

TREASURY

Portfolio Brief

2018

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Foreword

Welcome to the Treasury portfolio. We look forward to working with you to further grow the economy and improve the wellbeing of 25 million Australians. There are many opportunities and challenges for the Australian economy and I trust this briefing will help you to hit the ground running.

Australia is the 19th largest economy in the world. Our currency is the fifth most traded. We are a middle-ranking, trade-exposed and capital-importing nation. We have influence above our economic weight and we are listened to in international fora – retaining this status is more important than ever given the global order that has served us so well for the past seventy years is under some threat.

As Treasurer, everything you say will be noted here and overseas, especially in financial markets. Your role is broad and covers developments in the international and domestic economy and financial markets; the Government's fiscal strategy; taxation policy; the financial system and drivers of structural reform to support growth in living standards. In this portfolio, more than others we need to balance short-term exigencies against the long-term and tail risks. Our job in Treasury is to do all we can to support you in succeeding in this demanding role.

Following a tradition going back more than 100 years, Treasury is the Australian Government's leading economic adviser. We will provide you with frank advice and sound analysis across the full breadth of economic issues. We carry out our role with a strong sense of purpose.

This briefing provides you with a snapshot of the state of the Australian economy, including some of the main indicators and risks. I note that there remains a considerable degree of uncertainty around the global and domestic outlook. The cyclical recovery in the major advanced economies following the global financial crisis was more protracted and shallow than initially expected and questions remain around structural changes, such as slower potential growth and low wage growth and inflation. That said, the Australian economy has fared relatively well during this period of heightened uncertainty, especially as it was also dealing with the unwind of the mining investment boom, which has detracted an average of around 1.4 percentage points per year from real GDP growth over the past four financial years.

s 47C and s47E(d)

In terms of issues that demand immediate attention, you join the portfolio at a time when the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry is underway and other consumer-focused reforms to the sector are taking place. The Royal Commission will hold two further rounds of public hearings — insurance (September 2018) and a policy round (November 2018). s 47C and s47E(d)

Raising productivity growth is essential to sustain future gains in living standards given demographic headwinds and the receding terms of trade. Higher productivity leads to higher wages and better quality jobs but its disruptive elements — i.e. job displacement — also need to be managed, particularly in the context of rapid technological change.

s 47C and s47E(d)

Our main deliverables are the Federal Budget and the Mid-Year Economic and Fiscal Outlook. We are responsible for around 20 per cent of the current Commonwealth statute book and around a quarter of the primary legislation that goes through Parliament, predominantly tax and financial services.

In recent years, Treasury has taken a more outward-looking approach to broaden our thinking and better understand business conditions, trends and attitudes. This includes the establishment of Treasury offices in Sydney, Melbourne and Perth. The state offices have been at the forefront of Treasury's external engagement, building broader stakeholder networks in each state and strengthening existing relationships.

Further to that, our focus on engagement extends to international forums. Treasury's program of international engagement is central to our role in building capacity in our region. Trade tensions, changes in the balance of global power and geopolitical risks are adding to the uncertainty. And, in a more inward-looking world, Australia needs to look for opportunities to strengthen economic ties and cooperation with likeminded partners. With senior Treasury staff posted in locations such as London, Washington DC and Beijing, we will provide you with timely advice on the economic implications of key events including Brexit and developments in the US and China.

Your responsibilities also extend to 13 Treasury portfolio agencies. This includes some of the most important government agencies in the everyday lives of Australians: Reserve Bank of Australia, Australian Bureau of Statistics, Australian Competition and Consumer Commission, Australian Securities and Investments Commission, Australian Prudential Regulation Authority, Australian Taxation Office and the Productivity Commission, to name a few. I look forward to introducing you to the leaders in each portfolio area.

s 47C and s47E(d)

On behalf of Treasury, I look forward to working with you and discussing your priorities.

Philip Gaetjens
Secretary to the Treasury

Matters requiring urgent decision and upcoming events

Matters requiring urgent decision

Date decision required	Matter	Department contact
<h1>s 47C and s47E(d)</h1>		

Upcoming events

Event date	Event	Department contact
4 September 2018	RBA Board Meeting <i>For information</i> Perth, Australia	Nigel Ray Macroeconomic Group Ph: +61 2 6263 3741
5 September 2018	June quarter National Accounts <i>Press conference</i>	Angelia Grant Macroeconomic Conditions Division Ph: +61 2 6263 3153
s 47C and s47E(d)		
11 October 2018	G20 Finance Ministers and Central Bank Governors Meeting Bali, Indonesia	Lisa Elliston International Policy and Engagement Ph: +61 2 6263 3757
11-14 October 2018	IMF / WB Annual Meetings Bali, Indonesia	Lisa Elliston International Policy and Engagement Ph: +61 2 6263 3757
17 October 2018	APEC Finance Ministers Meeting Port Moresby, PNG	Lisa Elliston International Policy and Engagement Ph: +61 2 6263 3757
2-20 November 2018	IMF Article IV visit to Australia s 47C and s47E(d) Various locations, Australia	Lisa Elliston International Policy and Engagement Ph: +61 2 6263 3757
30 November - 1 December 2018	G20 Leader's Summit s 47C and s47E(d) Buenos Aires, Argentina	Lisa Elliston International Policy and Engagement Ph: +61 2 6263 3757

The policy landscape

The policy landscape

The economy

s 47C and s47E(d)

s 47C and s47E(d)

s 34(3), s 47C, s 47E(d)

s 47C and s47E(d)

s 34(3), s 47C, s 47E(d)

s 47C and s47E(d)

s 47C, s 47E(d), s 34(1)(c)

s 47C and s47E(d)

s 47C and s47E(d)

s 47C and s47E(d)

s 47C and s 47E(d)

s 34(3), s 47C, s 47E(d)

s 34(3), s 47C, s 47E(d)

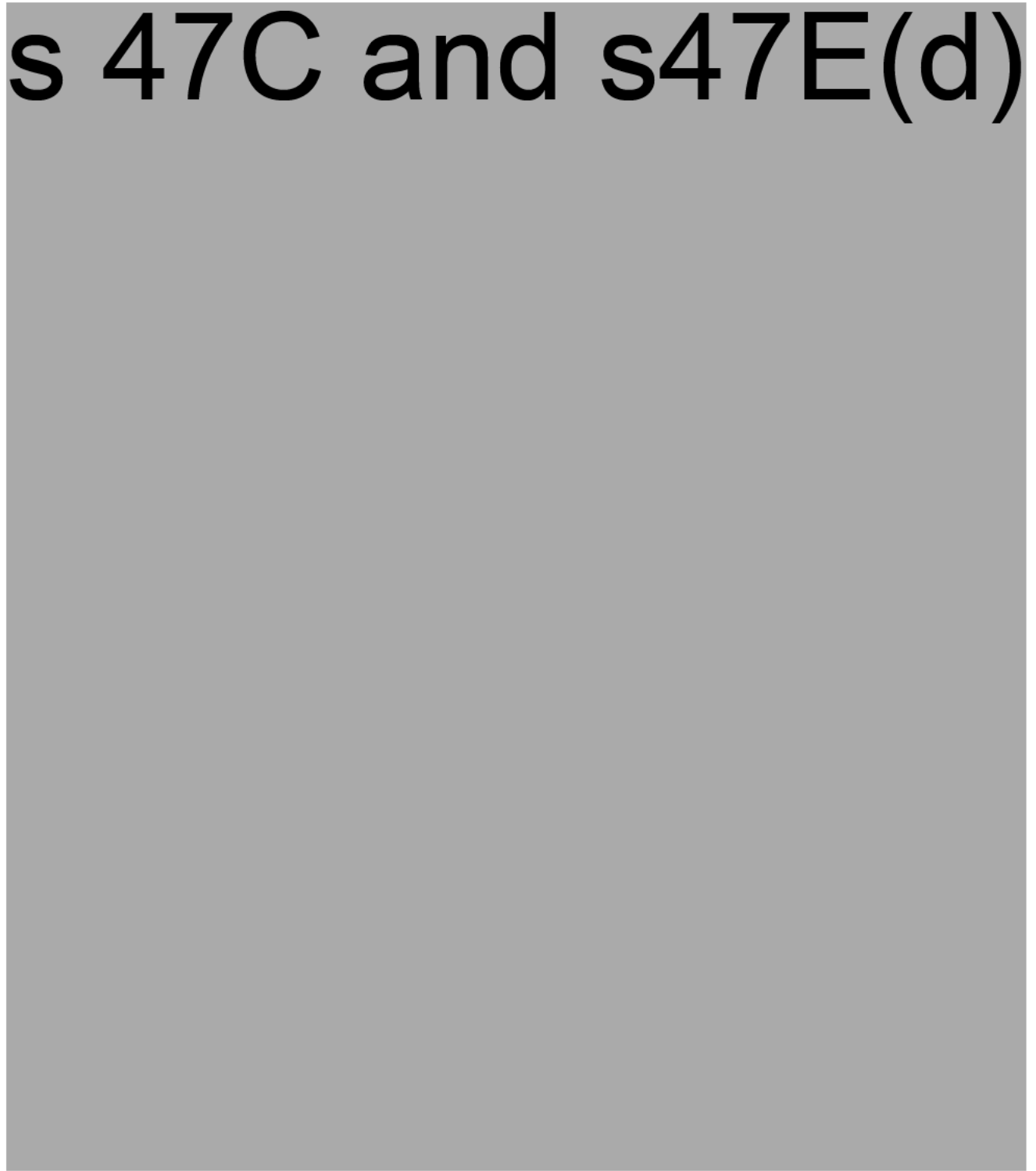
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Treasury portfolio responsibilities

Treasury portfolio responsibilities

Treasury provides the Australian Government with sound economic analysis and authoritative policy advice on issues such as: the economy, budget, taxation, financial sector, foreign investment, structural policy, superannuation, housing affordability and international economic policy.

The Treasury also works with state and territory governments on key policy areas, as well as managing federal financial relations.

We also manage relationships with our 13 portfolio agencies.

Strengthening stakeholder engagement and collaboration is a key priority. The Treasury has a responsibility to engage with the community about its work as the leading economic adviser to the government.

As at 30 June 2018, Treasury has a head count of 912 staff. While the majority of staff are based in Canberra, some are located in Treasury's interstate offices in Sydney, Melbourne and Perth, as well as overseas.

Executive Committee

The Executive Committee comprises the Secretary and six Deputy Secretaries. The Deputies are responsible for each of the Department's Groups.



Macroeconomic Group	Fiscal Group	Markets Group	Revenue Group	Structural Reform Group	Corporate Services and Business Strategy Group
Nigel Ray Deputy Secretary	Simon Atkinson Deputy Secretary	Diane Brown A/g Deputy Secretary	Maryanne Mrakovcic Deputy Secretary	Meghan Quinn Deputy Secretary	Matt Flavel Deputy Secretary
Macroeconomic conditions	Budget policy	Financial system	Corporate and international tax		Chief financial officer
Macroeconomic modelling and policy	Commonwealth-State relations	Consumer and corporations policy	Law design office		Communications and parliamentary
International policy and engagement	Retirement income policy	Foreign investment	Individuals and indirect tax		Information services
Overseas posts	Social policy	Australian Government Actuary	Tax analysis		People and organisational strategy
		Takeovers Panel	Tax framework		State offices
			Black economy		
			Board of Taxation Secretariat		

s 47C and s47E(d)

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Appointments requiring action in the coming six months

Treasurer

Body	Position	Name	Term finished	Status	Process start date
Australian Prudential Regulation Authority (APRA)					Process underway
Future Fund Board of Guardians					Process underway
Australian Housing & Urban Research Institute					Process underway
Australian Housing & Urban Research Institute					Process underway
Productivity Commission					Process underway
National Competition Council					Process underway
National Competition Council					Process underway
National Housing Finance and Investment Corporation					Process underway
Australian Competition Tribunal (ACT)					Sep-18

s 34(3), s 47C, s 47E(d)

Body	Position	Name	Term finished	Status	Process start date
Productivity Commission					Sep-18
Productivity Commission					Oct-18
Foreign Investment Review Board					Oct-18
Productivity Commission					Oct-18
Productivity Commission					N/a

s 47C, s 47E(d)

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MRFS

Body	Position	Name	Term finished	Status	Process start date
Australian Securities and Investments Commission				<p>s 34(3), s 47C, s 47E(d)</p>	Process underway
Inspector General of Taxation					Process underway
Companies Auditors Disciplinary Board					Process underway
Companies Auditors Disciplinary Board					Process underway
Companies Auditors Disciplinary Board					Process underway
Companies Auditors Disciplinary Board					Process underway
Financial Reporting Council					Process underway
Tax Practitioners Board					21-Sep
Tax Practitioners Board					21-Sep
Tax Practitioners Board					21-Sep

Body	Position	Name	Term finished	Status	Process start date
Tax Practitioners Board					21-Sep
Tax Practitioners Board					21-Sep
Superannuation Complaints Authority					Process not yet underway
Superannuation Complaints Authority					Process not yet underway
Superannuation Complaints Authority					Process not yet underway

s 34(3), s 47C, s 47E(d)

AMT

Body	Position	Name	Term finished	Status	Process start date
Australian Statistics Advisory Council	s 47C and s47E(d)				Process underway
Australian Statistics Advisory Council					Process underway
Australian Statistics Advisory Council					Process underway
Australian Statistics Advisory Council					Process underway
Australian Statistics Advisory Council					Process underway
Australian Statistics Advisory Council					Process underway
Australian Statistics Advisory Council					Process underway

Treasury staff and contact information

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Treasury staff and contact information

Executive Committee phone list

Executive Committee	Phone numbers	Assistant	Phone numbers
Philip Gaetjens Secretary	s 22 +61 2 6263 3770	s 22 Karla Rayner EO	+61 s 22 +61 2 6263 3093
Nigel Ray Deputy Secretary Macroeconomic Group	s 22 +61 2 6263 3741	s 22	
Simon Atkinson Deputy Secretary Fiscal Group	s 22	s 22	
Diane Brown A/g Deputy Secretary Markets Group	s 22 +61 2 6263 3739		
Maryanne Mrakovic Deputy Secretary Revenue Group	s 22 +61 2 6263 3740		
Meghan Quinn Deputy Secretary Structural Reform Group	s 22 +61 2 6263 4433		
Matt Flavel Deputy Secretary Corporate Services and Business Strategy Group	s 22 +61 2 6263 3843		

Treasury portfolio bodies

The Treasurer and the Secretary have a broad oversight role for the following agencies.

Agency	2017-18 staffing levels	Remit	Head of agency contact details
Australian Bureau of Statistics <i>ABS</i>	2,556	The ABS provides statistics on a wide range of economic, environmental and social matters covering government, business and the community in general.	Mr David Kalisch Australian Statistician s 22
Australian Competition and Consumer Commission <i>ACCC</i> <i>Australian Energy Regulator AER</i>	867.5	The ACCC is an independent statutory authority which administers the <i>Competition and Consumer Act 2010</i> and performs functions under other State and Territory Acts. <i>The AER regulates electricity and gas markets under State and Territory Acts. The AER has an independent Board, with its staff, resources and facilities provided by the ACCC.</i>	Mr Rod Sims Chairman s 22 Ms Paula Conboy Chair s 22
Australian Office of Financial Management <i>AOFM</i>	40	The AOFM is responsible for the management of Australian Government debt and financial assets.	Mr Rob Nicholl Chief Executive Officer s 22
Australian Prudential Regulation Authority <i>APRA</i>	626	APRA is the financial supervisor responsible for the prudential regulation of the banking, other deposit-taking, insurance and superannuation industries.	Mr Wayne Byres Chairman s 22
Australian Securities and Investments Commission <i>ASIC</i>	1,748.5	ASIC 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.	Mr James Shipton Chairman s 22
Australian Taxation Office <i>ATO</i>	18,193	The ATO administers legislation governing taxation, superannuation and the Australian Business Register and supports the delivery of government benefits to the community.	Mr Chris Jordan AO Commissioner of Taxation s 22
Commonwealth Grants Commission <i>CGC</i>	30	The CGC provides advice to the Government on the equitable distribution of GST revenue to state and territory governments.	Mr Greg Smith Chairperson s 22

Agency	2017-18 staffing levels	Remit	Head of agency contact details
Inspector-General of Taxation <i>IGoT</i>	35	The Inspector-General of Taxation seeks to improve the administration of tax laws for the benefit of all taxpayers through community consultation, review and independent advice to government.	Mr Ali Noroozi Inspector-General of Taxation s 22
National Competition Council <i>NCC</i>	1	The National Competition Council is an independent advisory body for all Australian governments that advises and makes recommendations under the National Access Regime and makes recommendations and decisions in relation to natural gas pipelines.	Ms Julie-Anne Schafer President s 22
Office of the Auditing and Assurance Standards Board	7	The Office of the Auditing and Assurance Standards Board's mission is to develop 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.	Mr Roger Simnett Chairman s 22
Office of the Australian Accounting Standards Board	22	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 to the development of global financial reporting standards.	Ms Kris Peach Chair s 22
Productivity Commission <i>PC</i>	174	The PC is the Government's independent research and advisory body on a range of economic, social and environmental issues affecting the welfare of Australians.	Mr Peter Harris Chairman s 22
Royal Australian Mint	241.4	The Royal Australian Mint manufactures and sells circulating coins to meet the coinage needs of the Australian economy.	Mr Ross MacDiarmid Chief Executive Officer s 22