



# Parliamentary Budget Office Australia

4th ANNUAL MEETING OF OECD PARLIAMENTARY BUDGET  
OFFICIALS AND INDEPENDENT FISCAL INSTITUTIONS

Paris, Thursday, 23 February 2012

# Introduction

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- Minority Government – the genesis of the Australian Parliamentary Budget Office.
- As with the Auditor-General, the role of Parliamentary Budget Officer should be that of an independent officer of the Parliament established in legislation.
- Oversight, establishment and potential issues.

# About the Joint Committee of Public Accounts and Audit

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- Established under the Public Accounts and Audit Committee Act 1951, the Joint Committee of Public Accounts and Audit (JCPAA)
- The Committee has the power to initiate its own policy inquiries and set its own work program.
- The Committee's work includes oversight of the office of the Auditor-General.
- **Oversight of the Parliamentary Budget Office has been added to the Committee's mandate**

# Initiation of the PBO

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- September 2010 – Signing of the 2010 post-election ‘Agreement for a Better Parliament’
- November 2010 - The Joint Select Committee on the Parliamentary Budget office was established
- March 2011 - The Committee tabled its report
- May 2011 - Treasurer announced PBO funding of \$24.9m over four years
- August 2011 - The Government introduced a bill to establish the PBO

# Passage of the legislation

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- The Opposition contended that the Government's PBO Bill was inadequate, proposing amendments.
- September 2011 – passed the House of Representatives, without amendment, and was introduced in the Senate.
- November 2011 - passed in the Senate, also without amendment, and received royal assent in December.
- February 2012 – Act proclaimed.

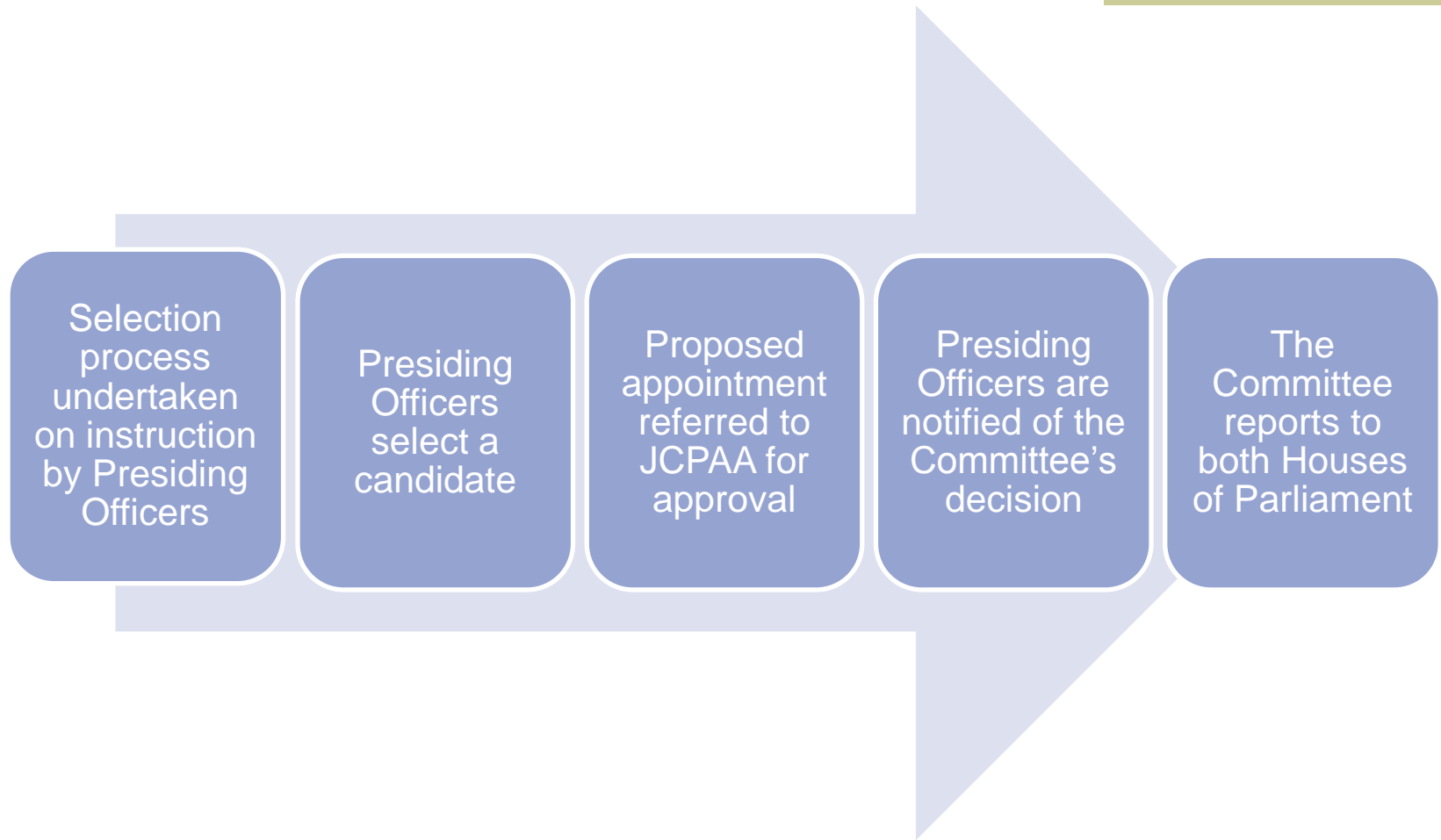
# Establishment of the Office

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- The Parliamentary Budget Office will be a fourth parliamentary department.
- It is expected that the PBO will:
  - be located in Parliament House; and
  - access existing shared services arrangements.
- Final structure and staffing will be determined by the Parliamentary Budget Office.
- An executive officer is to be appointed to undertake preliminary establishment tasks.

# Appointment process

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# The PBO and the JCPAA

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- **The JCPAA cannot direct the activities of the Parliamentary Budget Officer.**
- In relation to the operations of the PBO, the Committee's role is to:
  - Consider the Office's work plans;
  - Consider draft estimates
  - Consider the operations and resources of the Parliamentary Budget Office
  - Draw to the attention of Parliament any matters regarding the PBO's functions and powers.



# Work of the PBO

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- The Parliamentary Budget Officer has the following functions:
  - prepare policy costings on request
  - prepare responses (other than policy costings) to requests relating to the Budget
  - contribute to inquiries of Parliamentary committees
  - conduct research on and analysis of the budget and fiscal policy settings.

# Access to information

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- The Act enables the Parliamentary Budget Officer to enter into arrangements Australian Government bodies to obtain information and documents relevant the PBO's functions.
- The Department of Finance and Deregulation, in consultation with the Treasury, is drafting a Memorandum of Understanding to address:
  - confidentiality and disclosure; and
  - existing legislative requirements and areas of potential conflict of interest.

# The test

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- The strength of the office will be largely determined by the Parliamentary Budget Officer.
- The endurance of the office is in the hands of the Parliamentarians it has been established to serve.

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