

BUDGET

2015-16

Portfolio Budget Statements 2015-16
Budget Related Paper No. 1.16
Treasury Portfolio

Budget Initiatives and Explanations of
Appropriations Specified by Outcomes
and Programmes by Entity

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**TREASURER
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President of the Senate
Australian Senate
Parliament House
CANBERRA ACT 2600

Speaker
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear Madam Speaker

I hereby submit Portfolio Budget Statements in support of the 2015-16 Budget for the Treasury portfolio.

These statements have been developed, and are submitted to the Parliament, as a statement on the outcomes for the portfolio.

I present these statements to provide accountability to the Parliament and, through it, the public.

Yours sincerely

A handwritten signature in black ink, appearing to read 'J. B. Hockey', with a long horizontal flourish underneath.

HON J. B. HOCKEY MP

Abbreviations and conventions

The following notation may be used:

NEC/nec	not elsewhere classified
-	nil
..	not zero, but rounded to zero
na	not applicable (unless otherwise specified)
nfp	not for publication
\$m	\$ million
\$b	\$ billion

Figures in tables and in the text may be rounded. Figures in text are generally rounded to one decimal place, whereas figures in tables are generally rounded to the nearest thousand. Discrepancies in tables between totals and sums of components are due to rounding.

Enquiries

Should you have any enquiries regarding this publication please contact Mr Matthew King, Chief Finance Officer, Department of Treasury on (02) 6263 2111.

A copy of this document can be located on the Australian Government Budget website at: www.budget.gov.au.

**USER GUIDE
TO THE
PORTFOLIO BUDGET STATEMENTS**

USER GUIDE

The purpose of the 2015-16 Portfolio Budget Statements (PB Statements) is to inform Senators and Members of Parliament of the proposed allocation of resources to government outcomes by entities within the portfolio. Entities receive resources from the annual appropriations acts, special appropriations (including standing appropriations and special accounts), and revenue from other sources.

A key role of the PB Statements is to facilitate the understanding of proposed annual appropriations in *Appropriation Bills (No. 1 and No. 2) 2015-16* (or *Appropriation (Parliamentary Departments) Bill (No. 1) 2015-16* for the parliamentary departments). In this sense the PB Statements are Budget related papers and are declared by the Appropriation Acts to be 'relevant documents' to the interpretation of the Acts according to section 15AB of the *Acts Interpretation Act 1901*.

The PB Statements provide information, explanation and justification to enable Parliament to understand the purpose of each outcome proposed in the Bills.

As required under section 12 of the *Charter of Budget Honesty Act 1998*, non-general government sector entities are not consolidated into the Commonwealth general government sector fiscal estimates and accordingly, these entities are not reported in the PB Statements.

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PORTFOLIO OVERVIEW

TREASURY PORTFOLIO OVERVIEW

Ministers and portfolio responsibilities

The Treasury portfolio undertakes a range of activities aimed at achieving strong sustainable economic growth and the improved wellbeing of Australians. This entails the provision of policy advice to portfolio Ministers and the effective implementation and administration of policies that fall within the portfolio Ministers' responsibilities.

The Treasury portfolio comprises 15 agencies in the general government sector.

The **Department of the Treasury's** mission is to improve the wellbeing of the Australian people by providing sound and timely advice to the Government, based on objective and thorough analysis of options, and by assisting Treasury Ministers in the administration of their responsibilities and the implementation of government decisions. Its outcome is: informed decisions on the development and implementation of policies to improve the wellbeing of the Australian people, including by achieving strong, sustainable economic growth, through the provision of advice to government and the efficient administration of federal financial relations.

The **Australian Bureau of Statistics** is Australia's official statistical agency. It provides statistics on a wide range of economic, environmental and social matters, covering government, business and the community in general. Its outcome is: informed decision-making, research and discussion within governments and the community by leading the collection, analysis and provision of high quality, objective and relevant statistical information.

The **Australian Competition and Consumer Commission** is an independent statutory authority which administers the *Competition and Consumer Act 2010* and performs functions under other Commonwealth legislation and State and Territory Competition Policy Reform Acts. Its outcome is: lawful competition, consumer protection, and regulated national infrastructure markets and services through regulation, including enforcement, education, price monitoring and determining the terms of access to infrastructure services.

The **Australian Office of Financial Management** is responsible for the management of Australian Government debt and financial assets. Its outcome is: the advancement of macroeconomic growth and stability, and the effective operation of financial markets, through issuing debt, investing in financial assets and managing debt, investments and cash for the Australian Government.

The **Australian Prudential Regulation Authority** is the financial supervisor responsible for the prudential regulation of the banking, other deposit taking, insurance and superannuation industries. Its outcome is: enhanced public confidence

Portfolio overview

in Australia's financial institutions through a framework of prudential regulation which balances financial safety and efficiency, competition, contestability and competitive neutrality.

The **Australian Securities and Investments Commission** is the independent government body that enforces and administers corporate and financial services law and has responsibilities for consumer protection in relation to investments, life and general insurance, superannuation and banking (except lending). Its outcome is: improved confidence in Australia's financial markets through promoting informed investors and financial consumers, facilitating fair and efficient markets and delivering efficient registry systems.

The **Australian Taxation Office** is the Australian Government's principal revenue collection agency and administers Australia's tax system and significant aspects of Australia's superannuation system. It administers legislation governing tax, superannuation and the Australian Business Register and supports the delivery of government benefits to the community. Its outcome is: confidence in the administration of aspects of Australia's taxation and superannuation systems through helping people understand their rights and obligations, improving ease of compliance and access to benefits, and managing non-compliance with the law.

The **Clean Energy Finance Corporation** seeks to mobilise capital investment in renewable energy, low emissions technology and energy efficiency in Australia through commercial loans, equity investments and limited loan guarantees. Its outcome is: facilitate increased flows of finance into Australia's clean energy sector, applying commercial rigour to investing in renewable energy, low emissions and energy efficiency technologies, building industry capacity, and disseminating information to industry stakeholders.

The **Commonwealth Grants Commission** provides advice to government on the equitable distribution of GST revenue to state and territory governments. Its outcome is: informed Government decisions on fiscal equalisation between the States and Territories through advice and recommendations on the distribution of GST revenue.

The **Inspector General of Taxation** seeks to improve the administration of the tax laws for the benefit of all taxpayers. Its outcome is: improved tax administration through community consultation, review and independent advice to Government.

The **National Competition Council** is an independent advisory body for all Australian governments that advises and makes recommendations under the National Access Regime and recommendations and decisions in relation to natural gas pipelines. Its outcome is: competition in markets that are dependent on access to nationally significant monopoly infrastructure, through recommendations and decisions promoting the efficient operation of, use of and investment in infrastructure.

The **Office of the Auditing and Assurance Standards Board's** mission is to develop, in the public interest, high quality auditing and assurance standards and related guidance as a means to enhance the relevance, reliability and timeliness of information provided to users of audit and assurance services. Its outcome is: the formulation and making of auditing and assurance standards that are used by auditors of Australian entity financial reports or for other auditing and assurance engagements.

The **Office of the Australian Accounting Standards Board's** mission is to develop and maintain high quality financial reporting standards for all sectors of the Australian economy and contribute, through leadership and talent, to the development of global financial reporting standards and be recognised as facilitating the inclusion of the Australian community in the activity of global standard setting. Its outcome is: the formulation and making of accounting standards that are used by Australian entities to prepare financial reports and enable users of these reports to make informed decisions.

The **Productivity Commission** is the Government's independent research and advisory body on a range of economic, social and environmental issues affecting the welfare of Australians. Its outcome is: well informed policy decision making and public understanding on matters relating to Australia's productivity and living standards, based on independent and transparent analysis from a community wide perspective.

The **Royal Australian Mint** manufactures and sells circulating coins to meet the coinage needs of the Australian economy, and collector coins and other minted products for Australia and foreign countries. Its outcome is: the coinage needs of the Australian economy, collectors and foreign countries are met through the manufacture and sale of circulating coins, collector coins and other minted like products.

The Australian Reinsurance Pool Corporation and the Reserve Bank of Australia do not appear in the Portfolio Budget Statements as they are not part of the general government sector.

Figure 1: Treasury portfolio structure and outcomes



<p>Australian Taxation Office Commissioner: Mr Chris Jordan AO Confidence in the administration of aspects of Australia's taxation and superannuation systems through helping people understand their rights and obligations, improving ease of compliance and access to benefits, and managing non-compliance with the law</p>
<p>Clean Energy Finance Corporation Chief Executive Officer: Mr Oliver Yates Facilitate increased flows of finance into Australia's clean energy sector, applying commercial rigour to investing in renewable energy, low-emissions and energy efficiency technologies, building industry capacity, and disseminating information to industry stakeholders</p>
<p>Commonwealth Grants Commission Secretary: Mr John Spasojevic Informed Government decisions on fiscal equalisation between the States and Territories through advice and recommendations on the distribution of GST revenue and health care grants</p>
<p>Inspector-General of Taxation Inspector-General: Mr Ali Noroozi Improved tax administration through community consultation, review and independent advice to Government</p>
<p>National Competition Council President: Mr David Crawford Competition in markets that are dependent on access to nationally significant monopoly infrastructure, through recommendations and decisions promoting the efficient operation of, use of and investment in infrastructure</p>
<p>Office of the Auditing and Assurance Standards Board Chairman: Ms Merran Kelsall The formulation and making of auditing and assurance standards that are used by auditors of Australian entity financial reports or for other auditing and assurance engagements</p>
<p>Office of the Australian Accounting Standards Board Chairman: Ms Kris Peach The formulation and making of accounting standards that are used by Australian entities to prepare financial reports and enable users of these reports to make informed decisions</p>
<p>Productivity Commission Chairman: Mr Peter Harris Well-informed policy decision-making and public understanding on matters relating to Australia's productivity and living standards, based on independent and transparent analysis from a community-wide perspective</p>
<p>Royal Australian Mint Chief Executive Officer: Mr Ross MacDiarmid The coinage needs of the Australian economy, collectors and foreign countries are met through the manufacture and sale of circulating coins, collector coins and other minted like products</p>

PORTFOLIO RESOURCES

Table 1 shows the total new resources provided to the portfolio in the 2015-16 Budget year by entity.

Table 1: Portfolio resources 2015-16

	Appropriation			Receipts	Total
	Bill No. 1 \$'000	Bill No. 2 \$'000	Special \$'000	\$'000	\$'000
Department of the Treasury					
Administered appropriations	36,724	-	92,090,407	-	92,127,131
Departmental appropriations	164,653	1,700	-	8,718	175,071
Total:	201,377	1,700	92,090,407	8,718	92,302,202
Australian Bureau of Statistics					
Administered appropriations	-	-	-	-	-
Departmental appropriations	428,565	32,699	-	44,153	505,417
Total:	428,565	32,699	-	44,153	505,417
Australian Competition and Consumer Commission					
Administered appropriations	-	-	20	-	20
Departmental appropriations	164,815	1,300	-	2,764	168,879
Total:	164,815	1,300	20	2,764	168,899
Australian Office of Financial Management					
Administered appropriations	10	-	495,142,738	-	495,142,748
Departmental appropriations	11,907	-	-	811	12,718
Total:	11,917	-	495,142,738	811	495,155,466
Australian Prudential Regulation Authority					
Administered appropriations	-	-	-	-	-
Departmental appropriations	1,237	-	118,951	4,930	125,118
Total:	1,237	-	118,951	4,930	125,118
Australian Securities and Investments Commission					
Administered appropriations	6,794	-	110,056	-	116,850
Departmental appropriations	330,761	1,793	1,000	2,147	335,701
Total:	337,555	1,793	111,056	2,147	452,551
Australian Taxation Office					
Administered appropriations	611	-	14,409,404	-	14,410,015
Departmental appropriations	3,258,560	68,461	-	133,133	3,460,154
Total:	3,259,171	68,461	14,409,404	133,133	17,870,169

Table 1: Portfolio resources 2015-16 (continued)

	Appropriation			Receipts	Total
	Bill No. 1 \$'000	Bill No. 2 \$'000	Special \$'000	\$'000	\$'000
Clean Energy Finance Corporation					
Administered appropriations	-	-	-	-	-
Departmental appropriations	-	-	-	44,925	44,925
Total:	-	-	-	44,925	44,925
Commonwealth Grants Commission					
Administered appropriations	-	-	-	-	-
Departmental appropriations	6,307	-	-	-	6,307
Total:	6,307	-	-	-	6,307
Inspector-General of Taxation					
Administered appropriations	-	-	-	-	-
Departmental appropriations	6,532	198	-	-	6,730
Total:	6,532	198	-	-	6,730
National Competition Council					
Administered appropriations	-	-	-	-	-
Departmental appropriations	1,740	-	-	-	1,740
Total:	1,740	-	-	-	1,740
Office of the Auditing and Assurance Standards Board					
Administered appropriations	-	-	-	-	-
Departmental appropriations	2,198	-	-	36	2,234
Total:	2,198	-	-	36	2,234
Office of the Australian Accounting Standards Board					
Administered appropriations	-	-	-	-	-
Departmental appropriations	3,730	-	-	767	4,497
Total:	3,730	-	-	767	4,497
Productivity Commission					
Administered appropriations	-	-	-	-	-
Departmental appropriations	33,744	-	-	1,036	34,780
Total:	33,744	-	-	1,036	34,780
Royal Australian Mint					
Administered appropriations	-	-	-	-	-
Departmental appropriations	-	-	156,525	-	156,525
Total:	-	-	156,525	-	156,525
Resources available within the Treasury portfolio:					606,837,560

ENTITY RESOURCES AND PLANNED PERFORMANCE

