

AUSTRALIAN BUREAU OF STATISTICS

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AUSTRALIAN BUREAU OF STATISTICS

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION

The Australian Bureau of Statistics (ABS) is Australia's central statistical agency. It provides statistics on a wide range of economic, environmental and social matters covering government, business and the community. The ABS's mission is to assist and encourage informed decision making, research and discussion within governments and the community by leading a high quality, objective and responsive national statistical service.

The ABS's legislated functions include:

- operate as Australia's central statistical authority for the Australian Government and, by arrangements with the Governments of the States, provide statistical services for those Governments;
- collect, compile, analyse and disseminate statistics, and related information; and
- coordinate the statistical operations of official bodies with particular regard to,
 - the avoidance of duplication of statistical information,
 - the attainment of compatibility and integration of statistics compiled by official bodies,
 - the maximum utilisation of information available to official bodies for statistical purposes,
 - the development of standards for statistics and ensuring that official bodies comply with them,
 - the provision of advice and assistance to official bodies on the production and use of statistics, and
 - liaison with international organisations on statistical matters.

To achieve the ABS's mission, the ABS will continue to provide quality and relevant statistics over the forward triennium within the budget allocated to it. This includes ensuring that the statistics released by the ABS address current issues. The ABS will continue to undertake significant engagement with stakeholders in order to

understand their needs with the aim of better responding to those needs. The ABS will also work with other agencies to provide the next generation of statistical requirements and information management infrastructure.

The ABS will continue to work with data providers to access alternative sources of information that can be used for statistical purposes, especially administrative data held by other government agencies. Access to this data will be managed carefully to ensure that providers are aware of the excellent protection the ABS's legislation affords their data. This will manage public perceptions about privacy issues, and maintain the trust of providers.

The ABS will also continue to provide leadership of the National Statistical Service (NSS). The NSS is the community of government agencies at Australian, State and Territory levels, led by the ABS, which seeks to build a better statistical service for the community. For example, the ABS will be actively building relationships with other government agencies and will target areas to progress the NSS, such as statistical frameworks, principles and data sources that can be used to produce official statistics. The objective of the NSS work is to improve and expand the information available for decision making regardless of its source. The NSS work encapsulates the coordination functions set out in the ABS legislation and will be critical to reducing duplication across government agencies, increasing coherence of official statistics, reducing provider load and ensuring a less fragmented statistical system.

The ABS will also be paying particular attention to ensuring the sustainability of its operations by developing better ways for organising its work including how best to secure its future workforce.

The key external drivers of, and challenges for the ABS work program include:

- the need for evidence-based and coordinated policy and program delivery initiatives across departments and jurisdictions driven by organisations such as the Council of Australian Governments;
- increasing complexity of the Australian economy and society which complicates the production of existing statistics (for example, issues such as globalisation are placing additional demands on the production of relevant economic and social statistics);
- increasing pressure to produce new and or more detailed outputs which must be balanced with the need to maintain stable time series for longitudinal analysis;
- a wider range of sources of statistical data driving a need to ensure that the overall national statistical service is coordinated and the ABS's role is clearly defined;

- increasing demands for simplified interactions with government, including with the ABS. This is supported by a federal government agenda that emphasises reductions in 'red tape' and greater information sharing (create-once, use-many);
- increasing demands for access to microdata, data relating to particular population groups, longitudinal data and linked data (within a climate of concerns about individual privacy); and
- pressures to improve productivity and to create a staff profile more appropriate to the ABS's future skill needs in an increasingly tight labour market where attraction and retention issues are presenting significant challenges.

1.2 AGENCY RESOURCE STATEMENT

Table 1.1 shows the total resources from all origins. The table summarises how resources will be applied by outcome and departmental classification.

Table 1.1: Australian Bureau of Statistics resource statement — Budget estimates for 2010-11 as at Budget May 2010

	Estimate of prior year ⁺ amounts available in 2010-11 \$'000	Proposed at Budget ⁼ 2010-11 \$'000	Total estimate 2010-11 \$'000	Actual available appropriation 2009-10 \$'000
Ordinary annual services				
Departmental appropriations				
Prior year departmental carried forward	43,479 ⁵	-	43,479	-
Departmental appropriation ⁴	-	398,904 ¹	398,904	327,928
Receipts from other sources (s31)	-	39,386 ³	39,386	29,625
Total ordinary annual services A	43,479	438,290	481,769	357,553
Other services				
Departmental non-operating				
Equity injections	-	623 ²	623	1,303
Total other services B	-	623	623	1,303
Total available annual appropriations (A+B)	43,479	438,913	482,392	358,856
Special accounts				
Opening balance	-	-	-	-
Non-appropriation receipts to special accounts	-	-	-	3
Total special account C	-	-	-	3
Total net resourcing for the ABS (A+B+C)	43,479	438,913	482,392	358,859

1. Appropriation Bill (No. 1) 2010-11.

2. Appropriation Bill (No. 2) 2010-11.

3. Receipts received under s31 of the *Financial Management and Accountability Act 1997*.

4. Includes \$44.1 million in 2010-11 for the Departmental Capital Budget (also refer to Table 3.2.5).

5. Estimated adjusted balance carried forward from previous year for annual appropriations.

1.3 BUDGET MEASURES

The ABS does not have any Budget measures for 2010-11.

Section 2: Outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Agencies deliver programs which are the Government actions taken to deliver the stated outcomes. Agencies are required to identify the programs which contribute to government outcomes over the budget and forward years.

The ABS's outcome is described below specifying the strategy, program, objective, deliverables and key performance indicators used to assess and monitor the performance of the ABS.

Outcome 1: Informed decisions, research and discussion within governments and the community by leading the collection, analysis and provision of high quality, objective and relevant statistical information

Outcome 1 strategy

Key strategies for 2010-11 to 2012-13 are set out in the ABS Forward Work Program. The major initiatives that will contribute to this outcome over this period include:

- assist and encourage informed decision making through continued delivery of relevant high quality, key official statistics;
- ensure maximum use of, and access to, official statistics, by actively building relationships and targeting specific areas to progress the NSS;
- meet provider expectations through continued standardisation and harmonisation of data collection requirements and methods across the Australian government, including through e-data initiatives; and
- ensure international statistical coherence by influencing the development and implementation of statistical standards and frameworks of relevance to our region through the implementation of 'ABS's leadership role in International Statistics' strategy.

Outcome 1 Budgeted expenses and resources

Table 2.1 provides an overview of the total expenses for the ABS.

Table 2.1: Budgeted expenses and resources for Outcome 1

Outcome 1: Informed decisions, research and discussion within governments and the community by leading the collection, analysis and provision of high quality, objective and relevant statistical information	2009-10 Estimated actual expenses \$'000	2010-11 Estimated expenses \$'000
Program 1.1: Australian Bureau of Statistics		
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	327,928	354,851
Revenues from independent sources (s31)	29,774	39,391
Expenses not requiring appropriation in Budget year	220	33,164
less Revenue carried forward	18,800	-
Total expenses for Outcome 1	339,122	427,406
	2009-10	2010-11
Average staffing level (number)	2,600	2,830

Contributions to Outcome 1

Program 1.1 Australian Bureau of Statistics

Program objective

The ABS has the following objectives:

- an expanded and improved NSS;
- to provide services that are timely, relevant, responsive and respected for their integrity and quality;
- informed and increased use of statistics;
- to be a key contributor to international statistical activities that are important to Australia or to the region;
- to be an organisation that builds capability to continually improve its effectiveness;
- to have the trust and cooperation of providers; and
- to be a respected and strongly supported organisation.

Program expenses

The increase in expenses for 2010-11 and 2011-12 are predominately due to the 2011 Census cyclical funding, existing budget measures and rendering of services.

Table 2.2 Program expenses

	2009-10 Revised budget \$'000	2010-11 Budget \$'000	2011-12 Forward year 1 \$'000	2012-13 Forward year 2 \$'000	2013-14 Forward year 3 \$'000
Annual departmental expenses					
Departmental items	339,122	427,406	615,916	369,142	346,653
Total departmental expenses	339,122	427,406	615,916	369,142	346,653

Program deliverables

The ABS deliverables are:

- provide a range of quality and timely statistical outputs across key economic, population, social and environmental subject matters that meet the needs of key users;
- prepare for the 2011 Census of Population and Housing;
- undertake an ongoing engagement process with external stakeholders to facilitate ongoing improvements to the relevance, reliability and accuracy of the ABS statistical program;
- influence the development and implementation of statistical standards and frameworks across the world; and
- progress the NSS by expanding and improving the statistical information available for decision making regardless of its source.

Program key performance indicators

The ABS key performance indicators are:

- an objective statistical service as demonstrated by,
 - release of reliable and accurate statistics,
 - transparent statistical process, and
 - trust and cooperation of providers; and

Australian Bureau of Statistics Budget Statements

- statistical output which meets the needs of key users of economic and social data in terms of,
 - support for decision-making, and
 - a high level of use; and
- appropriate use of statistical standards, frameworks and methodologies by,
 - leading the development of national statistical standards, frameworks and methodologies, and their implementation within the broader Australian statistical system, and
 - contributing to the development of key international standards, frameworks and methodologies, and implementing them as appropriate.

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of agency finances for the budget year 2010-11. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations, program expenses and special accounts.

3.1 EXPLANATORY TABLES

3.1.1 Movement of administered funds between years

The ABS does not have any administered funds.

3.1.2 Special accounts

Special accounts provide a means to set aside and record amounts used for specified purposes. Special accounts can be created by a Finance Minister's Determination under the *Financial Management and Accountability Act 1997* or under separate enabling legislation. Table 3.1.2 shows the expected additions (receipts) and reductions (payments) for each account used by the ABS.

Table 3.1.2: Estimates of special account cash flows and balances

		Opening balance 2010-11 2009-10	Receipts 2010-11 2009-10	Payments 2010-11 2009-10	Adjustments 2010-11 2009-10	Closing balance 2010-11 2009-10
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Other Trust Moneys Account	1	-	-	-	-	-
		138	3	141	-	-
Total special accounts						
2010-11 Budget estimate		-	-	-	-	-
Total special accounts						
2009-10 estimate actual		138	3	141	-	-

3.1.3 Australian Government Indigenous Expenditure

The ABS does not have any Australian Government Indigenous Expenditure.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Differences in agency resourcing and financial statements

The difference between the agency level resource statement and the sum of all outcome resource statements is the expected carry-forward amount of resources for the 2010-11 Budget year, including amounts related to meeting future obligations to maintain the agency's asset base and to meet employee entitlement liabilities.

3.2.2 Analysis of budgeted financial statements

Budgeted financial statements

Budgeted departmental income statement

There are no significant changes to the 2010-11 budgeted departmental income statement (Table 3.2.1) since the 2009-10 Portfolio Additional Estimates Statements.

The increase in appropriation in 2010-11 reflects changes in activity relating to the Census program. The increase in the forward estimates is due to the build-up of 2011 Census activities.

Goods and services revenue in 2010-11 and the forward years reflects the expected services to be rendered, with the increase being primarily due to new work funded by the Department of Health and Ageing.

Budgeted departmental balance sheet

The main change in the 2010-11 budgeted departmental balance sheet (Table 3.2.2) relates to contributed equity and retained surpluses due to the recent changes in capital funding for asset acquisitions and depreciation expenses funding as a result of Operation Sunlight.

Loan

The ABS received a loan to partially fund the fitout of the ABS's new national office accommodation. This will be fully repaid during 2010-11.

3.2.3 Budgeted financial statements tables

**Table 3.2.1: Budgeted departmental comprehensive income statement
(for the period ended 30 June)**

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
EXPENSES					
Employee benefits	222,673	269,056	432,781	243,115	226,732
Supplier	86,974	125,061	145,026	88,332	82,226
Depreciation and amortisation	29,044	32,944	37,633	37,195	37,195
Finance costs	167	65	-	-	-
Other	264	280	476	500	500
Total expenses	339,122	427,406	615,916	369,142	346,653
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	29,774	39,391	48,388	35,203	29,939
Total revenue	29,774	39,391	48,388	35,203	29,939
Gains					
Sale of assets	100	100	100	100	100
Other gains	120	120	120	120	120
Total gains	220	220	220	220	220
Total own-source income	29,994	39,611	48,608	35,423	30,159
Net cost of (contribution by) services	309,128	387,795	567,308	333,719	316,494
Appropriation revenue	327,928	354,851	529,675	296,524	279,299
Surplus (deficit) attributable to the Australian Government	18,800	(32,944)	(37,633)	(37,195)	(37,195)
Note: Reconciliation of operating result attributable to the agency					
	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2012-13 \$'000
Operating result attributable to the Australian Government	18,800	(32,944)	(37,633)	(37,195)	(37,195)
Plus non-appropriated expenses depreciation and amortisation expenses	-	32,944	37,633	37,195	37,195
Operating result attributable to the ABS	18,800	-	-	-	-

Note: Changes in appropriation funding for depreciation and amortisation expenses will commence on 1 July 2010.

Prepared on Australian Accounting Standards basis.

**Table 3.2.2: Budgeted departmental balance sheet
(as at 30 June)**

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
ASSETS					
Financial assets					
Cash and equivalents	2,797	2,792	2,792	2,792	2,792
Trade and other receivables	46,911	49,031	58,102	49,385	48,174
Accrued revenues	156	141	141	141	141
Total financial assets	49,864	51,964	61,035	52,318	51,107
Non-financial assets					
Infrastructure, plant and equipment	41,355	45,503	43,561	35,775	34,555
Inventories	39	64	64	64	64
Intangibles	94,428	102,012	104,577	103,220	99,219
Other non-financial assets	8,671	8,994	6,014	7,997	7,997
Total non-financial assets	144,493	156,573	154,216	147,056	141,835
Total assets	194,357	208,537	215,251	199,374	192,942
LIABILITIES					
Interest bearing liabilities					
Loans	1,699	-	-	-	-
Leases	6,582	4,249	1,258	1,258	1,258
Total interest bearing liabilities	8,281	4,249	1,258	1,258	1,258
Provisions					
Employees	79,816	84,172	91,062	88,810	90,844
Total provisions	79,816	84,172	91,062	88,810	90,844
Payables					
Suppliers	18,865	18,644	18,692	19,331	16,086
Other	17,590	19,935	22,081	16,959	16,959
Total payables	36,455	38,579	40,773	36,290	33,045
Total liabilities	124,552	127,000	133,093	126,358	125,147
Net assets	69,805	81,537	82,158	73,016	67,795
EQUITY					
Contributed equity	19,596	64,272	102,528	130,580	162,554
Reserves	17,188	17,188	17,188	17,188	17,188
Retained surpluses or accumulated deficits	33,021	77	(37,558)	(74,752)	(111,947)
Total equity	69,805	81,537	82,158	73,016	67,795
Current assets	44,089	47,305	48,829	45,227	43,768
Non-current assets	150,268	161,232	166,422	154,147	149,174
Current liabilities	91,022	92,811	97,264	92,342	91,457
Non-current liabilities	33,530	34,189	35,829	34,016	33,690

Prepared on Australian Accounting Standards basis.

**Table 3.2.3: Budgeted departmental statement of cash flows
(for the period ended 30 June)**

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	29,511	39,363	48,388	36,088	29,939
Appropriations	319,616	355,469	524,558	309,990	283,210
Net GST received	7,779	11,798	12,585	6,949	6,686
Other cash received	114	23	-	-	-
Total cash received	357,020	406,653	585,531	353,027	319,835
Cash used					
Employees	225,063	268,452	431,500	245,365	224,697
Suppliers	84,620	121,587	138,091	97,613	85,352
Borrowing costs	167	65	-	-	-
Net GST paid	10,298	14,675	15,564	9,649	9,386
Other cash used	263	280	476	500	500
Total cash used	320,411	405,059	585,631	353,127	319,935
Net cash from or (used by) operating activities	36,609	1,594	(100)	(100)	(100)
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	100	100	100	100	100
Total cash received	100	100	100	100	100
Cash used					
Purchase of property, plant and equipment	34,891	44,676	38,256	28,052	31,974
Total cash used	34,891	44,676	38,256	28,052	31,974
Net cash from or (used by) investing activities	(34,791)	(44,576)	(38,156)	(27,952)	(31,874)
FINANCING ACTIVITIES					
Cash received					
Appropriations - contributed equity	1,303	44,676	38,256	28,052	31,974
Total cash received	1,303	44,676	38,256	28,052	31,974
Cash used					
Repayments of debt	1,609	1,699	-	-	-
Total cash used	1,609	1,699	-	-	-
Net cash from or (used by) financing activities	(306)	42,977	38,256	28,052	31,974
Net increase or (decrease) in cash held	1,512	(5)	-	-	-
Cash at the beginning of the reporting period	1,285	2,797	2,792	2,792	2,792
Cash at the end of the reporting period	2,797	2,792	2,792	2,792	2,792

Prepared on Australian Accounting Standards basis.

Table 3.2.4: Departmental statement of changes in equity — summary of movement (Budget year 2010-11)

	Retained surpluses \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2010					
Balance carried forward from previous period	33,021	17,188	-	19,596	69,805
Adjusted opening balance	33,021	17,188	-	19,596	69,805
Comprehensive income					
Surplus (deficit) for the period	(32,944)	-	-	-	(32,944)
Total comprehensive income recognised directly in equity	(32,944)	-	-	-	(32,944)
Transactions with owners					
<i>Contributions by owners</i>					
Appropriation (equity injection)	-	-	-	623	623
Appropriation (departmental capital budget)	-	-	-	44,053	44,053
Total transactions with owners	-	-	-	44,676	44,676
Estimated closing balance as at 30 June 2011	77	17,188	-	64,272	81,537

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental capital budget statement

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 - DCB	-	44,053	37,773	27,937	31,859
Total equity injections	1,303	623	483	115	115
Total capital appropriations	1,303	44,676	38,256	28,052	31,974
Represented by:					
Purchase of non-financial assets	1,303	44,676	38,256	28,052	31,974
Total represented by	1,303	44,676	38,256	28,052	31,974
ACQUISITION OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	1,303	623	483	115	115
Funded by capital appropriation - DCB	-	44,053	37,773	27,937	31,859
Funded internally from departmental resources	33,588	-	-	-	-
TOTAL	34,891	44,676	38,256	28,052	31,974

Note: Under the net cash appropriation arrangements implemented as part of Operation Sunlight, agencies are no longer funded for depreciation, amortisation or make good expenses. Funding for these expenses have been replaced with a Departmental Capital Budget (DCB).

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Statement of asset movements — departmental

	Buildings	Other infrastructure, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2010				
Gross book value	-	54,174	198,778	252,952
less Accumulated depreciation/amortisation	-	12,819	104,350	117,169
Opening net book balance	-	41,355	94,428	135,783
Asset movements				
Additions	-	18,776	25,900	44,676
less Depreciation/amortisation expense	-	14,628	18,316	32,944
Total asset movements	-	4,148	7,584	11,732
As at 30 June 2011				
Gross book value	-	72,950	224,678	297,628
less Accumulated depreciation/amortisation	-	27,447	122,666	150,113
Closing net book balance	-	45,503	102,012	147,515

Prepared on Australian Accounting Standards basis.

3.2.4 Notes to the financial statements

Basis of accounting

The agency budget statements have been prepared on an accrual basis and in accordance with historical cost convention, except for certain assets, which are at valuation.

Budgeted departmental financial statements

Under the Australian Government's accrual budgeting framework, and consistent with Australian Accounting Standards, transactions that agencies control (agency transactions) are budgeted and reported separately from transactions agencies do not have control over (administered transactions). This ensures that agencies are only held fully accountable for the transactions over which they have control.

Agency assets, liabilities, revenues and expenses in relation to an agency are those that are controlled by the agency. Agency expenses include employee and supplier expenses and other administrative costs, which are incurred by the agency in providing its goods and services.

Budgeted departmental income statement

Revenues

Appropriations

The ABS is appropriated from government for its program.

Goods and services

Revenue is derived from the sale of ABS publications and census data, as well as the provision of user-funded surveys and consultancy work. The amount of revenue earned in any one year is dependent upon the demand for such products and services by government agencies, business and the community.

Other

This category includes resources received free of charge.

Expenses

Employees

This includes wages and salaries, superannuation, provision for annual leave and long service leave, and workers compensation. Employee entitlements are based on leave patterns of ABS employees. Accrued salaries and employer superannuation contributions are based on daily salary expense and the number of days owing at 30 June in each budget year.

Depreciation and amortisation

Depreciable assets are written off over their estimated useful lives. Depreciation is calculated using the straight-line method, which is consistent with the consumption of the service potential of the depreciable assets of the ABS.

Budgeted departmental balance sheet

Non-financial assets

Intangibles

These include software developed in house (internally generated software).

Other

This category includes prepayments.

Interest bearing liabilities

Loans

The ABS received a loan of \$13.2 million in 2001-02. This loan was used to partially fund the fitout of the ABS's new national office accommodation. Loan repayments will be made over a ten-year period and are being met by the ABS from within its ongoing operational funding levels. The loan will be fully repaid during 2010-11.

Other

These include lease incentives in the form of a rent-free period and/or a contribution to fitout costs. Lease incentives are recognised as a liability, which is reduced by allocating lease rental payments between interest, rental expense and reduction of the liability. Rent free lease periods are taken up as a liability during the rent-free period and amortised over the remaining term of the lease. The full amount of the lease is therefore allocated evenly over the total term of the lease.

Provisions

Employees

The liability for employee entitlements includes provision for annual leave and long service leave. No provision has been made for sick leave, as all sick leave is non-vesting.

The non current portion of the liability for annual leave and long service leave is recognised and measured at the present value of the estimated future cash flows in respect of all employees.

Payables

Supplier and other payables reflect the amounts owed to trade and other creditors by the ABS at the end of each financial year.

Asset valuation

Australian Government agencies and authorities are required to value property, plant and equipment and other infrastructure assets using the fair value method of valuation. This essentially reflects the current cost the entity would face in replacing that asset.

