

The Senate

Appropriations and Staffing
Committee

Estimates for the Department of the Senate 2009-10

47th report

May 2009

Members of the Committee

The President of the Senate, Senator the Hon. John Hogg (Chairman)

The Leader of the Government in the Senate, Senator the Hon. Chris Evans

The Leader of the Opposition in the Senate, Senator the Hon. Nick Minchin

Senator the Hon. John Faulkner

Senator Kate Lundy

Senator Stephen Parry

Senator the Hon. Nick Sherry

Senator John Williams

The committee

The Standing Committee on Appropriations and Staffing, appointed under standing order 19, determines the amounts for inclusion in the parliamentary appropriation bills and reports to the Senate on its determinations prior to the Senate's consideration of those bills.

The committee examines matters affecting the staffing and administration of the Department of the Senate, including proposals to vary the staffing structure, and other matters referred to it by the Senate. The committee makes an annual report to the Senate on the operations of the Senate's appropriations and staffing and related matters (standing order 19(3)).

The committee has the explicit capacity to scrutinise security funding and administration and to advise the President and the Senate as appropriate. Under a resolution of the Senate agreed to in 1987 the committee also examines proposed changes in the structure and responsibilities of the parliamentary departments.

The committee is chaired by the President and includes the Senate Leaders of the Government and the Opposition as *ex officio* members.

Secretary

Neil Bessell
Senate Table Office

47th Report

Introduction

Standing Order 19(2) and (3) requires the committee to determine the amount to be included in the parliamentary appropriation bill for the Department of the Senate.

Proposed Appropriations for 2009-10

The committee notes that the Senate Department's 2009-10 appropriations have been calculated in accordance with current Commonwealth funding policy. Under this policy, the forward estimates reflect the annual loss of 1.25 per cent efficiency dividend and in the absence of funding for new policy proposals, only parameter adjustments (or partial cost of living supplementation) are possible. The proposed departmental appropriations also reflect the loss of a further 2 per cent efficiency dividend, which is included in the forward year estimates up until the 2010-11 Budget.

The committee also notes that there have been no significant changes to the department's budget and that the department has not been asked to make a cut to its IT spending in the context of the Government's Gershon review.

The proposed appropriations have been calculated as follows:

Part 1 - Departmental Annual Appropriation

The current year's budget for departmental expenses (as disclosed in the 2008-09 PBS)	\$20.254m
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Adjust for miscellaneous adjustments: parameter adjustments, and the efficiency dividend	+0.228m
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Total departmental appropriation for 2009-10	<u>\$20.482m</u>
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Part 2 - Departmental Accumulated Prior Year Appropriation

Balance of prior year appropriation as at 30 June 2008 (as disclosed in the 2007-08 annual report)	<u>\$11.349m</u>
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The committee has been advised that the department is likely to disclose a small deficit as at the end of the current Budget year, which will reduce the unspent appropriations by the same amount (this is likely to be around \$300 000, or 1.5 per cent of appropriation). Further to this, the committee notes that the Department of Finance and Deregulation has advised all Commonwealth agencies of a likely negative financial effect from the manner in which employee entitlements will be calculated this financial year, meaning that the final outcome post 30 June 2009 could reflect an even larger deficit due to this changed accounting treatment.

Part 3 - Special Appropriations (senator remuneration and entitlements)

Made up of the following three components (for this and next year):

2008-09:

<i>Parliamentary Entitlements Act 1990</i>	\$ 0.736m
<i>Parliamentary Superannuation Act 2004</i>	\$ 0.840m
<i>Remuneration Tribunal Act 1973</i>	<u>\$13.083m</u>
Total Special Appropriations for 2008-09	<u>\$14.659m</u>

2009-10:

<i>Parliamentary Entitlements Act 1990</i>	\$ 0.736m
<i>Parliamentary Superannuation Act 2004</i>	\$ 0.910m
<i>Remuneration Tribunal Act 1973</i>	<u>\$13.573m</u>
Total Special Appropriations for 2009-10	<u>\$15.219m</u>

In summary, the **total appropriation** to be approved by the Parliament in the appropriation bill for 2009-10 will be **\$20.482m** (compared to \$20.254m in 2008-09).

Special appropriations of \$15.219m will also be drawn down during the year (compared to an adjusted estimate of \$14.659m in 2008-09).

Determination

The committee determines that the total appropriation to be approved by the Parliament in the appropriation bill for 2009-10 is \$20.482m and reports to the Senate accordingly.

(John Hogg)
Chairman

May 2009