

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
ADDITIONAL ESTIMATES 2015-16

Finance Portfolio
9 February 2016

Department/Agency: Department of Finance

Outcome/Program: 2/2.6

Topic: Compensation and legal expenses

Senator: Wong

Question reference number: F158

Type of question: Written

Date set by the committee for the return of answer: Friday, 1 April 2016

Number of pages: 1

Question:

Within Program 2.6 and shown in the 2015-16 Finance PAES on page 34, there is a line for “Compensation and legal expenses”.

1. Can the Department explain for what purpose is this line of expenses for?
2. What is the rationale for the \$500,000 amount per year?
3. Can the Department provide a profile of the historical actuals for these expenses going back the last five financial years (ending 2013-14)?

Answer:

1. This line addresses the compensation and legal costs incurred in the defence of cases before courts or tribunals or in acquitting court awarded settlements, in respect of matters arising from the administration of the civilian superannuation schemes.
2. The amount of \$500,000 appropriated is based on Commonwealth Superannuation Corporation (formerly ComSuper) forecasts costs, with expenditure prior to 2009-10 close to \$500,000. Due to the variable nature of legal and compensation expenses this appropriation level was maintained, and the balance remained as an unspent appropriation over the past years.
3. The actual compensation and legal expenses for the last five financial years (ending 2013-14) are:

Financial Year	\$'000
2009-10	344
2010-11	387
2011-12	394
2012-13	119
2013-14	202