

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
ADDITIONAL BUDGET ESTIMATES 2011-2012

Finance and Deregulation Portfolio

Department/Agency: Department of Finance and Deregulation

Outcome/Program: 1 / 1.3

Topic: Nation-building Funds general drawing rights limits

Senator: Ryan

Question reference number: F15

Type of question: Written

Date set by the committee for the return of answer: Friday, 30 March 2012

Number of pages: 2

Question:

Appropriation Bill 4 (2011-12) show changed drawdown rights for the Nation-building Funds.

- a) The Building Australia Fund (BAF) general drawing rights limit (GDRL) has been increased for the current year by \$269,500,000. The drawing limit is now \$2,225,700,000 (i.e \$2.2bn).
 - i. Why is this?
 - ii. What is the funding for?
 - iii. What will be left in the BAF?
 - iv. What is committed and what is uncommitted?
- b) The Education Investment Fund (EIF) general drawing rights limit (GDRL) has been reduced for the current year by \$131,751,000. The drawing limit is now \$929,554,000 (i.e. \$929.6m).
 - i. Why is this?
 - ii. What is the funding for?
 - iii. What will be left in EIF?
 - iv. What is committed and what is uncommitted?
- c) The Health and Hospitals Fund (HHF) general drawing rights limit (GDRL) has been increased for the current year by \$212,887,000. The drawing limit is now \$1,500,007,000 (i.e. \$1.5bn).
 - i. Why is this?
 - ii. What is the funding for?
 - iii. What will be left in HHF?
 - iv. What is committed and what is uncommitted?

Answer:

a), b) and c) i.

The changes in the GDRL for each of the BAF, EIF and HHF reflect adjustments to the planned 2011-12 expenditure from the Funds largely to better align timing of payments with project milestones. The change in the GDRL for the BAF also reflects new expenditure for the year for the Majura Parkway project which was announced by the Government following the 2011-12 Budget.

a), b) and c) ii.

The funding relates to the planned 2011-12 expenditure for existing commitments which have been agreed by the Government to be funded from the BAF, EIF and HHF.

a), b) and c) iii. and iv.

The table below shows the balances, and the committed and uncommitted amounts for each of the Funds.

At 31 December 2011	Cash balance ¹ (\$m)	Committed amount (\$m)	Uncommitted amount ² (\$m)
BAF	7,611.8	10,361.6	1,745.0
EIF	4,698.3	4,554.0	2,721.1
HHF	4,006.8	4,977.8	611.6

¹The cash balance is the amount left in each of the Funds at 31 December 2011 after taking account actual payments made from the Funds to 31 December 2011 (but not future payments for existing commitments agreed by the Government), and net investment earnings up to 31 December 2011.

²The uncommitted amount is the amount available for new projects in each of the Funds after taking into account all actual and future payments from the Funds for existing commitments agreed by the Government and net investment earnings up to 31 December 2011.