

Standing Committee on  
Appropriations and  
Administration

Budget Estimates 2019–2020

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REPORT NO.17

APRIL 2019

DEPARTMENT OF THE HOUSE OF REPRESENTATIVES

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978-1-74366-975-4 Printed version

978-1-74366-976-1 HTML version

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## MEMBERS OF THE COMMITTEE

The Speaker (ex officio, Chair), Hon Tony Smith MP

Ms Julie Owens MP (Deputy Chair)

Mr Ross Hart MP

Mr Chris Hayes MP

Ms Nola Marino MP

Mr Rob Mitchell MP

Mr Ben Morton MP

Mr Rowan Ramsey MP

Mr Bert van Manen MP

### Secretariat

Secretary      Mr James Catchpole

Research      Ms Kate Moore

## THE COMMITTEE

The Standing Committee on Appropriations and Administration, appointed pursuant to standing order 222A, considers estimates of the funding required for the operation of the Department of the House of Representatives for each year and provides to the Speaker for presentation to the House and transmission to the Minister for Finance, estimates of amounts for inclusion in the appropriation bills for the Department.

The Committee also considers proposals for changes to the administration of the Department of the House of Representatives or variations to services provided by the Department, other matters of finance or services as may be referred to it by the Speaker or the House, the administration and funding of security measures affecting the House, and proposals for works in the parliamentary precincts that are subject to parliamentary approval. The Committee reports on these matters to the Speaker or the House as appropriate.

When conferring with the Senate Standing Committee on Appropriations, Staffing and Security, the Committee may consider estimates of the funding required for the operation of the Department of Parliamentary Services (DPS) each year, and provide to the Speaker for presentation to the House and transmission to the Minister for Finance, estimates of amounts for inclusion in appropriation bills for DPS.

The Committee makes an annual report to the House on its operations (standing order 222(a)(vi)).



## Introduction

Standing order 222A(a)(ii) requires that the Committee provide to the Speaker for presentation to the House the amounts for inclusion in the appropriation bills for the Department of the House of Representatives.

## Proposed Appropriation for 2019–20

### 1. Departmental Annual Appropriation

The amount to be included for the Department of the House of Representatives in Appropriation (Parliamentary Departments) Bill (No. 1) 2019–2020 is calculated in accordance with current Commonwealth funding policy. Under this policy, the prior year's appropriation amount is adjusted by application of an efficiency dividend (ED), wages and prices indices adjustments and any applicable Budget measures.

The Government provided supplementary funding of **\$12.4m for the Department** over four years, commencing in 2017–18. The additional funding (**\$5.8m over four years**) is being used to strengthen the Department's procedural capacity and provide additional support to meet the increasingly complex procedural advice and services required by Members and their staff. In particular, the funding has allowed the Department to establish a specialist Procedure Office to assist provide this support. The second element of the additional funding (**\$6.6m over four years**), is providing further support to parliamentary committees administered by the Department. The number of committees administered by the Department has increased, as has the inquiry workload of committees, and they require additional staffing and administrative support as well as access to specialised expertise in the complex and, at times, technical matters they are examining. Notably, the tempo of committee activities has continued late into the third parliamentary year prior to a general election when traditionally committees have completed inquiries and become less active.

In the 2019–20 budget round the department sought and has been provided additional funding for the following:

- a. \$0.923m in the 2019–20 financial year to support the Parliament to host the Asia-Pacific Parliamentary Forum (APPF) in January 2020; and
- b. \$0.798m in the 2021–22 financial year to support the Parliament to host the Conference of Speakers and Presiding Officers of the Commonwealth (CSPOC) in January 2022.

Both amounts will enable the department to support the Australian Parliament's national, international and regional relationships through engagement with other Parliaments. The Committee has found the funding very welcome, and it is enabling the Department to plan and budget with certainty for the forthcoming years.

The Committee commends the Department's careful financial management over many years. It will continue to closely monitor the Department's financial position in 2019 and into the future.

The table below illustrates the movement in the Department's Appropriation since the 2018–19 Portfolio Budget Statements (PBS).

Item	Departmental	Administered	Total
	\$'000	\$'000	\$'000
Estimate of Appropriation 2019–20 as reported in the 2018–19 PBS	24,751	319	25,070
Adjustment for prices and wages indices	(25)	-	(25)
<b>Expense Measures</b>			
Funding for hosting APPF	923	-	923
<b>Other Movements</b>			
Efficiency dividend increase	-	-	-
Other	-	-	-
<b>Appropriation (Parliamentary Departments) Bill (No. 1) 2019–2020</b>	<b>24,649</b>	<b>319</b>	<b>25,968</b>
<i>Appropriation (Parliamentary Departments) Act (No. 1) 2018–2019</i>	<i>24,750</i>	<i>313</i>	<i>25,063</i>

## 2. Departmental Capital Appropriation

The annual departmental appropriation includes an amount for capital expenditure of \$0.635m as disclosed in the departmental capital budget. In conjunction with the Department of the Senate and the Department of Parliamentary Services (DPS), most ICT and all Status B furniture assets (Members' furniture in Members' suites) held by the two house departments have been transferred to DPS at net book value. The intention has been to consolidate the assets with DPS in order to realise development, purchase and maintenance efficiencies. This has led to a significant reduction to the value of the department's capital assets

## 3. Accumulated Prior Year Appropriation and Operating Results

The Department also has access to resources accumulated from prior years. The Department can use these funds to fund liabilities (including provisions for employee expenses) and capital purchases that are not provided for in the departmental capital budget. They can also be used to fund operational losses should the situation arise.

Estimated Actuals as at Budget April 2019	2018–19 (\$'000)	2019–20 (\$'000)
Prior year departmental appropriation	15,903	18,858
Total comprehensive income/(loss) excluding depreciation	2,470	0

#### 4. Special Appropriations (Members' remuneration and entitlements)

Special appropriations for 2019–20 comprise the following amounts:

Department of Finance	(\$'000)
<i>Parliamentary Business Resources Act 2017</i>	42,812
<i>Parliamentary Superannuation Act 2004</i>	5,390
<i>Commonwealth of Australia Constitution Act (section 66)</i>	3,716

The Department accesses these special appropriations by way of third party payments on behalf of the Department of Finance. The amounts are disclosed in the Department of Finance's resource statement.

##### **In summary:**

The **total appropriation** to be approved by the Parliament for the Department of the House of Representatives in the Appropriation (Parliamentary Departments) Bill (No. 1) 2019–2020 will be **\$25.968m** (compared to \$25.063m in 2018–19).

The Department will also draw down on **special appropriations** of **\$51.918m** (compared to an estimated actual of \$51.717m for 2018–19).

The Committee reports to the House of Representatives accordingly.

Hon. Tony Smith MP  
Chair

April 2019