

**PORTFOLIO
BUDGET STATEMENTS
2004-05**

PRIME MINISTER AND CABINET PORTFOLIO

**BUDGET INITIATIVES AND EXPLANATIONS OF
APPROPRIATIONS SPECIFIED BY OUTCOMES AND OUTPUTS BY AGENCY**

BUDGET RELATED PAPER NO. 1.14

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ISBN 174149154 1

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Prepress coordination by WordsWorth Writing, Canberra

Printed by Canprint Communications Pty Ltd



The Hon Gary Hardgrave MP
Minister for Citizenship and Multicultural Affairs
Minister Assisting the Prime Minister

President of the Senate
Australian Senate
Parliament House
CANBERRA ACT 2600

Speaker
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear Mr President
Dear Mr Speaker

I hereby submit Portfolio Budget Statements in support of the 2004–05 Budget for the Prime Minister and Cabinet Portfolio.

These statements have been developed, and are submitted to the Parliament, as a statement on the funding requirements being provided for the portfolio.

I present these statements by virtue of my ministerial responsibility for accountability to the parliament and, through it, the public.

Yours sincerely


Gary Hardgrave

07 May 2004

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PART A

USER GUIDE

USER GUIDE

Introduction

The purpose of the 2004–05 Portfolio Budget Statements (PBS) 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 bills, special appropriations, standing appropriations (including special accounts), and revenue from other sources.

A key role of the PBS is to facilitate the understanding of proposed annual appropriations in Appropriation Bills No. 1 and No. 2 2004–05. In this sense the PBS is officially a Budget Related Paper and is declared by the Appropriation Bills to be a ‘relevant document’ to the interpretation of the Bills according to section 15AB of the *Acts Interpretation Act 1901*.

The PBS provides sufficient information, explanation and justification to enable Parliament to understand the purpose of each outcome proposed in the Bills.

Structure of the Portfolio Budget Statements

The PBS is presented in three parts as outlined below.

Part A: User Guide

Provides an introduction explaining the purpose of the PBS as well as information in relation to the structure of the document, styles and conventions used.

Part B: Portfolio Overview

Provides a brief overview of the portfolio. Portfolio outcomes are depicted in a chart that outlines the structure of the outcomes to which the portfolio contributes.

Part C: Agency Budget Statements

For each agency within the portfolio, a budget statement is presented under the name of the agency. These are presented in four sections as outlined below.

Section 1: Overview, appropriations, and budget measures summary

Section 1 provides a brief overview of the agency, details agency appropriations and summarises, where applicable, Budget measures. This section describes the link

between the resources appropriated and their application to the outputs the agency delivers to contribute to the achievement of specified outcomes. Similarly, there is a description of the link between resources appropriated and their application to the administered items the agency manages on behalf of government to contribute to the achievement of specified outcomes.

Section 2: Outcomes and outputs information

Section 2 provides a brief description of the specified outcomes and, where applicable, Budget measures. The section also provides details of resourcing, outlining both of the administered and departmental appropriations, how the outputs contribute to the outcome, performance information for the outcome, outputs and administered items, and planned evaluations. Upcoming competitive tendering and contracting that is of a material or sensitive nature is noted here.

Section 3: Budgeted financial statements

Section 3 contains the budgeted financial statements in accrual format covering budget year, previous year and the three out-years for each agency.

Section 4: Purchaser–provider and cost recovery arrangements

Section 4 is presented in two parts. The first part discloses, where relevant, purchaser–provider arrangements that the agency has entered into with other agencies. The second part discloses, where relevant, cost recovery arrangements according to the Commonwealth Cost Recovery Policy, and a summary of the agency’s Cost Recovery Impact Statement, where applicable.

A glossary is provided at the end of the document.

Styles and conventions used

(a) The following notation may be used:

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

(b) 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 Mr Greg Haughey, Adviser Budgets and Management Accounting in the Department of the Prime Minister and Cabinet, on (02) 6271 5312 or at greg.haughey@pmc.gov.au.

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

PART B

PORTFOLIO OVERVIEW

PORTFOLIO OVERVIEW

There have been no significant changes to the roles/mission or structure of the portfolio since the 2003–04 Portfolio Additional Estimates Statements.

The department and the six agencies in the Prime Minister and Cabinet portfolio produce a range of outputs needed for well coordinated, efficient and accountable public administration supported by a values-based Australian Public Service.

The **Department of the Prime Minister and Cabinet** produces four groups of outputs to achieve its planned outcome — sound and well-coordinated government policies, programmes and decision-making processes:

- Output groups 1–3 provide advice to the Prime Minister and other ministers in the portfolio on economic, social and international policy, and coordinate relevant portfolios and other stakeholders in the policy advising process.
- Output Group 4 provides a range of support services for government operations, including secretariat services to Cabinet and its committees and to the Executive Council, monitors the implementation of Cabinet decisions, develops and coordinates the government’s legislative programme, advises on the coordination and promotion of national awards and symbols, coordinates government communications and advertising, and arranges and coordinates government hospitality and official ceremonial occasions.

The **Australian National Audit Office** (ANAO) works to achieve two planned outcomes: independent performance assessment of selected Australian public sector activities, including possibilities for better efficiency and effectiveness; and independent assurance of the sector’s financial reporting, administration, control and accountability. The ANAO’s outputs are performance audit, information support and assurance audit services.

The **Australian Public Service Commission** fosters a confident, high quality, values-based and sustainable Australian Public Service (APS). The commission’s five output groups are APS policy and employment services; leadership, learning and development services; organisational performance, promotion and support; evaluation; and merit protection and other services.

The **Office of National Assessments** produces two outputs directed at assisting informed decision-making by government through anticipating and analysing international change and the implications for Australia, and ensuring a coordinated international intelligence effort.

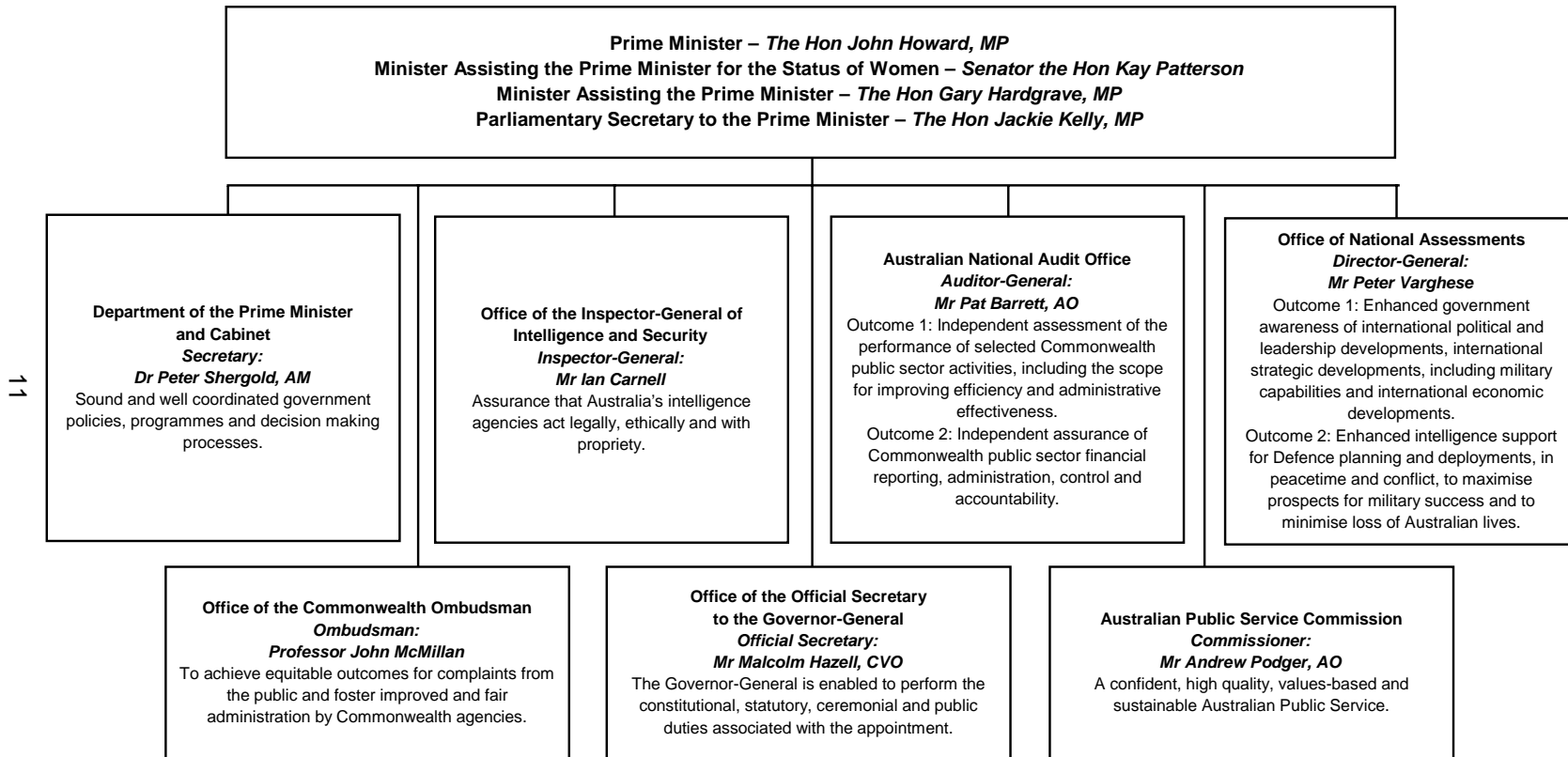
The **Office of the Commonwealth Ombudsman** works through two output groups to achieve equitable outcomes for complaints from the public, and to foster improved and fair administration by Commonwealth agencies.

Part B — Portfolio Overview

The **Office of the Inspector-General of Intelligence and Security** operates to provide assurance that Australia's intelligence agencies act legally, ethically and with propriety. The office works to achieve two outputs: to inspect and report on the activities of the intelligence and security agencies, and to conduct inquiries and provide a complaint resolution service.

The **Office of the Official Secretary to the Governor-General** enables the Governor-General to perform the constitutional, statutory, ceremonial and public duties associated with his appointment. The office's two outputs are administrative, property management and hospitality support to the Governor-General, and administration of the Australian honours and awards system.

Map 1: Structure of portfolio outcomes



ADDITIONAL APPROPRIATIONS AND VARIATIONS – PORTFOLIO LEVEL

The government is providing additional funding to portfolio agencies through the Budget process as follows:

- The Department of the Prime Minister and Cabinet for:
 - project management costs associated with the fitting out of new long-term departmental accommodation
 - public awareness campaign on domestic violence and sexual assault
 - research in counter-terrorism technology.
- The Australian National Audit Office to bring forward the auditing of agencies' annual financial statements.
- The Office of National Assessments to enhance its analytical ability, to enable it to meet its increased coordination role and for business critical systems.
- The Office of the Commonwealth Ombudsman to meet new responsibilities and to improve rural and regional responsiveness.
- The Office of the Inspector-General of Intelligence and Security to meet operational expenses and employee liabilities.
- The Office of the Official Secretary to the Governor-General to implement new technology to support the Australian honours system.

Chart 1: Departmental appropriations for agencies in the portfolio (\$'000s)

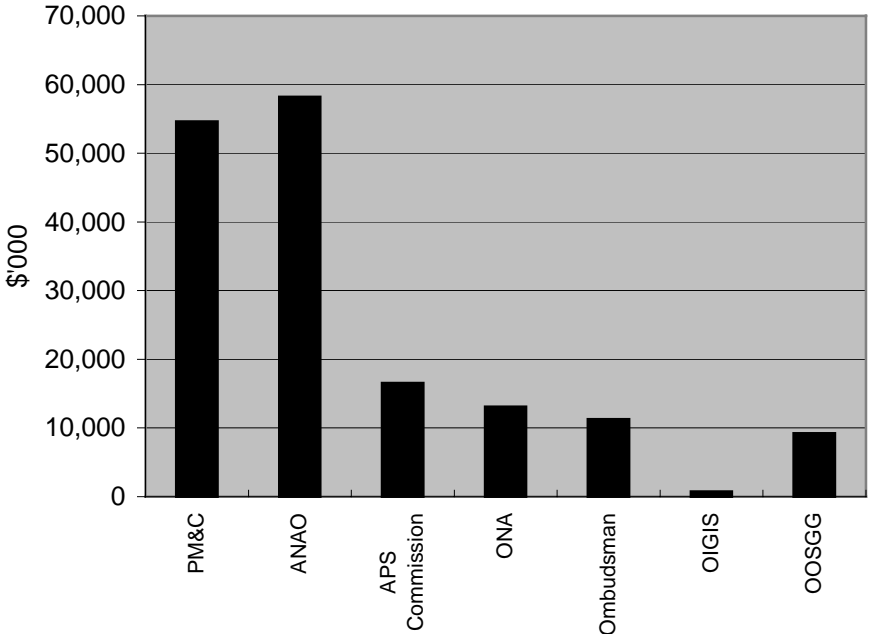


Chart 2: Departmental appropriations for agencies in the portfolio (%)

