210	
Division 980 - Australian Taxation Office				
1. Capital Works and Services				
01. Plant and equipment	4.3 Corporate Support	45,061	27,700	100
Other Services				
Establishment grant (for payment to the Australian Valuation Office Commercial Activities Fund)	4.4 Australian Valuation Office	6,000	0	108
Total Division 980		51,061	27,700	

Table 3.1: How the Appropriations are Spent; the Appropriation Bills Disaggregated by Programme or Sub-Programme (continued)

Appropriation	Programme Number and Title	1997-98 Estimated Outcome (\$'000)	1998-99 Budget (\$'000)	Page Ref
Capital Works and Services				
Australian Securities Commission -				
For expenditure under				
the <i>Australian Securities</i>	8.1 Australian Securities			
<i>Commission Act 1989</i>	Commission	5,778	0	159
Total		5,778	0	
TOTAL APPROPRIATION BILL 2		321,446	189,715	
PORTFOLIO TOTAL		3,122,580	2,143,361	

- (i) 1998-99 Budget excludes estimated Section 31 receipts for Department of the Treasury of \$991,000.
- (ii) 1998-99 Budget excludes estimated Section 31 receipts for the Australian Bureau of Statistics of \$26,000,000.
- (iii) 1998-99 Budget excludes estimated Section 31 receipts for the Australian Taxation Office of \$3,156,000.
- (iv) 1998-99 Budget excludes estimated Section 31 receipts for the Australian Competition & Consumer Commission of \$300,000.
- (v) 1998-99 Budget excludes estimated Section 31 receipts for the National Competition Council of \$21,000.
- (vi) 1998-99 Budget excludes estimated Section 31 receipts for the Insurance and Superannuation Commission of \$999,000.
- (vii) 1998-99 Budget excludes estimated Section 31 receipts for the Productivity Commission \$193,000.

PROGRAMME SUMMARY

Deriving Programme Underlying Outlays from the Appropriations; Reconciliation of Programmes and Appropriation Elements for 1998-99

Underlying Outlays is an economic concept that has its roots in international standards for government reporting. In the budget context it measures the net resources cost of the budget provision of public goods and services.

Not only payments are included in outlays. For example, some receipts are netted off against related payments. Moreover not all payments are outlays. For example, payments of principal to government security holders are classified as financing transactions and as such are not outlays, whereas interest payments are.

It is important to distinguish between appropriations and underlying outlays. Appropriations derive from Acts of Parliament which authorise the drawing down of public money for the functions and activities of Government.

Underlying outlays = total appropriations – adjustments.

Adjustments to appropriations to derive outlays are:

- payments that are not underlying outlays (for example loan payments — these are financial transactions — and tax refunds — netted against taxation revenues);
- receipts that are offset within underlying outlays — these are charges for goods and services, sales of physical assets and repayments of government loans or repayment of equity in government enterprises;
- transactions regarded as outlays — Table 3.2 shows how the components of appropriations are adjusted to derive underlying outlays for each of the Portfolio's Programmes; and
- net advances — these are government transactions which simply involve the transfer or exchange of financial assets. Net advances include:
 - the sale and purchase of equity assets;
 - the injection and withdrawal of equity from entities outside the Government's accounts; and
 - public policy lending and repayments to other sectors.

Table 3.2: Deriving Programme Underlying Outlays from the Appropriations; Reconciliation of Programmes and Appropriation Elements for 1998-99

(\$'000)									
Programme	Approp Bill No 1	Approp Bill No 2	Special + Approp	Annotated Approp	Programme Approp	Annotated Approps	Other Adjustments	Programme Underlying Outlays	Staff Nos
1. Treasury	215,544	25,000	39,864,078	991	40,105,613	991	15,531,211	24,573,411	491
2. Royal Australian Mint	-	-	-	-	-	-	-1,400	1,400	-
3. Australian Bureau of Statistics	212,701	2,210	-	26,000	240,911	26,000	60	214,851	3,057
4. Taxation Administration	1,267,800	27,700	154,604	3,156	1,453,260	3,156	-230,217	1,680,321	15,548
5. Productivity	19,905	-	-	193	20,098	193	36	19,869	215
6. Australian Competition & Consumer Commission	37,885	-	-	300	38,185	300	-	37,885	336
7. Insurance & Superannuation Commission	61,583	-	1,200	999	63,782	999	1,260	61,523	402
8. Business Affairs	135,646	134,805	-	-	270,451	-	42,107	228,344	-
9. National Competition Council	2,582	-	-	21	2,603	21	-	2,582	19
TOTAL	1,953,646	189,715	40,019,882	31,660	42,194,903	31,660	15,343,057	26,820,186	20,068

SUMMARY OF UNDERLYING OUTLAYS FOR THE PORTFOLIO

Table 3.3, Summary of Underlying Outlays for the Portfolio, provides a comparison of the previous year's Budget and estimated outcome with the 1998-99 Budget estimates for Programme and running cost outlays. Also provided are estimates for the three forward years to 2001-02 which are price adjusted to the expected price levels in each year.

Table 3.3: Summary of Underlying Outlays for the Portfolio

				Forward Estimates price adjusted		
	1997-98 Budget	1997-98 Estimated Outcome	1998-99 Budget	1999-00 Estimate	2000-01 Estimate	2001-02 Estimate
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Components of Appropriations						
Running Costs	1,683,174	1,689,750	1,672,823	1,593,419	1,637,533	1,726,721
Other Programme Costs (excluding running costs)	31,999,703	42,549,262	40,522,080	38,629,271	38,847,852	38,536,822
Total Appropriations	33,682,877	44,239,012	42,194,903	40,222,690	40,485,385	40,263,543
Less annotated appropriations	31,480	37,312	31,660	32,186	32,793	33,382
Less other adjustments	6,237,156	17,407,637	15,343,057	13,409,821	14,034,759	14,319,163
TOTAL UNDERLYING OUTLAYS						
	27,414,241	26,794,063	26,820,186	26,780,683	26,417,833	25,910,998

BUDGET MEASURES SUMMARY

A Budget measure is defined for the purposes of this PBS as being a decision by Cabinet or Ministers that has been finalised since the 1997-98 Budget and has resulted in a cost or saving to underlying outlays in the years 1998-99 to 2001-02.

Table 3.4, Budget Measures Affecting the Portfolio's Programmes, summarises the effects on underlying outlays of 1998-99 Budget Measures. The table lists the title of each measure and details its effect by Programme for the three forward years to 2001-02.

Budget Measures are explained in *Budget Paper No. 2, Budget Measures*, and in Section 5 — Budget Measures.

Table 3.4: Budget Measures Affecting the Portfolio's Programmes

				Estimated Effect on Underlying Outlays price adjusted			
	Programme and Sub-Programme	Page No	Measure	1998-99 \$'000	1999-00 \$'000	2000-01 \$'000	2001-02 \$'000
1	Treasury						
1.2	International Economy	180	Support for International Monetary Fund programmes through the provision of a loan to Korea	505,000	0	0	0
1.4	Taxation	181	Ex gratia payment to approved charitable organisations or trust funds in memory of the Princess of Wales	300	0	0	0
		181	Funding for development of a proposed tax reform programme	4,200	0	0	0
1.5	Fiscal	182	Extension of real per capita guarantee on Financial Assistance Grants to the States	0	0	191,000	195,700
1.8	Financial & Currency	183	Abolition of Non-Callable Deposits	0	0	200,000	200,000
1.10	Corporate Direction & Support	184	Fitout of the refurbished Treasury building	0	980	1,994	2,028
Sub-Total				509,500	980	392,994	397,728
4	Taxation Administration	185	Supervision and funding arrangements for self-managed superannuation funds	2,000	2,032	2,071	2,108
		185	Supervision and funding arrangements for self-managed superannuation funds	0	18,938	19,194	19,454
		186	High Wealth Individuals Taskforce	9,519	9,519	0	0
		186	Development of systems for implementing tax reform	20,000	0	0	0

Table 3.4: Budget Measures Affecting the Portfolio's Programmes (continued)

			Estimated Effect on Underlying Outlays price adjusted			
Programme and Sub-Programme	Page No	Measure	1998-99 \$'000	1999-00 \$'000	2000-01 \$'000	2001-02 \$'000
	187	Reform of the Child Support Scheme - Policy and administration	-4,312	-12,525	-14,337	-16,214
	187	Information Technology asset replacement	27,700	0	0	0
Sub-Total			54,907	17,964	6,928	5,348
6	<i>Australian Competition and Consumer Commission</i>	188 Fair trading inquiry report - Funding to improve small business access to justice and awareness of fair trading issues	1,363	1,436	1,410	0
Sub-Total			1,363	1,436	1,410	0
7	<i>Insurance and Superannuation Commission</i>	189 Establishment of the Australian Prudential Regulation Authority	26,144	27,566	23,904	24,310
		189 Establishment of the Australian Prudential Regulation Authority	-3,825	-39,009	-29,345	-29,745
Sub-Total			22,319	-11,443	-5,441	-5,435
8	<i>Australian Securities Commission</i>	190 Establishment of the Australian Securities and Investments Commission	15,402	11,584	11,804	12,017
		190 Establishment of the Australian Securities and Investments Commission	-8,303	-13,985	-14,205	-14,315
		191 Corporate Law Reform - Managed Investments	3,945	2,912	259	0
		191 Corporate Law Reform - Managed Investments	-3,000	-3,000	-1,116	0
Sub-Total			8,044	-2,489	-3,258	-2,298
Portfolio Total			596,133	6,448	392,633	395,343