



BUDGET

PORTFOLIO BUDGET STATEMENTS 2012-13
BUDGET RELATED PAPER NO. 1.20D

DEPARTMENT OF THE PARLIAMENTARY
BUDGET OFFICE

BUDGET INITIATIVES AND EXPLANATIONS OF
APPROPRIATIONS SPECIFIED BY OUTCOMES
AND PROGRAMS BY AGENCY

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PARLIAMENT OF AUSTRALIA

Senator the Hon John Hogg
President of the Senate
Parliament House
CANBERRA ACT 2600

The Hon Peter Slipper MP
Speaker of the House of Representatives
Parliament House
CANBERRA ACT 2600

Dear Mr President
Dear Mr Speaker

I hereby submit Portfolio Budget Statements in support of the 2012-13 Budget for the Department of the Parliamentary Budget Office (PBO).

As these statements are being presented to Parliament ahead of the appointment of the first Parliamentary Budget Officer, these statements have been prepared by the Working Group for the Establishment of the Parliamentary Budget Office, with membership comprising the Deputy Clerk of the House of Representatives, Deputy Clerk of the Senate and Deputy Secretary of the Department of Parliamentary Services.

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

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

Yours sincerely

A handwritten signature in dark ink, reading "David Elder".

David Elder
Convenor, Working Group for the Establishment of the Parliamentary Budget Office
Deputy Clerk of the House of Representatives

Abbreviations and conventions

The following notation may be used:

NEC/nec	not elsewhere classified
	nil
..	not zero, but rounded to zero
na	not applicable (unless otherwise specified)
nfp	not for publication
\$m	\$ million
\$b	\$ billion

Figures in tables and in the text may be rounded. Figures in text are generally rounded to one decimal place, whereas figures in tables are generally rounded to the nearest thousand. Discrepancies in tables between totals and sums of components are due to rounding.

Enquiries

Should you have any enquiries regarding this publication please contact Mathew Fox, Interim Executive Officer, Parliamentary Budget Office (02) 6277 2853.

A copy of this document can be located on the Australian Government Budget website at: <http://www.budget.gov.au>.

USER GUIDE TO THE PORTFOLIO BUDGET STATEMENTS

USER GUIDE

The purpose of the 2012-13 Portfolio Budget Statements (PB Statements) is to inform Senators and Members of Parliament of the proposed allocation of resources to Government outcomes by agencies within the portfolio. Agencies receive resources from the annual appropriations acts, 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 (Parliamentary Departments) Bill (No. 1) 2012-13. 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.

Consistent with the *Parliamentary Service Act 1999*, the Parliamentary Budget Officer, under the Presiding Officers, is responsible for managing the Parliamentary Budget Office. As the 2012-13 PB Statements are being presented to Parliament ahead of the appointment of the first Parliamentary Budget Officer, the PB Statements do not contain detailed financial statements or planned performance information. This information will be developed following the appointment of a Parliamentary Budget Officer in 2012.

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DEPARTMENT OVERVIEW

DEPARTMENT OF THE PARLIAMENTARY BUDGET OFFICE OVERVIEW

Departmental responsibilities

The Department of the Parliamentary Budget Office (PBO) is one of four parliamentary departments supporting the Australian Parliament.

As a newly established parliamentary department, the purpose of the PBO is to inform the Parliament by providing independent and non-partisan analysis of the budget cycle, fiscal policy and the financial implications of proposals.

The Parliamentary Budget Officer, under the Presiding Officers, is responsible for leading and managing the PBO.

As set out in the *Parliamentary Services Act 1999*, the Parliamentary Budget Officer performs the following functions:

- Outside the caretaker period for a general election—to prepare policy costings on request by Senators or Members of the House of Representatives.
- During the caretaker period for a general election—to prepare policy costings on request by authorised members of Parliamentary parties or independent members.
- To prepare responses (other than policy costings) to requests relating to the budget by Senators or Members of the House of Representatives.
- To prepare submissions to inquiries of Parliamentary committees on request by such committees.
- To conduct research on and analysis of the budget and fiscal policy settings.

The structure of the PBO will be determined following the appointment of the Parliamentary Budget Officer.

DEPARTMENTAL RESOURCES

Table 1 shows the total new resources provided to the department in the 2012-13 budget year.

Table 1: Department Resources 2012-13

	Appropriation			Receipts	Total
	(Parliamentary Departments)				
	Bill No. 1 \$m	Bill No. 2 \$m	Special \$m	\$m	\$m
Department of the Parliamentary Budget Office					
Departmental appropriations	6.083				6.083
Total:					6.083
Resources available within department:					6.083

Department of the Parliamentary Budget Office

Agency resources and planned performance

DEPARTMENT OF THE PARLIAMENTARY BUDGET OFFICE

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The establishment of the PBO follows the passage of amendments to the *Parliamentary Services Act 1999* (the Act) which created the PBO as a fourth parliamentary department.

The recruitment and appointment of the first Parliamentary Budget Officer is currently underway. Once appointed, and in accordance with Section 64Q of the Act, the Parliamentary Budget Officer, in consultation with the Joint Committee of Public Accounts and Audit, will prepare a work plan for the PBO setting out:

- The priorities of the PBO for the 2012-13 financial year; and
- Protocols for the allocation of the resources of the PBO during the financial year.

This work plan will be prepared within three months of the appointment of the PBO and will be publicly available.

Ahead of the appointment of the Parliamentary Budget Officer, and to support the Presiding Officers in the interim, a Working Group for the Establishment of the Parliamentary Budget Office has been formed, with membership comprising the Deputy Clerk of the House of Representatives, Deputy Clerk of the Senate and Deputy Secretary of the Department of Parliamentary Services. The working group is supported by an interim executive officer.

There are no new measures affecting the PBO for the 2012-13 Budget. Funding for the PBO was announced in the 2011-12 Budget.

1.2 AGENCY RESOURCE STATEMENT

Table 1.1 shows the total resources from all sources. The table summarises how resources will be applied by outcome and by administered and departmental classification.

Table 1.1: Department of the Parliamentary Budget Office Resource Statement — Budget Estimates for 2012-13 as at Budget May 2012

	Estimate of prior year amounts available in 2012-13 \$'000	Proposed at Budget 2012-13 \$'000	Total estimate 2012-13 \$'000	Actual available appropriation 2011-12 \$'000
Ordinary annual services¹				
Departmental appropriation				
Departmental appropriation	-	6.083	6.083	-
Total	-	6.083	6.083	-
Total ordinary annual services	A	6.083	6.083	-
Other services				
Total other services	B	-	-	-
Total available annual appropriations	-	6.083	6.083	-
Special appropriations²				
Parliamentary Services Act 1999	6.000	-	6.000	6.000
Total special appropriations	C	0.000	6.000	6.000
Total appropriations excluding Special Accounts	6.000	6.083	12.083	6.000
Special Accounts	-	-	-	-
Total Special Account	D	-	-	-
Total resourcing				
A+B+C+D	6.000	6.083	12.083	6.000
Less appropriations drawn from annual or special appropriations above and credited to special accounts and/or CAC Act bodies through annual appropriations	-	-	-	-
Total net resourcing for the Department of the Parliamentary Budget Office	6.000	6.083	12.083	6.000

¹ Appropriation (Parliamentary Departments) Bill (No. 1) 2012-13.

² Actual available appropriation shown. Final estimate to be determined following appointment of the Parliamentary Budget Officer. Initial PBO related expenditure in 2011-12 is being met by the Department of Parliamentary Services and will be reimbursed following the establishment of the PBO.

Reader note: All figures are GST exclusive.

Section 2: Outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

Parliamentary outcomes are the intended results, impacts or consequences of actions by the Parliament for the Australian community.

The PBO's outcome is described below; however planned performance information, including objectives, deliverables and key performance indicators, to support the outcome is yet to be developed. This information will be developed following the appointment of a Parliamentary Budget Officer in 2012 and is expected to be included in the PBO's first work plan.

Outcome 1: To inform the Parliament by providing independent and non-partisan analysis of the budget cycle, fiscal policy and the financial implications of proposals.

Outcome Expense Statement

Table 2.1 provides an overview of the total expenses for outcome 1.

Table 2.1: Budgeted Expenses for Outcome 1

Outcome 1: To inform the Parliament by providing independent and non-partisan analysis of the budget cycle, fiscal policy and the financial implications of proposals.	2011-12	2012-13
	Estimated	Estimated
	actual expenses	expenses
	\$'000	\$'000
Outcome 1 Totals by appropriation type		
Departmental expenses		
Departmental appropriation ¹	-	6.083
Total expenses for Outcome 1	-	6.083
Average Staffing Level (number)²	2011-12	2012-13
	TBC	TBC

¹Ordinary annual services Appropriation (Parliamentary Departments) Bill (No.1) 2012- 13. Initial PBO related expenditure in 2011- 12 is being met by the Department of Parliamentary Services and will be reimbursed following the establishment of the PBO.

²Average Staffing Levels to be determined following appointment of the Parliamentary Budget Officer.

Section 3: Explanatory tables and budgeted financial statements

Explanatory tables and budgeted financial statements for the PBO are yet to be developed for the 2012-13 budget year. It is expected that detailed financial statements will be developed and published following the appointment of the Parliamentary Budget Officer.