

Chapter 1

Additional Estimates 2014–15

1.1 On 12 February 2015 the Senate referred the following to the Senate Finance and Public Administration Legislation Committee (the committee) for examination and report:

- Particulars of proposed additional expenditure in respect of the year ending on 30 June 2015 [Appropriation Bill (No. 3) 2014-2015];
- Particulars of certain proposed additional expenditure in respect of the year ending on 30 June 2015 [Appropriation Bill (No. 4) 2014-2015];
- Particulars of proposed additional expenditure in relation to the parliamentary departments in respect of the year ending on 30 June 2015 [Appropriation (Parliamentary Departments) Bill (No. 2) 2014-15]; and
- Final budget outcome 2013-14.¹

Portfolio coverage

1.2 The committee has responsibility for examining the expenditure and outcomes of the following:

- Parliament;²
- Prime Minister and Cabinet Portfolio;
- Finance Portfolio; and
- Cross Portfolio Indigenous Matters.

Portfolio Additional Estimates Statements 2014-15

1.3 The Portfolio Additional Estimates Statements (PAES) 2014-15 for the Department of Parliamentary Services (DPS), the Prime Minister and Cabinet Portfolio (PM&C Portfolio), and the Finance Portfolio were tabled in the Senate on 12 February 2015.

1.4 DPS will receive additional funding of \$127.1 million over the forward estimates to upgrade security infrastructure and support systems. DPS will also receive \$1.6 million as a supplementation to support a voluntary redundancy program in 2014-15.³

1 *Journals of the Senate No. 78*, 12 February 2015, p. 2178.

2 As a matter of comity between the Houses neither House inquires into the operations of the other House. For this reason, neither the annual report of, nor the proposed expenditure for, the Department of the House of Representatives is referred to a Senate committee for review.

3 *Portfolio Additional Estimates Statements 2014-15, Department of Parliamentary Services*, p. 17.

1.5 As a result of new measures announced in the Mid-Year Economic and Fiscal Outlook (MYEFO), and government decisions since MYEFO, the PM&C Portfolio resources have been modified for the Department of PM&C, the Office of National Assessments, the Office of the Commonwealth Ombudsman, the Office of the Inspector-General of Intelligence and Security, and the Office of the Official Secretary to the Governor-General.⁴

1.6 Additional estimates and variations being sought for the Finance Portfolio relate to the Department of Finance and the Australian Electoral Commission.⁵

Hearings

1.7 The committee held public hearings on 23, 24 and 27 February 2015. The parliamentary departments and the Prime Minister and Cabinet Portfolio (excluding the Office of the Official Secretary to the Governor-General and Indigenous matters) were examined on 23 February, the Office of the Official Secretary to the Governor-General and the Finance Portfolio were examined on 24 February, and the Cross Portfolio Indigenous Matters hearing was held on 27 February 2015.

1.8 The committee took evidence from the President of the Senate, Senator the Hon Stephen Parry, and the following Ministers accompanied by officers of relevant departments and agencies:

- Senator the Hon Eric Abetz, the Minister for Employment and Minister Assisting the Prime Minister for the Public Service, representing the Prime Minister;
- Senator the Hon Michaelia Cash, Assistant Minister for Immigration and Border Protection, and Minister Assisting the Prime Minister for Women;
- Senator the Hon Mathias Cormann, Minister for Finance;
- Senator the Hon Michael Ronaldson, Minister for Veterans' Affairs and Special Minister of State; and
- Senator the Hon Nigel Scullion, Minister for Indigenous Affairs.

1.9 The committee expresses its appreciation for the assistance of the President, Ministers and the officers who appeared.

1.10 Over the course of the hearings, the committee took evidence from the following departments and agencies:

Parliamentary departments

- Department of the Senate
- Parliamentary Budget Office
- Department of Parliamentary Services

4 *Portfolio Additional Estimates Statements 2014-15, Prime Minister and Cabinet Portfolio*, p. 8.

5 *Portfolio Additional Estimates Statements 2014-15, Finance Portfolio*, p. 3.

Prime Minister and Cabinet Portfolio

- Department of the Prime Minister and Cabinet (including the Office for Women and excluding Outcome 2 – Indigenous)
- Independent National Security Legislation Monitor
- Australian National Audit Office
- Australian Public Service Commission
- Office of the Inspector-General of Intelligence and Security
- Office of the Official Secretary to the Governor-General

Finance Portfolio

- ASC Pty Ltd
- Department of Finance
- ComSuper
- Commonwealth Superannuation Corporation
- Future Fund Management Agency
- Australian Electoral Commission

Cross Portfolio Indigenous Matters

- Northern Land Council
- Office of Township Leasing
- Office of the Registrar of Indigenous Corporations
- Indigenous Business Australia
- Department of the Prime Minister and Cabinet (Outcome 2 – Indigenous)
- Department of Health (in relation to Indigenous Health issues)

1.11 The Office of the Commonwealth Ombudsman was released prior to its appearance time on 23 February 2015.

Late provision of answers to questions on notice

1.12 Senators sought an explanation for the late provision of answers to questions on notice from the Supplementary Budget Estimates 2014-15 round for the Department of the Prime Minister and Cabinet (PM&C), including questions relating to Cross Portfolio Indigenous Matters.⁶ The committee had initially set 5 December 2014 as the due date for answers and subsequently extended it to

6 *Proof Committee Hansard*, 23 February 2015, pp 79-80; and *Proof Committee Hansard*, 27 February 2015, pp 34-35.

31 December 2014.⁷ PM&C provided the responses at 5.26pm on 13 February 2015. Minister Abetz advised the committee that:

One of the reasons, I am told, for the 157 questions from the October 2014 hearings is that 85 of those questions were all-agency questions which required a lot of coordination between the various ministerial offices—and regrettably the Christmas leave period extended the period in which answers were provided.⁸

1.13 It was revealed at the Cross Portfolio Indigenous Matters hearing that the relevant answers were provided to the office of Minister Scullion for clearance on 19 November 2014 and an explanation was sought on the reason for the delay. Minister Scullion advised the committee:

...at this moment in time I am not able to throw light on that. All I can say is these circumstances will not happen again.⁹

1.14 The answers for the PM&C Portfolio Indigenous bodies were also provided on 13 February 2015, but required clarification from PM&C on the reason a number of answers were omitted. Further advice has been provided for some agencies, however, some answers remain outstanding.

Appearance of the Electoral Commissioner

1.15 During examination of the Australian Electoral Commission, the Secretary of the Department of Finance, Ms Jane Halton PSM, made comments during the committee's questioning of the Electoral Commissioner, Mr Tom Rogers.¹⁰

1.16 The committee notes that the Electoral Commissioner is the accountable authority of the Commission and he can determine whether and/or how to answer a question without direction.

1.17 The committee has written to Ms Halton to draw her attention to this matter.

Questions on notice and Hansard transcripts

1.18 The committee has set 10 April 2015 as the date for the return of answers to questions on notice arising from the Additional Estimates 2014–15 hearings. This information, together with the Hansard transcripts of proceedings of hearings, are published on the committee's website at:

7 The date for the return of answers to questions on notice was extended for all departments and agencies following the postponed hearing of the Finance Portfolio which was re-scheduled from 21 October to 20 November 2014. Notwithstanding the revised date, agencies were advised on 30 October 2014 that the committee would appreciate if the parliamentary departments, the department and agencies of the Prime Minister and Cabinet Portfolio, and the Department of Health for cross portfolio Indigenous matters, endeavour to meet the earlier date previously set by the committee of 5 December 2014, if possible.

8 *Proof Committee Hansard*, 23 February 2015, p. 82.

9 *Proof Committee Hansard*, 27 February 2015, p. 35.

10 *Proof Committee Hansard*, 24 February 2015, pp 113-114.

http://www.aph.gov.au/Parliamentary_Business/Senate_Estimates/fapacte/estimates/add1415/index.

Note on references

1.19 References to the estimates Hansard are to the proof Hansard; page numbers may vary between the proof and the official Hansard transcript.

