

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Finance and Administration

Supplementary Estimates Hearings 2002-2003 – 20 November 2002

Question: F18, F29

Outcome: 1

Output: 1.1.3

Topic: Special Accounts

Hansard Page: F&PA 22, 39

Senator Conroy asked:

It appears that there is a sum total of around \$24 billion in special accounts?

Answer:

- There is not a balance of \$24 billion in Special Accounts. Since 1999-2000 special account balances have been slightly over \$3 billion in each year. As at 30 June 2002, the total balance in special accounts was \$3.1 billion.
- In 1998-99 the sum total of the Reserved Money and Commercial Activities Funds (the precursors to Special Accounts), as reported in audited annual report disclosures, was \$24 billion. This included a balance of \$21 billion in the Loan Consolidation and Investment Reserve, an account within the Reserved Money Fund, managed by Treasury.
- The *Financial Management and Accountability Act 1997* (FMA Act) amendments of 1999 repealed the *Loan Consolidation and Investment Reserve Act 1955*. The former Loan Consolidation and Investment Reserve was abolished and was replaced by a standing appropriation for investment purposes (established via Section 39 of the FMA Act).
- Since 1999, the former Loan Consolidated and Investment Reserve investments have been recorded in the Australian Office of Financial Management's Annual Report and can be found on Page 77, Table 12 of the 2001-02 Annual Report.