

AUSTRALIAN BUREAU OF STATISTICS

Section 1: Overview, appropriations and budget measures summary

AGENCY OVERVIEW

The Australian Bureau of Statistics (ABS):

- is the central statistical authority for the Australian Government;
- provides statistical services for the State and Territory Governments;
- collects, compiles, analyses and disseminates statistics and related information;
- ensures the coordination of the statistical activities of, and provides advice and assistance to, other government agencies; and
- provides liaison between Australia and other countries and international organisations on statistical matters.

APPROPRIATIONS AND RESOURCING

The total appropriation for the ABS in the 2004-05 Budget is \$269.6 million. Table 1.1 on the following page provides this detail.

AGENCY REVENUES

Table 1.3: Agency revenues

	2003-04 estimated revenue \$'000	2004-05 estimated revenue \$'000
ESTIMATED AGENCY REVENUES		
Non-appropriation agency revenues		
Goods and services	18,841	16,910
Proceeds from sales of assets	15	208
Other	100	100
Total non-appropriation agency revenues	18,956	17,218
Appropriation revenue	250,981	269,558
Total estimated agency revenues	269,937	286,776

SPECIAL ACCOUNTS

Table 1.6: Estimates of special account flows and balances

	A ⁽¹⁾ B ⁽¹⁾	2004-05 2003-04 opening balance \$'000	2004-05 2003-04 receipts \$'000	2004-05 2003-04 payments \$'000	2004-05 2003-04 closing balance \$'000
SPECIAL ACCOUNTS					
Services for other governments and non-agency bodies ⁽²⁾		30 30	520 520	520 520	30 30
Other Trust Monies ⁽³⁾		14 14	- -	- -	14 14
Total special accounts		44	520	520	44

1. The opening balance for 2004-05 (reference A) is the same as the closing balance for 2003-04 (reference B).
2. This special account is departmental in nature and is governed by the *Safety Rehabilitation and Compensation Act 1998*.
3. This special account is departmental in nature and is governed by the *Financial Management and Accountability Act 1997*.

AGENCY EQUITY INJECTIONS AND LOANS

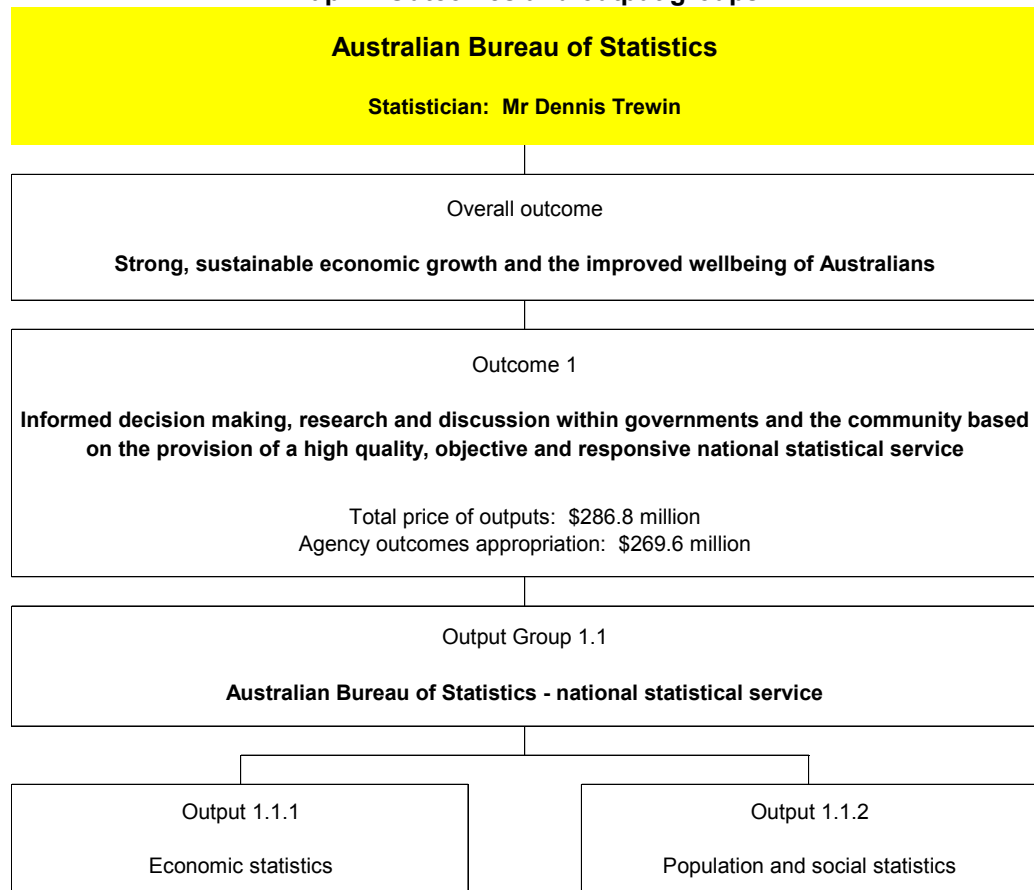
The ABS does not have an appropriation for an equity injection or loan in the 2004-05 Budget.

Section 2: Outcomes and outputs information

OUTCOMES AND OUTPUT GROUPS

The map below shows the relationship between government outcomes and the contributing outputs for the Australian Bureau of Statistics (ABS). Financial detail for Outcome 1 by output appears in Table 2.1 while non-financial information for Outcome 1 appears in Table 2.2.

Map 2: Outcomes and output groups



CHANGES TO OUTCOMES AND OUTPUTS

There are no proposed changes to the outcome or outputs.

OUTCOME 1 — DESCRIPTION

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.

Measures affecting Outcome 1

There are no measures for the ABS in the 2004-05 Budget.

OUTCOME 1 — RESOURCING

Table 2.1 shows how the 2004-05 appropriations translate to total resourcing for Outcome 1, including revenues from government (appropriations), revenue from other sources, and the total price of outputs.

Table 2.1: Total resources for Outcome 1

	2003-04 estimated actual \$'000	2004-05 budget estimate \$'000
Agency appropriations		
Output Group 1.1 - Australian Bureau of Statistics		
Output 1.1.1 - Economic statistics	131,570	140,170
Output 1.1.2 - Population and social statistics	119,411	129,388
Total revenues from government (appropriations)	250,981	(C1) ⁽¹⁾ 269,558
Contributing to price of agency outputs	93%	94%
Revenue from other sources		
Goods and services	18,841	16,910
Proceeds from sale of assets	15	208
Other	100	100
Total revenue from other sources	18,956	17,218
Total price from agency outputs		
(Total revenues from government and from other sources)	269,937	(E1) ⁽¹⁾ 286,776
Estimated payments from special account balances ⁽²⁾		
Services for other governments and non-agency bodies	520	520
Other Trust Monies	-	-
Total agency special account outflows	520	520
Total estimated resourcing for Outcome 1		
(Total price of outputs appropriations)	269,937	286,776
	2003-04	2004-05
Average staffing level (number)	2,746	2,684

1. C1 and E1 show the links back to Table 1.1.

2. Further details on special accounts appear in Table 1.6.

OUTCOME 1 — CONTRIBUTION OF OUTPUTS

Official statistics are collected by government to inform debate, decision-making and research both within government and by the wider community. They provide an objective perspective of the changes taking place in national life and allow comparisons between periods of time and geographical areas.

Open access to official statistics provides the citizen with more than a picture of society. It offers a window on the work and performance of government itself, showing the scale of government activity in every area of public policy and allowing the impact of public policies and actions to be assessed.

The ABS achieves its outcome by the provision of two outputs: (i) economic statistics and (ii) population and social statistics.

Part C: Agency Budget Statements – ABS

The economic statistics output contains an extensive range of statistical outputs relating to the structure and performance of the Australian economy. It provides an objective source of information that is used by governments and the community to inform their decisions. For example, economic statistics are used to formulate government macroeconomic policies, to assist in allocating Australian Government funds to State Governments, to formulate industry development policies, in financial and business planning and in wage determination.

The population and social statistics output contains statistical information relating to the Australian population, including census and demographic statistics, as well as information relating to the social and economic wellbeing of the population. It provides an objective source of information that is used by governments and the community to inform their decisions. For example, census data are used extensively to plan for communities; labour statistics are used in the formulation of macroeconomic policy and in developing government labour market policies and programmes; and social statistics are used to support policy development in areas such as health, social security, taxation, and community and family services.

Reliable social and economic statistics are fundamental to an open government and it is the responsibility of government to provide them and to maintain public confidence in them. The ABS performs this function as an independent statutory authority of the Australian Government.

PERFORMANCE INFORMATION FOR OUTCOME 1

Table 2.2: Performance information for Outcome 1

Outcome 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.	
Output measures	
1. Integrity in statistical operations	1.1 An objective statistical service, as demonstrated by: - release of reliable/accurate statistics; - open statistical process; and - trust and cooperation of providers.
2. Relevance of ABS output	2.1 Statistical output which meets the needs of key users of economic and social data in terms of: - support to decision-making; and - demonstrated by a high level of use. 2.2 Openness of planning process.
3. Appropriate use of statistical standards, frameworks and methodologies	3.1 Lead the development of national statistical standards, frameworks and methodologies, and their implementation within the broader Australian statistical system. 3.2 Contribute to the development of key international standards, frameworks and methodologies, and implement them as appropriate.
4. Improving coordination of the collection, compilation and dissemination of statistics produced by other official bodies	4.1 Statistical Clearing House activity. 4.2 Assisting other official bodies with integration of administrative and statistical data, including outposting ABS officers, and providing training on statistical standards, frameworks and methodologies. 4.3 Identifying, storing and disseminating statistics from other official bodies.

Table 2.2: Performance information for Outcome 1 (continued)

Output measures	
Output Group 1.1 - Australian Bureau of Statistics - national statistical service	
Output 1.1.1 - Economic statistics; and	
Output 1.1.2 - Population and social statistics	
1. Increase the quantity of outputs	1.1 Increase the range of statistics disseminated. 1.2 Innovative outputs.
2. Improve the quality of outputs	2.1 Achieve or exceed timeliness, statistical reliability, response rates and accuracy objectives: - timeliness; - statistical reliability; - response rates; and - accuracy. 2.2 Conduct ongoing research and reviews of quality and implement their recommendations: - outlines of ABS statistical reviews; and - innovative practices – improvements to existing collections as a result of research and development.
3. Achievement of cost effective outputs	3.1 Conduct efficiency reviews and audits, and implement their recommendations. 3.2 Test operating efficiencies of statistical activities by benchmarking internally and externally. 3.3 Market test a number of non-statistical activities to identify possible outsourcing opportunities. 3.4 Minimise respondent load.

EVALUATIONS

Output performance indicators (shown in Table 2.2) will be used to measure evaluation activity for this outcome. The results of the evaluation will be shown in the ABS Annual Report.

Section 3: Budgeted financial statements

The budgeted financial statements will form the basis of the financial statements that will appear in the Australian Bureau of Statistics (ABS) 2003-04 Annual Report, and form the basis for the input into the whole-of-government accounts. The financial statements should be read in conjunction with the accompanying notes.

The budgeted financial statements contain estimates prepared in accordance with the requirements of the Australian Government's financial budgeting and reporting framework, including the principles of Australian Accounting Standards and Statements of Accounting Concepts, as well as specific guidelines issued by the Department of Finance and Administration.

ANALYSIS OF BUDGETED FINANCIAL STATEMENTS

Budgeted agency statement of financial performance

The ABS is budgeting for a nil operating surplus in 2004-05.

Total agency revenue is estimated to be \$286.8 million. This is an increase of \$16.8 million from the 2003-04 estimated actual.

This rise in revenue is primarily attributed to an increase in appropriations as a result of:

- an increase specifically related to the 2006 Census, as part of the normal Census cycle.
- \$4.5 million transfer of funding from 2007-08 to 2004-05.

Total expenses are estimated to be \$286.8 million, an increase of \$14.8 million from the 2003-04 estimated actual.

This increase in expenses can be attributed directly to the increase in employee and suppliers expenses associated with the preparations for the 2006 Census, as part of the normal Census cycle.

Budgeted agency statement of financial position

In 2004-05 the ABS's total equity will increase by \$0.2 million. This change is related to the capital injection as shown in the *2003-04 Portfolio Additional Estimates Statements* relating to the Budget Estimates and Framework Review.

The expected outlook for the ABS indicates that the asset base of the organisation will remain stable, with liabilities for employee provisions expected to increase in the out years. This increase is expected following the increase in staff numbers for the 2006 Census cycle.

The build up of cash in the out years is occurring due to reduced spending on a restructured capital programme. It is expected that the cash build-up will be utilised for additional capital purchases in the long term.

AGENCY FINANCIAL STATEMENTS

Budgeted agency statement of financial performance

This statement provides a picture of the expected financial results for the ABS by identifying full accrual expenses and revenues, which highlight whether the ABS is operating at a sustainable level.

Budgeted agency statement of financial position

This statement shows the financial position of the ABS. It enables decision-makers to track the management of the ABS's assets and liabilities.

Budgeted agency statement of cash flows

Budgeted cash flows, as reflected in the statement of cash flows, provides important information on the extent and nature of cash flows by categorising them into expected cash flows from operating activities, investing activities and financing activities.

Agency capital budget statement

Shows all planned agency capital expenditure (capital expenditure on non-financial assets), whether funded either through capital appropriations for additional equity or borrowings, or funds from internal sources.

Agency non-financial assets — summary of movement

This statement shows the movement in ABS's non-financial assets during the budget year.

**Table 3.1: Budgeted Agency Statement of Financial Performance
for the period ended 30 June**

	2003-04 estimated actual \$'000	2004-05 budget estimate \$'000	2005-06 forward estimate \$'000	2006-07 forward estimate \$'000	2007-08 forward estimate \$'000
REVENUES					
Revenues from ordinary activities					
Revenue from government	250,980	(K1) ⁽¹⁾ 269,558	299,817	384,469	282,249
Goods and services	18,841	16,910	19,392	15,144	20,330
Revenue from sales of assets	15	208	208	205	203
Other	100	100	100	100	100
Total revenues from ordinary activities	269,936	286,776	319,517	399,918	302,882
EXPENSES					
Expenses from ordinary activities (excluding borrowing costs expense)					
Employees	188,282	194,578	204,041	283,707	209,394
Suppliers	54,507	62,680	82,378	82,244	59,648
Depreciation and amortisation	27,779	28,532	30,249	30,773	31,202
Write-down of assets	6	10	13	35	7
Value of assets sold	7	1	1	9	-
Other	537	330	210	210	2,280
Total expenses from ordinary activities (excluding borrowing costs expense)	271,118	286,131	316,892	396,978	302,531
Borrowing costs expense	818	645	531	440	351
Operating surplus or (deficit) from ordinary activities	(2,000)	-	2,094	2,500	-

1. K1 shows the link back to Table 1.1.

**Table 3.2: Budgeted Agency Statement of Financial Position
as at 30 June**

	2003-04 estimated actual \$'000	2004-05 budget estimate \$'000	2005-06 forward estimate \$'000	2006-07 forward estimate \$'000	2007-08 forward estimate \$'000
ASSETS					
Financial assets					
Cash	10,967	8,032	10,612	18,433	25,495
Receivables	4,265	4,194	4,644	8,044	4,988
Accrued revenues	286	285	285	285	285
Total financial assets	15,518	12,511	15,541	26,762	30,768
Non-financial assets					
Infrastructure, plant and equipment	38,499	35,210	37,670	33,118	27,227
Inventories	58	57	57	57	57
Intangibles	76,675	76,658	75,699	74,778	72,298
Other	8,466	8,099	7,732	7,406	7,081
Total non-financial assets	123,698	120,024	121,158	115,359	106,663
Total assets	139,216	132,535	136,699	142,121	137,431
LIABILITIES					
Interest bearing liabilities					
Loans	10,033	8,846	7,585	6,245	4,821
Leases	973	254	70	25	-
Other	29	-	-	-	-
Total interest bearing liabilities	11,035	9,100	7,655	6,270	4,821
Provisions					
Employees	65,504	60,536	62,183	63,717	64,559
Total provisions	65,504	60,536	62,183	63,717	64,559
Payables					
Suppliers	3,168	3,398	4,190	4,294	3,127
Other	5,115	5,107	6,183	8,852	5,936
Total payables	8,283	8,505	10,373	13,146	9,063
Total liabilities	84,822	78,141	80,211	83,133	78,443
EQUITY					
Parent entity interest					
Contributed equity	11,498	11,498	11,498	11,498	11,498
Reserves	7,519	7,519	7,519	7,519	7,519
Retained surpluses or accumulated deficits	35,377	35,377	37,471	39,971	39,971
Total parent entity interest	54,394	54,394	56,488	58,988	58,988
Total equity	54,394	54,394	56,488	58,988	58,988
Current assets	24,042	21,851	22,462	31,484	33,430
Non-current assets	115,174	110,684	114,237	110,637	104,001
Current liabilities	40,559	34,484	37,132	40,271	36,690
Non-current liabilities	44,263	43,657	43,079	42,862	41,753

**Table 3.3: Budgeted Agency Statement of Cash Flows
for the period ended 30 June**

	2003-04 estimated actual \$'000	2004-05 budget estimate \$'000	2005-06 forward estimate \$'000	2006-07 forward estimate \$'000	2007-08 forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	250,981	269,558	299,817	384,469	282,249
Goods and services	23,154	16,862	19,424	14,340	21,413
Other	7,000	7,930	10,090	9,593	7,882
Total cash received	281,135	294,350	329,331	408,402	311,544
Cash used					
Employees	184,713	193,874	202,042	282,079	208,552
Suppliers	63,104	68,489	81,496	82,410	64,214
Other	7,308	8,006	10,237	9,607	7,639
Total cash used	255,125	270,369	293,775	374,096	280,405
Net cash from or (used by) operating activities	26,010	23,981	35,556	34,306	31,139
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	15	208	208	205	203
Total cash received	15	208	208	205	203
Cash used					
Purchase of property, plant and equipment	24,970	25,227	31,751	25,309	22,831
Total cash used	24,970	25,227	31,751	25,309	22,831
Net cash from or (used by) investing activities	(24,955)	(25,019)	(31,543)	(25,104)	(22,628)
FINANCING ACTIVITIES					
Cash received					
Other	247	-	-	-	-
Total cash received	247	-	-	-	-
Cash used					
Repayments of debt	1,989	710	172	41	25
Other	1,117	1,187	1,261	1,340	1,424
Total cash used	3,106	1,897	1,433	1,381	1,449
Net cash from or (used by) financing activities	(2,859)	(1,897)	(1,433)	(1,381)	(1,449)
Net increase/(decrease) in cash held	(1,804)	(2,935)	2,580	7,821	7,062
Cash at the beginning of the reporting period	12,771	10,967	8,032	10,612	18,433
Cash at the end of the reporting period	10,967	8,032	10,612	18,433	25,495

Table 3.4: Agency Capital Budget Statement

	2003-04 estimated actual \$'000	2004-05 budget estimate \$'000	2005-06 forward estimate \$'000	2006-07 forward estimate \$'000	2007-08 forward estimate \$'000
PURCHASE OF NON-CURRENT ASSETS					
Funded by capital appropriations	247	-	-	-	-
Funded internally by agency resources	24,723	25,227	31,751	25,309	22,831
Total	24,970	25,227	31,751	25,309	22,831

Table 3.5: Agency Non-financial Assets — Summary of Movement (Budget year 2004-05)

	Land	Buildings	Specialist military equipment	Other infrastructure plant and equipment	Heritage and cultural assets	Computer software	Other intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the start of year	-	-	-	38,499	-	76,675	-	115,174
Additions	-	-	-	9,908	-	15,319	-	25,227
Disposals	-	-	-	(6,428)	-	(400)	-	(6,828)
Net revaluation increments/decrements	-	-	-	-	-	-	-	-
Recoverable amount write-downs	-	-	-	-	-	-	-	-
Depreciation/amortisation expense	-	-	-	(13,196)	-	(15,336)	-	(28,532)
Other movements	-	-	-	6,427	-	400	-	6,827
Carrying amount at the end of year	-	-	-	35,210	-	76,658	-	111,868
Represented by								
Self funded	-	-	-	9,908	-	15,319	-	25,227
Appropriations	-	-	-	-	-	-	-	-
Total represented by	-	-	-	9,908	-	15,319	-	25,227

NOTES TO THE FINANCIAL STATEMENTS

Basis of accounting

The agency budget statements have been prepared on an accrual basis and in accordance with historical cost convention, except for certain assets, which are at valuation.

Budgeted agency financial statements

Under the Australian Government's accrual budgeting framework, and consistent with Australian Accounting Standards, transactions that agencies control (agency transactions) are budgeted and reported separately from transactions agencies do not have control over (administered transactions). This ensures that agencies are only held fully accountable for the transactions over which they have control.

Agency assets, liabilities, revenues and expenses in relation to an agency are those that are controlled by the agency. Agency expenses include employee and supplier expenses and other administrative costs, which are incurred by the agency in providing its goods and services.

Budgeted agency statement of financial performance

Revenues

Appropriations in the accrual budgeting framework

Under the Australian Government's accrual budgeting framework, the ABS is appropriated only for the price of its outputs, which represent the Australian Government's purchase of these agreed outputs.

Revenue from other sources

The decrease in revenue from other sources in 2003-04 and 2004-05 is due to the additional revenue associated with the sales of census output during the last financial year.

Other

This category includes resources received free of charge.

Expenses

Employees

This includes wages and salaries, superannuation, provision for annual leave and long service leave, and workers compensation. Employee entitlements are based on leave patterns of ABS employees. Accrued salaries and employer superannuation contributions are based on daily salary expense and the number of days owing at 30 June in each budget year.

Depreciation and amortisation

Depreciable assets are written off over their estimated useful lives. Depreciation is calculated using the straight-line method, which is consistent with the consumption of the service potential of the depreciable assets of the ABS.

Budgeted agency statement of financial position

Non-financial assets

Intangibles

These include software developed in-house.

Inventory

ABS inventory includes publications of statistics both in print and on CD. These levels are expected to remain stable in the out years.

Other

This category includes prepayments.

Debt

Loans

The ABS received a loan of \$13.2 million in 2001-02. This loan was used to partially fund the fitout of the ABS's new national office accommodation. Loan repayments will be made over a ten year period and are being met by the ABS from within its ongoing operational funding levels.

Leases

These include lease incentives in the form of a rent-free period and/or a contribution to fitout costs. Lease incentives are recognised as a liability, which is reduced by allocating lease rental payments between interest, rental expense and reduction of the liability.

Provisions and payables

Employees

The liability for employee entitlements includes provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting.

The non-current portion of the liability for long service leave is recognised and measured at the present value of the estimated future cash flows in respect of all employees.

Asset valuation

Australian Government agencies and authorities are required to value property, plant and equipment and other infrastructure assets using the deprival method of valuation. This essentially reflects the current cost the entity would face in replacing that asset.

Capital budget statement

This shows proposed capital expenditure for the ongoing replacement programme of non-financial assets. This asset replacement programme is funded internally.

Purchase of non-financial assets

These include:

- 2003-04 intangibles of \$14.7 million, infrastructure, plant and equipment of \$10.3 million, which includes fitout to the Western Australian and South Australian offices of \$1.3 million;
- 2004-05 intangibles of \$15.3 million, infrastructure, plant and equipment of \$9.9 million, which includes fitout to the New South Wales, Queensland and Census offices of \$2.7 million;
- 2005-06 intangibles of \$14.8 million, infrastructure, plant and equipment of \$17.0 million, which includes fitout to the Queensland, Victorian and Census offices of \$5.1 million;
- 2006-07 intangibles of \$14.9 million, infrastructure, plant and equipment of \$10.4 million, which includes fitout to the Australian Capital Territory, South Australian and Tasmanian offices of \$4.5 million; and
- 2007-08 intangibles of \$14.8 million, infrastructure, plant and equipment of \$8.0 million, which includes fitout to the Western Australian and Census offices of \$1.4 million.

Section 4: Purchaser/provider and cost recovery arrangements

PURCHASER/PROVIDER ARRANGEMENTS

Cross agency overview

The Australian Bureau of Statistics' (ABS) goods and services are purchased by several Australian Government agencies. Some of our material clients are as follows:

- Australian Agency for International Development
- Australian Institute of Health and Welfare
- Department of Agriculture, Fisheries and Forestry-Australia
- Department of Education, Science and Training
- Department of Communications, Information Technology and the Arts
- Department of Employment and Workplace Relations
- Department of Family and Community Services
- Department of Health and Ageing; and
- Department of Transport and Regional Services

COST RECOVERY ARRANGEMENTS

Cost recovery guidelines have been developed by the ABS in relation to the various goods and services paid for by clients. This amounts to \$16.9 million in 2004-05.

Summary of cost recovery impact statement

The ABS will complete a cost recovery impact statement during 2005-06.

