BUDGET

PORTFOLIO BUDGET STATEMENTS 2009–10
BUDGET RELATED PAPER NO. 1.15A

PRIME MINISTER AND CABINET PORTFOLIO

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

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The Hon Anthony Byrne MP
Parliamentary Secretary to 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 2009-10 Budget for the Prime Minister and Cabinet Portfolio excluding the Department of Climate Change and its related entity, which are part of the Prime Minister and Cabinet Portfolio but for which statements are tabled separately (refer: Budget Related Paper No. 1.15B).

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

I present these statements to ensure proper and effective accountability to the Parliament and, through it, the public.

Yours sincerely

Anthony Byrne

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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nfp	not for publication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 Ms Kym Partington, Chief Financial Officer, Department of the Prime Minister and Cabinet, on (02) 6271 5652.

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 2009–10 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 Bills No. 1 and No. 2 2009–10. 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.

As required under section 12 of the *Charter of Budget Honesty Act 1998*, non-general government sector entities are not consolidated into the Commonwealth general government sector fiscal estimates and, accordingly, those entities are not reported in the PB Statements.

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PRIME MINISTER AND CABINET PORTFOLIO OVERVIEW

MINISTERS AND PORTFOLIO RESPONSIBILITIES

The Prime Minister and Cabinet portfolio agencies produce a range of outputs required for well-coordinated, efficient and accountable public administration supported by a values-based Australian Public Service. The principal responsibilities that fall within the purview of the Prime Minister and Cabinet portfolio were described in the Administrative Arrangement Orders (AAO) of 25 January 2008, amended 1 May 2008 and updated 1 July 2008, and comprise:

- Coordination of government administration
- Assistance to Cabinet and its committees
- Policy advice and administrative support to the Prime Minister
- Intergovernmental relations and communications with state and territory governments
- Australian honours and symbols policy
- Government ceremonial and hospitality
- Counter-terrorism policy coordination
- National security policy coordination
- Work and family policy coordination
- Privacy
- Freedom of information
- Management of government records
- Old Parliament House.

The structure and outcomes of the portfolio are depicted in diagrammatic form on pages 8 and 9.

Portfolio overview

The legislation administered by the portfolio includes:

- *Administrative Arrangements Act 1987*
- *Archives Act 1983*
- *Auditor-General Act 1997*
- *Australian Capital Territory Government Service (Consequential Provisions) Act 1994*
- *Complaints (Australian Federal Police) Act 1981*, Part III
- *Defence Act 1903*, Part IIIAAA, insofar as it relates to the powers or functions of the Prime Minister as an authorising minister
- *Family Law Act 1975*, Part XIVA
- *Flags Act 1953*
- *Freedom of Information Act 1982*, except to the extent administered by the Attorney-General
- *Governor-General Act 1974*
- *House of Representatives (Quorum) Act 1989*
- *Inspector-General of Intelligence and Security Act 1986*
- *Office of National Assessments Act 1977*
- *Ombudsman Act 1976*
- *Parliamentary Commission of Inquiry (Repeal) Act 1986*
- *Parliamentary Presiding Officers Act 1965*
- *Privacy Act 1988*, except to the extent administered by the Attorney-General
- *Public Service Act 1999*
- *Resource Assessment Commission Act 1989*
- *Royal Commissions Act 1902*
- *Royal Powers Act 1953*
- *Royal Style and Titles Act 1973*
- *Senate (Quorum) Act 1991.*

The Prime Minister and Cabinet portfolio includes two Departments of State under the *Public Service Act 1999*: the Department of the Prime Minister and Cabinet; and the Department of Climate Change.

These Portfolio Budget Statements (PB Statements) detail the allocation of resources for the Department of the Prime Minister and Cabinet and its related agencies. This includes ten prescribed agencies and one *Commonwealth Authorities and Companies Act 1997* (CAC Act) not-for-profit organisation:

- Australian Institute of Family Studies
- Australian National Audit Office
- Australian Public Service Commission
- National Archives of Australia
- National Australia Day Council (CAC Act agency)
- Office of the Commonwealth Ombudsman
- Office of the Inspector-General of Intelligence and Security
- Office of National Assessments
- Office of the Official Secretary to the Governor-General
- Office of the Privacy Commissioner
- Old Parliament House.

The exposure drafts of the Information Commissioner Bill 2009 and the Freedom of Information Amendment (Reform) Bill 2009 were released for public consultation in March 2009 and will be introduced into the Parliament in 2009. The legislation is proposed to establish the Office of the Information Commissioner with effect from 1 January 2010 and reform the *Freedom of Information Act 1982*.

The Office of the Information Commissioner will operate under the FMA Act as a statutory agency within the Prime Minister and Cabinet portfolio. The Office will comprise two new independent statutory office holders, the Information Commissioner and the Freedom of Information Commissioner, as well as the existing Privacy Commissioner. The existing Office of the Privacy Commissioner will be incorporated into the Office of the Information Commissioner. The establishment of the Office of the Information Commissioner will provide a whole-of-government clearing house for complaints, oversight and reporting on freedom of information and privacy matters. The co-location of privacy and FOI regulation will ensure the development of a consistent workable information policy.

The Department of Climate Change and its related agency, the Office of the Renewable Energy Regulator, table separate Budget papers. Further information can be obtained by reference to the Department of Climate Change PB Statements 2009–10: Budget Related Paper No. 1.15B.

The principal function of the **Department of the Prime Minister and Cabinet** (PM&C) is to provide high-quality advice to the Prime Minister and the Cabinet on matters that are at the forefront of public policy and government administration, including domestic and international affairs and, in particular, the implications of proposals for Commonwealth–state relations.

The department briefs the Prime Minister, the Cabinet Secretary and the parliamentary secretaries. The department consults extensively across the Australian Public Service (APS) to ensure that the advice provided draws on the most appropriate sources. PM&C has a strong role in driving policy development and innovation and ensuring delivery of high-priority initiatives across the APS, in pursuit of the government's objectives.

The **Australian Institute of Family Studies** (AIFS or the Institute) is an Australian Government statutory agency established under the the *Family Law Act 1975*. The role of the Institute is to conduct research and communicate findings to policymakers, service providers and the broader community about factors that affect family wellbeing.

The **Australian National Audit Office** (ANAO) assists the Auditor-General, who is responsible for undertaking audits of the financial statements and performance of Australian Government public sector agencies.

The **Australian Public Service Commission** (the Commission) is a central agency that supports the APS to meet the changing needs of government, achieve best practice public administration and deliver effective services to the Australian community. The Commission has a key role in supporting the government's accountability and integrity agenda, including through promoting ethical practices in agencies. The Commission undertakes research and evaluation to support debate on contemporary government challenges and public sector reform.

The **National Archives of Australia** (the Archives) helps Australian Government agencies create and manage their records; selects the most valuable records created by Australian Government agencies to become part of the national archival collection; stores, describes and preserves the national archival collection; and provides access to the collection in accordance with the provisions of the *Archives Act 1983*.

The **National Australia Day Council** (NADC) is the coordinating body for Australia Day celebrations across the nation and for the Australian of the Year Awards. The NADC is a not-for-profit government-owned company, reporting under the provisions of the CAC Act.

The **Office of the Commonwealth Ombudsman** (the Ombudsman) works to ensure that administrative action by Australian Government agencies is fair and accountable.

The **Office of the Inspector-General of Intelligence and Security** (OIGIS) works to provide assurance that Australia's intelligence agencies act legally and with propriety.

The **Office of National Assessments** (ONA) provides assessments on international developments, including political, strategic and economic developments, to the Prime Minister, senior ministers and senior officials. ONA is also responsible for coordinating and evaluating Australia's foreign intelligence activities.

The position of the Official Secretary to the Governor-General (the Official Secretary) has existed since 1901. It was established as a statutory office in December 1984 by amendment to the *Governor-General Act 1974*. The Official Secretary employs staff under section 13 of the Governor-General Act to staff the **Office of the Official Secretary to the Governor-General** (the Office). The Office's role is to support the Governor-General to enable her to perform her official duties.

The **Office of the Privacy Commissioner** (OPC) is an independent office that has responsibilities under the *Privacy Act 1988* to promote and protect privacy in Australia.

Old Parliament House (OPH) was established as an executive agency under the *Public Service Act 1999* on 1 July 2008. OPH aims to inspire and engage Australians to celebrate, debate and experience the past, present and future of Australia's democracy and to ensure the conservation and management of the nationally significant heritage site.

Prime Minister and Cabinet portfolio structure and outcomes

Prime Minister—The Hon Kevin Rudd MP

Cabinet Secretary—Senator the Hon John Faulkner

Minister for Climate Change and Water—Senator the Hon Penny Wong

Parliamentary Secretary for Early Childhood Education and Childcare—The Hon Maxine McKew MP

Parliamentary Secretary for Climate Change—The Hon Greg Combet AM MP

Parliamentary Secretary to the Prime Minister—The Hon Anthony Byrne MP

Parliamentary Secretary for Government Service Delivery—Senator the Hon Mark Arbib

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Department of the Prime Minister and Cabinet *Secretary: Mr Terry Moran AO*

Outcome: Coordination of government activities; policy development; advice and program delivery to support and inform the Prime Minister, Cabinet and the Cabinet Secretary.

Australian Institute of Family Studies *Director: Professor Alan Hayes*

Outcome: Increased understanding of factors affecting how families function by conducting research and communicating findings to policy makers, service providers, and the broader community.

Australian National Audit Office *Auditor-General: Mr Ian McPhee PSM*

Outcome 1: To provide assurance on the fair presentation of financial statements of Australian Government entities by providing independent audit opinions and related reports for the information of Parliament and the Executive.

Outcome 2: To improve the efficiency and effectiveness of the administration of Australian Government programs and entities by undertaking a program of independent performance audits and assurance reviews for the information of Parliament and the Executive.

Australian Public Service Commission *Commissioner: Ms Lynelle Briggs*

Outcome: Increased awareness and adoption of best practice public administration by the public service through leadership, promotion, advice and professional development, drawing on research and evaluation.

National Archives of Australia *Director-General: Mr Ross Gibbs PSM*

Outcome 1: Authentic, reliable and useable Commonwealth records through the provision of information management products and services to Australian Government agencies.

Outcome 2: Greater understanding of our heritage and democracy through preserving, describing and providing access to, the national archival collection.

National Australia Day Council *Chief Executive Officer: Mr Warren Pearson*

Outcome: A shared celebration of Australia and Australians through promoting the meaning of and participation in Australia Day and the Australian of the Year Awards.

Prime Minister and Cabinet portfolio structure and outcomes

Office of the Commonwealth Ombudsman *Ombudsman: Professor John McMillan*

Outcome: Fair and accountable administrative action by Australian Government agencies by investigating complaints, reviewing administrative action and inspecting statutory compliance by law enforcement agencies.

Office of the Inspector-General of Intelligence and Security *Inspector-General: Mr Ian Carnell*

Outcome: Independent assurance for the Prime Minister, senior ministers and Parliament as to whether Australia's intelligence and security agencies act legally and with propriety by inspecting, inquiring into and reporting on their activities.

Office of National Assessments *Director-General: Mr Peter Varghese*

Outcome: Advancement of Australia's national interests through increased government awareness of international developments affecting Australia.

Office of the Official Secretary to the Governor-General *Official Secretary: Mr Stephen Brady*

Outcome: The performance of the Governor-General's role is facilitated through organisation and management of official duties, management and maintenance of the official household and property and administration of the Australian Honours and Awards system.

Office of the Privacy Commissioner *Privacy Commissioner and CEO: Ms Karen Curtis*

Outcome: The protection of individuals' personal information through investigating complaints and inquiring into potential privacy interferences, advice to Government, audits of personal information handling practices, community education, and research.

Old Parliament House *Director: Ms Jenny Anderson*

Outcome: An enhanced appreciation and understanding of the political and social heritage of Australia for members of the public, through activities including the conservation and upkeep of, and the provision of access to, Old Parliament House and the development of its collections, exhibitions and educational programs.

Department of Climate Change *Secretary: Dr Martin Parkinson PSM*

Outcome: Reduction of Australia's greenhouse gas emissions, adaptation to the impacts of climate change, and negotiation of an effective global solution, through the development and implementation of a national response to climate change; and bilateral, regional and multilateral engagement internationally.

Office of the Renewable Energy Regulator *Regulator: Mr Andrew Livingston*

Outcome: Administer and regulate the national Renewable Energy Target scheme to encourage increased renewable electricity generation.

PORTFOLIO RESOURCES

Table 1 shows the total resources provided to the portfolio in the 2009–10 budget year, by agency.

Table 1: Portfolio resources 2009–10

	Appropriation			Receipts	Total
	Bill No. 1	Bill No. 2	Special		
	$'000	$'000	$'000	$'000	$'000
Department of the Prime Minister and Cabinet					
Administered appropriations	10,220	-	-	-	10,220
Departmental appropriations	112,272	7,070	-	11,007	130,349
Total:					**140,569**
Australian Institute of Family Studies					
Administered appropriations	-	-	-	-	-
Departmental appropriations	3,906	-	-	8,126	12,032
Total:					**12,032**
Australian National Audit Office					
Administered appropriations	-	-	-	-	-
Departmental appropriations	67,989	208	450	1,694	70,341
Total:					**70,341**
Australian Public Service Commission					
Administered appropriations	-	-	-	-	-
Departmental appropriations	20,981	-	-	18,504	39,485
Total:					**39,485**
National Archives of Australia					
Administered appropriations	-	-	-	-	-
Departmental appropriations	62,389	-	-	1,625	64,014
Total:					**64,014**
National Australia Day Council[1]					
Administered appropriations	-	-	-	-	-
Departmental appropriations	-	-	-	6,436	6,436
Total:					**6,436**
Office of the Commonwealth Ombudsman					
Administered appropriations	-	-	-	-	-
Departmental appropriations	18,904	800	-	1,796	21,500
Total:					**21,500**

Continued on next page.

Table 1: Portfolio resources 2009–10 (continued)

	Appropriation			Receipts	Total
	Bill No. 1	Bill No. 2	Special		
	$'000	$'000	$'000	$'000	$'000
Office of the Inspector-General of Intelligence and Security					
Administered appropriations	-	-	-	-	-
Departmental appropriations	2,107	-	-	-	2,107
Total:					**2,107**
Office of National Assessments					
Administered appropriations	-	-	-	-	-
Departmental appropriations	33,913	-	-	-	33,913
Total:					**33,913**
Office of the Official Secretary to the Governor-General					
Administered appropriations	1,183	-	394	-	1,577
Departmental appropriations	11,668	3,852	-	-	15,520
Total:					**17,097**
Office of the Privacy Commissioner					
Administered appropriations	-	-	-	-	-
Departmental appropriations	6,411	-	-	850	7,261
Total:					**7,261**
Old Parliament House					
Administered appropriations	-	2,480	-	-	2,480
Departmental appropriations	14,213	259	-	-	14,472
Total:					**16,952**
			Resources available within portfolio:		**431,707**

1 Includes a grant from the Department of the Prime Minister and Cabinet administered Bill No.1 appropriations of $3.4 million.