

Part 3: Expenses and Net Capital Investment

PART 3: EXPENSES AND NET CAPITAL INVESTMENT

This part reports on Departmental Expenses and Net Capital Investment, by agency. The data are presented on the same basis as data in Statement 6 of Budget Paper No. 1. Both sets of data are presented on the basis of external accounting and financial reporting standards. These standards present information in terms of accrued expenses and accrued revenue.

The main external standards used are:

- the Australian Bureau of Statistics' (ABS) accrual Government Finance Statistics (GFS) publication, Australian System of Government Finance Statistics: Concepts, Sources and Methods, (cat no. 5514.0), which in turn is based on the International Monetary Fund (IMF) accrual GFS framework; and
- Australian Accounting Standards (AAS), being AASB 1049 Whole of Government and General Government Sector Financial Reporting (AASB 1049) and other applicable Australian Equivalents to International Financial Reporting Standards (AEIFRS).

The reports differ from the reports in Part 1, where data is presented on estimates of available cash appropriations. On an accrual basis, revenue from previous years can be carried over for agency expenses in a future year. Additionally, some accrued expenses are not appropriated for, such as asset writedowns, foreign exchanges losses, fair value losses and depreciation.

The tables in this Part are affected by Machinery of Government changes. For example, where an agency was abolished it will have estimated expenses in 2013-14 reflecting expenditure in part of that year, and not subsequently. Where an agency has been created as a result of the changes estimates are displayed in both 2013-14 and 2014-15, and projected out-years.

3.1 DEPARTMENTAL EXPENSES BY AGENCY

Table 3.1 presents departmental expenses by agency. Departmental expenses reduce the net worth of agencies. It includes expenses such as payment of wages and purchases of goods and services. It excludes administered expenses paid on behalf of government such as social benefits and grants to the States. It also excludes capital expenditure which does not reduce net worth.

Table 3.1: Departmental expenses by agency

	Estimates			Projections	
	2013-14 \$m	2014-15 \$m	2015-16 \$m	2016-17 \$m	2017-18 \$m
Agriculture					
Department of Agriculture	729	686	682	680	685
Grains Research and Development Corporation	184	213	204	194	205
Total	913	899	886	874	890
Attorney-General's					
Attorney-General's Department	364	369	294	263	260
Australian Federal Police	1,385	1,403	1,310	1,290	1,200
Australian Security Intelligence Organisation	444	453	438	456	458
Family Court and Federal Circuit Court	204	200	198	196	197
High Court of Australia	21	21	21	21	21
National Archives of Australia	74	74	75	88	82
National Gallery of Australia	42	45	45	45	45
National Library of Australia	79	77	76	73	74
National Museum of Australia	47	47	47	47	47
Total	2,659	2,689	2,503	2,479	2,385
Communications					
Australian Broadcasting Corporation	1,205	1,216	1,246	1,233	1,254
Australian Communications and Media Authority	103	95	91	90	91
Department of Communications	116	96	92	91	91
Special Broadcasting Service Corporation	381	383	379	378	390
Total	1,805	1,790	1,807	1,792	1,826
Defence					
Australian War Memorial	61	69	59	58	58
Defence Housing Australia	1,041	1,111	1,203	1,378	1,386
Defence Materiel Organisation	10,045	12,580	13,502	13,228	14,724
Department of Defence	26,535	27,900	29,144	29,524	31,368
Department of Veterans' Affairs	363	364	355	348	349
Total	38,045	42,025	44,263	44,537	47,884
Education					
Australian Research Council	23	23	24	24	24
Department of Education	229	321	308	309	316
Total	252	345	332	333	340

Table 3.1: Departmental expenses by agency (continued)

	Estimates			Projections	
	2013-14 \$m	2014-15 \$m	2015-16 \$m	2016-17 \$m	2017-18 \$m
Education, Employment and Workplace Relations					
Department of Education, Employment and Workplace Relations	152	0	0	0	0
Total	152	0	0	0	0
Employment					
Comcare	498	528	551	580	610
Department of Employment	288	311	304	303	305
Total	786	839	855	883	916
Environment					
Bureau of Meteorology	357	357	347	342	310
Clean Energy Regulator	99	90	88	87	82
Department of the Environment	633	556	510	469	459
Total	1,089	1,003	945	899	851
Finance					
Australian Electoral Commission	278	137	139	254	137
Department of Finance	604	612	515	511	515
Future Fund Management Agency	40	47	47	49	50
Total	922	796	701	814	702
Foreign Affairs and Trade					
Australian Trade Commission	212	220	219	216	219
Department of Foreign Affairs and Trade	1,482	1,460	1,379	1,388	1,412
Total	1,693	1,680	1,598	1,604	1,631
Health					
Australian Sports Commission	313	304	292	288	247
Department of Health and Ageing	774	675	628	614	622
National Blood Authority	10	10	10	10	10
National Health and Medical Research Council	47	48	48	44	44
Total	1,144	1,036	978	956	923
Immigration and Border Protection					
Australian Customs and Border Protection Service	1,172	1,164	1,132	1,137	1,137
Department of Immigration and Border Protection	1,651	1,584	1,631	1,524	1,465
Total	2,823	2,748	2,762	2,661	2,602
Industry					
Australian Nuclear Science and Technology Organisation	304	308	305	298	282
Australian Renewable Energy Agency	404	0	0	0	0
Commonwealth Scientific and Industrial Research Organisation	1,296	1,283	1,270	1,280	1,294
Department of Industry	743	631	593	568	564
Total	2,747	2,222	2,168	2,147	2,140
Infrastructure and Regional Development					
Department of Infrastructure and Regional Development	255	285	276	251	233
National Capital Authority	19	20	20	20	20
Total	274	305	296	271	253

Table 3.1: Departmental expenses by agency (continued)

	Estimates			Projections	
	2013-14 \$m	2014-15 \$m	2015-16 \$m	2016-17 \$m	2017-18 \$m
Parliament					
Department of Parliamentary Services	146	146	145	145	145
Total	146	146	145	145	145
Prime Minister and Cabinet					
Department of the Prime Minister and Cabinet	375	596	380	376	378
Indigenous Business Australia	184	193	195	196	198
Total	559	789	575	572	576
Regional Australia, Local Government, Arts and Sport					
Department of Regional Australia, Local Government, Arts and Sport	22	0	0	0	0
Total	22	0	0	0	0
Social Services					
Department of Human Services	4,479	4,438	4,201	4,174	4,108
Department of Social Services	737	629	589	570	575
National Disability Insurance Scheme Launch Transition Agency	313	673	1,105	4,196	11,161
Total	5,528	5,741	5,895	8,940	15,844
Treasury					
Australian Bureau of Statistics	391	382	433	551	372
Australian Office of Financial Management	12	13	13	13	13
Australian Securities and Investments Commission	418	366	345	336	332
Australian Taxation Office	3,600	3,452	3,313	3,169	3,084
Clean Energy Finance Corporation	32	4	5	5	5
Department of the Treasury	186	191	166	160	162
Total	4,637	4,408	4,275	4,234	3,969
Small agencies	5,341	4,826	4,536	4,518	4,508
Whole of government and inter-agency amounts(a)	-12,253	-14,319	-15,422	-15,248	-16,974
AEIFRS expenses considered other economic flows(b)	-1,023	-974	-1,019	-1,068	-1,123
Total departmental expenses	58,263	58,991	59,077	62,344	70,286

(a) Estimates of inter-agency transactions are included in the whole of government and inter-agency amounts. The entry for each portfolio does not include eliminations for inter-agency transactions within that portfolio.

(b) Agency estimates are reported on an AEIFRS basis. AEIFRS expenses considered other economic flows include net write-down and impairment of assets and fair value losses.

3.2 NET CAPITAL INVESTMENT BY AGENCY

Table 3.2 presents net capital investment by agency. Net capital investment represents expenditure by agencies on non-financial assets. It includes expenditure on assets such as defence equipment. It excludes any investment in financial assets such as loans.

Table 3.2: Net capital investment by agency

	Estimates			Projections	
	2013-14	2014-15	2015-16	2016-17	2017-18
	\$m	\$m	\$m	\$m	\$m
Agriculture					
Department of Agriculture	12	5	-5	-5	-5
Grains Research and Development Corporation	5	-1	-1	0	0
Total	17	4	-5	-6	-6
Attorney-General's					
Attorney-General's Department	85	-22	-22	-11	-5
Australian Federal Police	15	64	8	-1	7
Australian Security Intelligence Organisation	6	12	-10	-12	-37
Family Court and Federal Circuit Court	46	-3	-3	-3	-3
Family Court of Australia	-40	0	0	0	0
High Court of Australia	4	1	0	-1	1
National Archives of Australia	1	3	1	2	2
National Gallery of Australia	16	17	17	17	17
National Library of Australia	2	3	6	-1	0
National Museum of Australia	0	3	3	2	2
Total	134	78	0	-8	-16
Communications					
Australian Broadcasting Corporation	-18	61	24	-19	-29
Australian Communications and Media Authority	14	2	4	-1	-1
Department of Communications	-12	-12	-12	-9	-7
Special Broadcasting Service Corporation	22	-1	5	4	-4
Total	6	51	21	-25	-42
Defence					
Australian War Memorial	26	15	-5	-4	-3
Defence Housing Australia	164	122	-9	94	-50
Defence Materiel Organisation	230	0	0	0	0
Department of Defence	1,670	2,595	3,074	2,184	3,068
Department of Veterans' Affairs	2	-11	-16	-14	-8
Total	2,093	2,720	3,045	2,260	3,007
Education					
Australian Research Council	0	0	0	-1	-3
Department of Education	121	-3	-3	-3	-3
Total	121	-3	-4	-3	-6

Table 3.2: Net capital investment by agency (continued)

	Estimates			Projections	
	2013-14 \$m	2014-15 \$m	2015-16 \$m	2016-17 \$m	2017-18 \$m
Education, Employment and Workplace Relations					
Department of Education, Employment and Workplace Relations	-266	0	0	0	0
Total	-266	0	0	0	0
Employment					
Comcare	2	4	3	4	4
Department of Employment	159	-4	-10	-10	-10
Total	161	0	-7	-6	-6
Environment					
Bureau of Meteorology	-11	-14	16	-20	-14
Clean Energy Regulator	-2	-7	-13	-13	-6
Department of the Environment	213	183	197	240	605
Total	200	162	200	207	584
Finance					
Australian Electoral Commission	-4	-1	4	-2	0
Department of Finance	127	173	-213	52	9
Future Fund Management Agency	1	-1	-1	0	0
Total	125	171	-211	49	9
Foreign Affairs and Trade					
AusAID	-92	0	0	0	0
Australian Trade Commission	0	1	0	0	-1
Department of Foreign Affairs and Trade	257	309	268	67	6
Total	164	310	269	67	5
Health					
Australian Sports Commission	-7	-16	-22	6	-7
Department of Health and Ageing	-62	-46	-35	-41	-22
National Blood Authority	-1	1	0	1	0
National Health and Medical Research Council	-2	-2	-2	-2	-2
Total	-71	-62	-59	-36	-31
Immigration and Border Protection					
Australian Customs and Border Protection Service	28	62	85	-17	-59
Department of Immigration and Border Protection	478	383	164	-23	-19
Total	506	444	250	-40	-78
Industry					
Australian Nuclear Science and Technology Organisation	2	-12	-16	-19	-16
Commonwealth Scientific and Industrial Research Organ	91	50	-90	-57	-44
Department of Industry	-21	-18	-20	-26	-26
Total	72	19	-126	-102	-86
Infrastructure and Regional Development					
Department of Infrastructure and Regional Development	624	-26	-32	-15	-24
National Capital Authority	-2	-5	-8	-8	-8
Total	622	-31	-40	-24	-32

Table 3.2: Net capital investment by agency (continued)

	Estimates			Projections	
	2013-14 \$m	2014-15 \$m	2015-16 \$m	2016-17 \$m	2017-18 \$m
Parliament					
Department of Parliamentary Services	-26	-7	-13	-13	-11
Total	-26	-7	-13	-13	-11
Prime Minister and Cabinet					
Department of the Prime Minister and Cabinet	14	15	7	17	12
Indigenous Business Australia	14	11	15	5	5
Total	28	26	22	22	17
Regional Australia, Local Government, Arts and Sport					
Department of Regional Australia, Local Government, Arts and Sport	-840	0	0	0	0
Total	-840	0	0	0	0
Resources, Energy and Tourism					
Department of Resources, Energy and Tourism	-20	0	0	0	0
Total	-20	0	0	0	0
Social Services					
Department of Human Services	-75	-21	-24	-40	-26
Department of Social Services	16	-21	-17	-27	-28
National Disability Insurance Scheme Launch Transition	32	11	45	94	62
Total	-27	-31	3	26	7
Treasury					
Australian Bureau of Statistics	-5	-4	1	-12	-14
Australian Office of Financial Management	1	1	1	0	0
Australian Securities and Investments Commission	-5	-20	-20	-8	-3
Australian Taxation Office	30	-11	-34	-31	-23
Clean Energy Finance Corporation	0	-1	0	0	0
Department of the Treasury	-152	-4	-2	-1	-2
Total	-131	-38	-54	-53	-42
Small agencies	170	-9	-42	-42	-61
Whole of government and inter-agency amounts(a)	186	92	-591	-185	-11
Adjustments to AEIFRS movements in non-financial assets(b)	807	-1,538	-1,950	541	761
Total net capital investment	4,027	2,359	708	2,630	3,962

(a) Estimates of inter-agency transactions are included in the whole of government and inter-agency amounts. The entry for each portfolio does not include eliminations for inter-agency transactions within that portfolio.

(b) Agency estimates are reported on an AEIFRS basis. AEIFRS movements in non-financial assets considered other economic flows include net write-down and impairment of non-financial assets and assets recognised for the first time. They also include Contingency Reserve movements in non-financial assets.