

# OFFICE OF THE PRIVACY COMMISSIONER

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# OFFICE OF THE PRIVACY COMMISSIONER

## Section 1: Agency overview and resources

### 1.1 STRATEGIC DIRECTION

The focus of the Office of the Privacy Commissioner is to promote an Australian culture that respects privacy. In achieving this, the Office recognises that this right should be balanced against other important social interests, such as the free flow of information and the need for government and business to operate efficiently.

The Office of the Privacy Commissioner's output—complaint handling, compliance activities, inquiries and promotion and educational activities—is a key element in the government's social justice initiatives and reflects the government's commitment to the protection and promotion of citizens' privacy rights.

The Office of the Privacy Commissioner is responsible for implementing the *Privacy Act 1988*.

The Office of the Privacy Commissioner was transferred from the Attorney-General's portfolio to the Prime Minister's portfolio following changes to the Administrative Arrangements Orders of 3 December 2007.

### 1.2 AGENCY RESOURCE STATEMENT

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

**Table 1.1: Agency resource statement — Budget estimates for 2008–09 as at Budget May 2008**

	Estimate of prior + year amounts available in 2008–09 \$'000	Proposed at Budget = 2008–09 \$'000	Total estimate 2008–09 \$'000	Estimated appropriation available 2007–08 \$'000
<b>Ordinary Annual Services</b>				
<b>Departmental outputs</b>				
Departmental outputs <sup>1</sup>	1,201	6,444	7,645	6,899
s. 31 Relevant agency receipts <sup>2</sup>	-	850	850	741
<b>Total</b>	<b>1,201</b>	<b>7,294</b>	<b>8,495</b>	<b>7,640</b>
<b>Total ordinary annual services</b>	<b>A 1,201</b>	<b>7,294</b>	<b>8,495</b>	<b>7,640</b>
<b>Other services</b>				
<b>Total other services</b>	<b>B -</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Available Annual Appropriations</b>	<b>1,201</b>	<b>7,294</b>	<b>8,495</b>	<b>7,640</b>
<b>Special Appropriations</b>				
<b>Total Special Appropriations</b>	<b>C -</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Appropriations excluding Special Accounts</b>	<b>1,201</b>	<b>7,294</b>	<b>8,495</b>	<b>7,640</b>
<b>Special Accounts</b>				
<b>Total Special Account</b>	<b>D -</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total resourcing</b>				
A + B + C + D	1,201	7,294	8,495	7,640
Less appropriations drawn from annual or special appropriations above and credited to special accounts	-	-	-	-
<b>Total net resourcing for Office of the Privacy Commissioner</b>	<b>1,201</b>	<b>7,294</b>	<b>8,495</b>	<b>7,640</b>

1 Appropriation Bill (No. 1) 2008–09.

2 s. 31 Relevant agency receipts — estimate.

**Third party drawdowns from and on behalf of other agencies**

	\$'000
Payments made on behalf of other agencies (third party drawdown access) (disclosed in the respective agency resource statement)	-
Payments made on behalf of other agencies (third party drawing rights) (disclosed above)	-
Revenue received from other agencies for the provision of services (disclosed above within departmental s. 31)	556
Payments made by other agencies on behalf of the Office of the Privacy Commissioner (disclosed above)	-
Payments made to other agencies for the provision of services (disclosed above)	1,399

### **1.3 BUDGET MEASURES**

There are no new Budget measures relating to the Office of the Privacy Commissioner in the 2008–09 Budget.

## Section 2: Outcome and planned performance

The Australian Government requires agencies to measure their intended and actual performance in terms of outcomes. Government outcomes are the results, impacts on the Australian community or consequences of actions by the government. Agencies are required to identify the output groups which demonstrate their contribution to government outcomes over the coming year.

The outcome is described below by the output group, specifying the performance indicators and targets used to assess and monitor the performance of the Office of the Privacy Commissioner in achieving government outcomes.

### 2.1 OUTCOME 1

*An Australian culture in which privacy is respected, promoted and protected.*

#### 2.1.1 Outcome 1 Strategy

The Office of the Privacy Commissioner is responsible for implementing the *Privacy Act 1988* (the Act).

In order to achieve its outcome, the Office:

- investigates complaints from individuals about potential interferences with their privacy
- conducts audits of the personal information handling practices of Commonwealth and ACT agencies and other organisations covered by the Act
- inquires into acts or practices that may be interferences with privacy
- fosters public discussion, and undertakes and coordinates research and educational programs to promote the concept of privacy protection.

### 2.1.2 Outcome 1 Resource statement

Table 2.1 provides additional detail of Budget appropriations and the total resourcing for Outcome 1.

**Table 2.1: Total resources for Outcome 1**

<b>Outcome 1: An Australian culture in which privacy is respected, promoted and protected.</b>	2008–09 Total estimate of available resources \$'000	2007–08 Estimated actual \$'000
<b>Output Group 1.1:</b>		
Departmental outputs		
Complaint handling, compliance and monitoring and education and promotion	6,444	6,899
Revenues from other sources (s. 31) for sales of goods and services	850	741
<b>Total resources for Outcome 1</b>	<b>7,294</b>	<b>7,640</b>
	2008–09	2007–08
<b>Average staffing level (number)</b>	<b>58</b>	<b>62</b>

### 2.1.3 Contributions to Outcome 1

#### Output Group 1.1: Complaint handling, compliance and monitoring and education and promotion

Output Group 1.1: Complaint handling, compliance and monitoring and education and promotion	
Key performance indicators	2008–09 target
Adherence to Client Service Charter standards.	Client Service Charter standards are met.
Targeted information available that informs the community, including business and government, of their rights and responsibilities in respect of the Office's jurisdictional responsibilities.	Information is easily accessible and available to all members of the community.
Preparation of advice, reports and submissions on significant privacy-related issues.	Advice, reports and submissions on significant privacy-related issues considered and valued.
Audits improve the privacy practices and procedures of agencies and organisations.	Agencies and organisations satisfied that audits improve their privacy practices and procedures.
Number of complaints finalised within 12 months of receipt and number of written enquiries answered within 10 days.	80% of complaints finalised within 12 months of receipt and 90% of written enquiries answered within 10 days.
Time taken to finalise audits.	Audits finalised within 6 months of commencement.
Number of visits to the website and number of pages viewed on the website.	>1 million visits to the website and >5 million pages viewed on the website.

## Section 3: Explanatory tables and budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of agency finances for the Budget year 2008–09. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between the agency and outcome resource statements.

### 3.1 EXPLANATORY TABLES

#### 3.1.1 Reconciliation of total available appropriation and outcomes

The Agency Resource Statement (Table 1.1) details the total available appropriation available to an agency from all sources. For departmental operating appropriations (outputs) this includes carry-forward amounts as well as amounts appropriated at Budget. As agencies incur and are funded for future liabilities, generally depreciation and employee entitlements, the total amount of departmental operating appropriation available to an agency is unlikely to be fully utilised in the Budget year. The difference between the agency resource statement and the sum of all payments made at the departmental outputs level is the expected carry-forward amount of resources for the 2009–10 Budget year, including amounts related to meeting future obligations to maintain the agency’s asset base and to meet employee entitlement liabilities.

**Table 3.1.1: Reconciliation of total available appropriation and outcomes**

	\$'000
<b>Total available departmental operating appropriation (outputs)</b>	<b>8,495</b>
Less estimated payments in 2008–09	(7,268)
<b>Estimated departmental operating appropriation carry-forward for 2009–10 (outputs)</b>	<b>1,227</b>

#### 3.1.2 Movement of administered funds between years

The Office of the Privacy Commissioner has no administered funds.

#### 3.1.3 Special Accounts

The Office of the Privacy Commissioner has no special accounts.

#### 3.1.4 Australian Government Indigenous expenditure

The Office of the Privacy Commissioner has no Australian Government Indigenous expenditure.

## **3.2 BUDGETED FINANCIAL STATEMENTS**

### **3.2.1 Analysis of budgeted financial statements**

#### **Income statement**

In 2008–09, total revenue is budgeted at \$7.3 million. This is a net decrease of \$0.5 million (5.8%) over the revised 2007–08 estimated actual of \$7.8 million. The approved operating deficit of \$0.5 million arises as a result of delays in recruitment of suitable applicants to undertake proposed activities and timing differences in utilising the associated funding.

The Office's appropriation under Appropriation Act 1 has decreased from the revised 2007–08 estimate of \$6.9 million to \$6.4 million for 2008–09. This is the net result of cumulative parameter adjustments and application of the additional efficiency dividend.

Other resources available to be used by the Office in 2008–09 are currently expected to remain stable.

#### **Balance sheet**

In 2008–09, the Office has budgeted for internally funded capital expenditure of \$50,000 for the maintenance of IT infrastructure, existing communication systems and leasehold improvements.

#### **Departmental statement of changes in equity**

The departmental statement of changes in equity reflects the approved operating loss of \$0.5 million and the associated reduction in retained earnings.

### 3.2.2 Budgeted financial statements tables

**Table 3.2.1: Budgeted departmental income statement  
(for the period ended 30 June)**

	Estimated actual 2007–08 \$'000	Budget estimate 2008–09 \$'000	Forward estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000	Forward estimate 2011–12 \$'000
<b>INCOME</b>					
<b>Revenue</b>					
Revenues from government	6,899	6,444	6,436	6,489	6,584
Goods and services	850	850	850	850	850
Other	24	24	24	24	24
<b>Total revenue</b>	<b>7,773</b>	<b>7,318</b>	<b>7,310</b>	<b>7,363</b>	<b>7,458</b>
<b>Total income</b>	<b>7,773</b>	<b>7,318</b>	<b>7,310</b>	<b>7,363</b>	<b>7,458</b>
<b>EXPENSE</b>					
Employees	4,966	4,809	4,982	5,212	4,635
Suppliers	3,273	2,447	2,271	2,094	2,781
Depreciation and amortisation	50	45	40	40	40
Finance costs	12	12	12	12	-
Write-down of assets and impairment of assets	5	5	5	5	2
<b>Total expenses</b>	<b>8,306</b>	<b>7,318</b>	<b>7,310</b>	<b>7,363</b>	<b>7,458</b>
<b>Surplus (deficit) attributable to the Australian Government</b>	<b>(533)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.2: Budgeted departmental balance sheet (as at 30 June)**

	Estimated actual 2007–08 \$'000	Budget estimate 2008–09 \$'000	Forward estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000	Forward estimate 2011–12 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and equivalents	1,201	1,227	1,250	1,284	1,358
Trade and other receivables	140	140	140	140	140
<b>Total financial assets</b>	<b>1,341</b>	<b>1,367</b>	<b>1,390</b>	<b>1,424</b>	<b>1,498</b>
<b>Non-financial assets</b>					
Infrastructure, plant and equipment	32	36	35	34	33
Intangibles	2	3	4	5	6
Other	8	6	4	2	-
<b>Total non-financial assets</b>	<b>42</b>	<b>45</b>	<b>43</b>	<b>41</b>	<b>39</b>
<b>Total assets</b>	<b>1,383</b>	<b>1,412</b>	<b>1,433</b>	<b>1,465</b>	<b>1,537</b>
<b>LIABILITIES</b>					
<b>Provisions</b>					
Employees	782	809	828	858	928
Other	34	36	38	40	42
<b>Total provisions</b>	<b>816</b>	<b>845</b>	<b>866</b>	<b>898</b>	<b>970</b>
<b>Payables</b>					
Suppliers	50	50	50	50	50
Other	40	40	40	40	40
<b>Total payables</b>	<b>90</b>	<b>90</b>	<b>90</b>	<b>90</b>	<b>90</b>
<b>Total liabilities</b>	<b>906</b>	<b>935</b>	<b>956</b>	<b>988</b>	<b>1,060</b>
<b>Net assets</b>	<b>477</b>	<b>477</b>	<b>477</b>	<b>477</b>	<b>477</b>
<b>EQUITY<sup>a</sup></b>					
<b>Parent entity interest</b>					
Contributed equity	(349)	(349)	(349)	(349)	(349)
Retained surpluses or accumulated deficits	826	826	826	826	826
<b>Total equity</b>	<b>477</b>	<b>477</b>	<b>477</b>	<b>477</b>	<b>477</b>
<b>Current assets</b>	<b>1,349</b>	<b>1,373</b>	<b>1,394</b>	<b>1,426</b>	<b>1,498</b>
<b>Non-current assets</b>	<b>34</b>	<b>39</b>	<b>39</b>	<b>39</b>	<b>39</b>
<b>Current liabilities</b>	<b>772</b>	<b>785</b>	<b>792</b>	<b>806</b>	<b>818</b>
<b>Non-current liabilities</b>	<b>134</b>	<b>150</b>	<b>164</b>	<b>182</b>	<b>242</b>

a 'Equity' is the residual interest in assets after deduction of liabilities.

Prepared on Australian Accounting Standards basis.

**Table 3.2.3: Budgeted departmental statement of cash flows  
(for the period ended 30 June)**

	Estimated actual 2007–08 \$'000	Budget estimate 2008–09 \$'000	Forward estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000	Forward estimate 2011–12 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	741	850	850	850	850
Appropriations	6,899	6,444	6,436	6,489	6,584
Cash from the Official Public Account	958	-	-	-	-
<b>Total cash received</b>	<b>8,598</b>	<b>7,294</b>	<b>7,286</b>	<b>7,339</b>	<b>7,434</b>
<b>Cash used</b>					
Employees	5,289	5,299	5,205	5,352	5,585
Suppliers	2,808	1,889	1,988	1,883	1,705
Net GST paid to the ATO	30	30	30	30	30
<b>Total cash used</b>	<b>8,127</b>	<b>7,218</b>	<b>7,223</b>	<b>7,265</b>	<b>7,320</b>
<b>Net cash from or (used by) operating activities</b>	<b>471</b>	<b>76</b>	<b>63</b>	<b>74</b>	<b>114</b>
<b>INVESTING ACTIVITIES</b>					
<b>Total cash received</b>					
	-	-	-	-	-
<b>Cash used</b>					
Purchase of property, plant and equipment	49	49	39	39	39
Purchase of intangibles	1	1	1	1	1
<b>Total cash used</b>	<b>50</b>	<b>50</b>	<b>40</b>	<b>40</b>	<b>40</b>
<b>Net cash from or (used by) investing activities</b>	<b>(50)</b>	<b>(50)</b>	<b>(40)</b>	<b>(40)</b>	<b>(40)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Net cash from or (used by) financing activities</b>					
	-	-	-	-	-
<b>Net increase or (decrease) in cash held</b>	<b>421</b>	<b>26</b>	<b>23</b>	<b>34</b>	<b>74</b>
Cash at the beginning of the reporting period	780	1,201	1,227	1,250	1,284
<b>Cash at the end of the reporting period</b>	<b>1,201</b>	<b>1,227</b>	<b>1,250</b>	<b>1,284</b>	<b>1,358</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Departmental statement of changes in equity — summary of movement (Budget year 2008–09)**

	Retained earnings	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2008</b>			
Balance carried forward from previous period	826	(349)	477
<b>Adjusted opening balance</b>	<b>826</b>	<b>(349)</b>	<b>477</b>
Surplus (deficit) for the period	-	-	-
<b>Total income and expenses recognised directly in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Transactions with owners</b>			
<b>Subtotal transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Estimated closing balance as at 30 June 2009</b>	<b>826</b>	<b>(349)</b>	<b>477</b>

Prepared on Australian Accounting Standards basis.

### **3.2.4 Notes to the financial statements**

#### **Revenue from government**

Amounts appropriated for the Office's outcome for the year (adjusted for any formal additions and reductions) are recognised as revenue. Appropriations receivable are recognised at their nominal amounts.

#### **Employee expenses and benefits**

Employee expenses and benefits consist of salaries, leave entitlements, redundancy expenses and superannuation. Liabilities for services rendered by employees are recognised at the reporting date to the extent that they have not been settled.

#### **Supplier expenses**

Supplier expenses consist of ordinary operating costs (accommodation and utilities), administrative costs, consultants and contract costs and travel expenses.

#### **Assets and liabilities**

Assets are recognised in the Office's balance sheet when it is probable that future economic benefits will flow and the amounts of the assets can be reliably measured.

Liabilities are recognised in the Office's balance sheet when it is probable that the future obligation will be incurred and the amounts of the liabilities can be reliably measured.

#### **Cash and cash equivalents**

Cash includes notes and coins held and any deposits held at call with a bank or financial institution. Cash is recognised at its nominal amount.

#### **Transactions with the government as owner**

Amounts appropriated which are designated as equity injections for a year are recognised directly into contributed equity.