



THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

# **Budget Estimates 2020–2021**

Report No. 19

**House of Representatives**

**Standing Committee on  
Appropriations and Administration**

October 2020  
Canberra



House of Representatives Standing Committee on Appropriations and Administration

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# Membership of the Committee — 46th Parliament

**Chair** Hon Tony Smith MP (Speaker)

**Deputy Chair** Ms Julie Owens MP

**Members** Mr John Alexander OAM MP

Hon Kevin Andrews MP

Ms Libby Coker MP

Mr Vince Connelly MP

Mr Chris Hayes MP

Mr Rob Mitchell MP

Mr Bert van Manen MP

**Secretary** Mr James Catchpole

**Research officer** Ms Kate Moore



# 1. Budget Estimates 2020–2021

## The Committee

- 1.1 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.
- 1.2 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.
- 1.3 The Committee may confer with the Senate Standing Committee on Appropriations, Staffing and Security to consider estimates of the funding required for the operation of the Department of Parliamentary Services (DPS) each year. The Committee may provide to the Speaker for presentation to the House and transmission to the Minister for Finance, estimates of amounts for inclusion in appropriation and supply bills for DPS. The Committee did not meet in this way for the 2020-21 year.

## **Introduction**

- 1.4 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 2020–21**

### **Departmental annual appropriation**

- 1.5 The amount to be included for the Department of the House of Representatives in the Appropriation (Parliamentary Departments) Bill (No. 1) 2020–2021 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.
- 1.6 The Government provided supplementary funding of \$12.4m for the department over four years, commencing in 2017–18. The additional funding has been used to strengthen the department's procedural capacity and to provide additional support to the parliamentary committees administered by the department. The demand for procedural advice has remained strong, particularly as the House adopted new procedures in 2020 in order to continue to sit in a COVID-19 environment. Committee activity remained high in the first half of the 2019-20 year but expenses did drop in 2020 as committee related travel, in particular, reduced as a result of the pandemic. At the same time, pandemic related costs placed other demands on the department's expenditure, including for personal protective equipment, communications and remote working technology.
- 1.7 The department did not seek nor receive additional funding throughout the 2020–21 budget cycle.
- 1.8 Supplementary funding of \$0.923m received in the 2019–20 Budget round enabled Parliament to host the Asia Pacific Parliamentary Forum (APPF). The forum was successfully held in Canberra in



January 2020, although participant numbers were down slightly due to overseas concern about bushfire smoke over recent months.

- 1.9 Initial planning for the 2022 Conference of Speakers and Presiding Officers of the Commonwealth (CSPOC) for which the department received \$0.798m funding during the 2019-20 Budget round has begun. Arrangements will not be finalised until the extent to which travel is possible to Australia is clarified.
- 1.10 Budget timing has been unusual this year with supply bills passed in April 2020 and the budget itself delayed until October 2020 as a result of the COVID-19 pandemic. The Committee commends the department's careful financial management over many years and through the last financial year. The Committee will continue to closely monitor the department's financial position in 2020 and into the future, particularly as the longer term impact of COVID-19 becomes apparent.
- 1.11 The table below illustrates the movement in the department's appropriation since the 2019–20 Portfolio Budget Statements (PBS).

Item	Departmental \$'000	Administered \$'000	Total \$'000
Estimate of appropriation 2020-21 as reported in the 2019–20 PBS	24,899	324	25,223
Adjustment for prices and wages indices	(49)	(1)	(50)
<b>Expense measures</b>			
Nil	-	-	-
<b>Other movements</b>			
Efficiency dividend increase	-	-	-
Other	-	-	-
<b>Total available appropriation 2020-21</b>	<b>24,850</b>	<b>323</b>	<b>25,173</b>
<b>Supply (Parliamentary Departments) Act (No. 1) 2020-2021</b>	<b>14,497</b>	<b>189</b>	<b>14,686</b>
<b>Appropriation (Parliamentary Departments) Bill (No. 1) 2020–2021</b>	<b>10,353</b>	<b>134</b>	<b>10,487</b>
<i>Appropriation (Parliamentary Departments) Act (No. 1) 2019–2020</i>	<i>25,649</i>	<i>319</i>	<i>25,968</i>

## Departmental capital appropriation

1.12 The annual departmental appropriation includes an amount for capital expenditure of \$0.639m as disclosed in the departmental capital budget. In conjunction with the Department of the Senate and 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 total value of the department's capital assets.

## Accumulated prior year appropriation and operating results

1.13 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.

<b>Estimated Actuals as at Budget October 2020</b>	2019–20 (\$'000)	2020–21 (\$'000)
Prior year departmental appropriation	17,779	21,141
Total comprehensive income/(loss) excluding depreciation	1,486	36

## Special Appropriations (Members' remuneration and entitlements)

1.14 Special appropriations for 2020–21 comprise the following amounts:

<b>Department of Finance</b>	<b>(\$'000)</b>
<i>Parliamentary Business Resources Act 2017</i>	43,534
<i>Parliamentary Superannuation Act 2004</i>	5,177
<i>Commonwealth of Australia Constitution Act (section 66)</i>	3,819

1.15 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**

- 1.16 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) 2020–2021 will be \$10.487m. This is in addition to the amount of \$14.686m already appropriated through the Supply Act Bill. Total available appropriation is \$25.173m (compared to \$25.968m in 2019–20).
- 1.17 The department will also draw down on special appropriations up to a maximum of \$52.530m (compared to an estimated actual of \$50.793m for 2019–20).
- 1.18 The Committee reports to the House of Representatives accordingly.

Hon Tony Smith MP  
Chair  
October 2020







