PART B

PORTFOLIO OVERVIEW

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The Treasury portfolio undertakes a range of activities aimed at achieving strong sustainable economic growth and the improved wellbeing of Australians. This entails the provision of policy advice to portfolio Ministers which seeks to promote a sound macroeconomic environment; effective government spending and taxation arrangements; and well functioning markets. It also entails the effective implementation and administration of policies that fall within the portfolio Ministers' responsibilities.

The **Treasury** produces outputs directed at the achievement of the foregoing outcomes under four output groups — Macroeconomic, Fiscal, Revenue and Markets.

Macroeconomic Group outputs include: domestic economic policy advice and forecasting; and international economic policy advice and assessment.

Fiscal Group outputs include: budget policy advice and coordination; Commonwealth-State financial policy advice; and industry, environment and social policy advice.

Revenue Group output is: taxation and income support policy advice.

Markets Group outputs include: foreign investment policy advice and administration; financial system, financial services and corporate governance policy advice; competition and consumer policy advice; and actuarial services. In addition, the Royal Australian Mint is responsible for producing Australia's circulating coin and like products.

The **Australian Bureau of Statistics** is Australia's official statistical agency. Outputs are directed at informed decision-making, research and discussion within governments and the community, based on the provision of a high quality, objective and responsive national statistical service. Its outputs principally relate to the production of economic, population and social statistics.

The **Australian Competition and Consumer Commission** outputs are directed at enhanced social and economic welfare of the Australian community by fostering competitive, efficient, fair and informed Australian markets. Outputs are: compliance with competition, fair trading and consumer protection laws and appropriate remedies when the law is not followed; and competitive market structures and informed behaviour.

The **Australian Office of Financial Management** is responsible for the management of the Commonwealth's net debt portfolio. Its output — debt management — is directed at ensuring that the Commonwealth net debt portfolio is managed at least cost subject to the Government's policies and risk preferences.

The **Australian Prudential Regulation Authority** is the financial supervisor responsible for prudentially regulating the banking, other deposit taking, insurance and superannuation industries. Outputs aim at enhanced public confidence in Australia's financial institutions through a framework of prudential regulation which balances financial safety and efficiency, competition, contestability and competitive neutrality.

The **Australian Securities and Investments Commission** (ASIC) is the independent government body that enforces and administers the Corporations Law and Consumer Protection Law for investments, life and general insurance, superannuation and banking (except lending). Its outputs aim at a fair and efficient financial market characterised by integrity and transparency and supporting confident and informed participation of investors and consumers. Outputs include: policy and guidance about the laws administered by ASIC; comprehensive and accurate information on companies and corporate activity; compliance, monitoring and licensing of participants in the financial system to protect consumer interests and ensure market integrity; and enforcement activity to give effect to the laws administered by ASIC.

The **Australian Taxation Office** outputs are directed at effectively managed and shaped systems that support and fund services for Australians and give effect to social and economic policy through the tax, superannuation, excise and other related systems. Outputs include: shape, design and build administrative systems; management of revenue collection and transfers; compliance assurance and support revenue collection; compliance assurance and support for transfers and regulation of superannuation funds compliance with retirement income standards; and services to governments and agencies.

The **Corporations and Markets Advisory Committee** outputs are directed at confident and informed participation of investors and consumers in the financial system. Outputs include: recommendations to the responsible Minister on the Corporations Law; and the annual report, discussion papers and reports of the Committee.

The **Inspector-General of Taxation** seeks to improve the administration of the tax laws for the benefit of all taxpayers. This is to be achieved by identifying systemic issues in the administration of the tax laws and providing independent advice to the government on the administration of the tax laws.

The **National Competition Council** is an independent advisory body for all Australian governments involved in implementing the National Competition Policy. Its outputs are aimed at the achievement of effective and fair competition reforms and better use of Australia's infrastructure for the benefit of the community. Outputs include: advice provided to governments on competition policy and infrastructure access issues; and clear, accessible public information on competition policy.

The **Productivity Commission** contributes to well informed policy decision-making and public understanding on matters relating to Australia's productivity and living standards, based on independent and transparent analysis from a community-wide perspective. Outputs include or relate to: government commissioned projects; performance reporting and other services to government bodies; regulation review activities; competitive neutrality complaints activities; and supporting research and activities and statutory annual reporting.

ADDITIONAL ESTIMATES AND VARIATIONS — PORTFOLIO LEVEL

Additional estimates are being sought for the Treasury, the Australian Bureau of Statistics, the Australian Office of Financial Management, the Australian Securities and Investments Commission, the Australian Taxation Office and the Productivity Commission. Explanations of additional estimates for these agencies are detailed in their respective sections in the Portfolio Additional Estimates Statements.

Other variations to appropriations have occurred for the Australian Competition and Consumer Commission which is detailed in the relevant section in the Portfolio Additional Estimates Statements.

There are no additional estimates variations for the Australian Prudential Regulation Authority, the Corporations and Markets Advisory Committee, the Inspector-General of Taxation and the National Competition Council.

Map 1: Structure of outcomes for the portfolio

Portfolio Minister - Treasurer
The Hon Peter Costello MP
Minister for Revenue and Assistant Treasurer
The Hon Mal Brough MP
Parliamentary Secretary to the Treasurer
The Hon Chris Pearce MP

The Treasury Secretary: Dr Ken Henry **Outcome 1:** Sound macroeconomic environment **Outcome 2:** Effective government spending and taxation arrangements **Outcome 3:** Well functioning markets
Australian Bureau of Statistics Statistician: Mr Dennis Trewin Informed decision-making, research and discussion within governments and the community, based on the provision of a high quality, objective and responsive national statistical service
Australian Competition and Consumer Commission Chairperson: Mr Graeme Samuel To enhance social and economic welfare of the Australian community by fostering competitive, efficient, fair and informed Australian markets
Australian Office of Financial Management Chief Executive Officer: Mr Neil Hyden To enhance the Commonwealth's capacity to manage its net debt portfolio, offering the prospect of savings in debt servicing costs and an improvement in the net worth of the Commonwealth over time
Australian Prudential Regulation Authority Chairman: Dr John Laker To enhance public confidence in Australia's financial institutions through a framework of prudential regulation which balances financial safety, efficiency, competition, contestability and competitive neutrality
Australian Securities and Investments Commission Chairman: Mr Jeffrey Lucy A fair and efficient market characterised by integrity and transparency and supporting confident and informed participation of investors and consumers
Australian Taxation Office Commissioner: Mr Michael Carmody Effectively managed and shaped systems that support and fund services for Australians and give effect to social and economic policy through the tax, superannuation, excise and other related systems
Corporations and Markets Advisory Committee Convenor: Mr Richard St John Fair and efficient financial markets characterised by integrity and transparency and supporting confident and informed participation of investors and consumers
Inspector-General of Taxation Inspector-General: Mr David Vos AM Improved administration of the tax laws for the benefit of all taxpayers
National Competition Council President: Dr Wendy Craik The achievement of effective and fair competition reforms and better use of Australia's infrastructure for the benefit of the community
Productivity Commission Chairman: Mr Gary Banks Well informed policy decision-making and public understanding on matters relating to Australia's productivity and living standards, based on independent and transparent analysis from a community-wide perspective