

**PORTFOLIO SUPPLEMENTARY
ADDITIONAL ESTIMATES
STATEMENTS
APPROPRIATION (TSUNAMI
FINANCIAL ASSISTANCE) BILL 2004-05
AND
APPROPRIATION (TSUNAMI
FINANCIAL ASSISTANCE AND
AUSTRALIA-INDONESIA
PARTNERSHIP) BILL 2004-05**

**FOREIGN AFFAIRS AND TRADE
PORTFOLIO**

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Senator the Hon Paul Calvert
President of the Senate
Australian Senate
Parliament House
CANBERRA ACT 2600

The Hon David Hawker MP
Speaker
House of Representatives
Parliament House
CANBERRA ACT 2600


Dear Mr President
Dear Mr Speaker

We hereby submit this Portfolio Supplementary Additional Estimates Statements in support of the additional appropriations sought for the Foreign Affairs and Trade Portfolio, through Appropriation (Tsunami Financial Assistance) Bill 2004-05 and Appropriation (Tsunami Financial Assistance and Australia-Indonesia Partnership) Bill 2004-05.


These statements have been developed, and are submitted to the Parliament, as a statement on the funding requirements being sought for the portfolio.

We present these statements by virtue of our ministerial responsibility for accountability to the Parliament and, through it, the public.

Yours sincerely



Alexander Downer
Minister for Foreign Affairs



Mark Vaile
Minister for Trade

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USER GUIDE

INTRODUCTION

The purpose of the Portfolio Supplementary Additional Estimates Statements (PSAES) is to explain the Appropriation (Tsunami Financial Assistance) Bill 2004-05 and Appropriation (Tsunami Financial Assistance and Australia-Indonesia Partnership) Bill 2004-05. This document serves to inform senators and members of parliament of the proposed allocation of extra appropriation resources to Government outcomes by agencies within the portfolio.

The PSAES are declared by the Appropriation (Tsunami Financial Assistance) Bill 2004-05 and Appropriation (Tsunami Financial Assistance and Australia-Indonesia Partnership) Bill 2004-05 to be a 'relevant document' to the interpretation of the Bills according to section 15AB of the *Acts Interpretation Act 1901*.

Whereas the PSAES are focused on explaining the supplementary additional estimates appropriations, further information on related agency resourcing issues – including special appropriations, special accounts, revenue from other sources, performance information, and a full set of up-to-date agency budgeted financial statements – can be found in the 2005-06 Portfolio Budget Statements accompanying the 2005-06 annual appropriation bills. This PSAES should be read in conjunction with the 2005-06 Portfolio Budget Statements, which follow from this document in a chronological sense, and include information from the appropriation bills explained in this document.

**AGENCY SUPPLEMENTARY ADDITIONAL
ESTIMATES STATEMENTS**

**AGENCY SUPPLEMENTARY ADDITIONAL ESTIMATES
STATEMENTS: APPROPRIATION (TSUNAMI FINANCIAL
ASSISTANCE) BILL 2004-05 AND APPROPRIATION
(TSUNAMI FINANCIAL ASSISTANCE AND AUSTRALIA-
INDONESIA PARTNERSHIP) BILL 2004-05**

DEPARTMENT OF FOREIGN AFFAIRS AND TRADE

Section 1: Overview, variations and measures

OVERVIEW OF ADDITIONAL APPROPRIATIONS SOUGHT

The Department of Foreign Affairs and Trade (DFAT) is seeking departmental funding for 2004-05 of \$2.305 million and administered funding of \$15.019 million (Appropriation Tsunami Financial Assistance Bill 2004-05) for six new measures related to the tsunami disaster.

Measures

Supplementary Appropriations and Variations to Outcomes: New Measures
Measures

	2004-05 (\$'000)	2005-06 (\$'000)	2006-07 (\$'000)	2007-08 (\$'000)
Outcome 1				
Increase in Administered Appropriations				
<i>Expenses</i>				
Asian Tsunami: Emergency Response	277	0	0	0
Outcome 2				
Increase in Administered Appropriations				
<i>Expenses</i>				
Asian Tsunami: Emergency Response	(1) 14,742	0	0	0
Increase in Departmental Appropriations				
<i>Expenses</i>				
Asian Tsunami: Emergency Response	2,305	0	0	0

1.- Assistance provided to Australians in affected Tsunami areas are treated as ex-gratia payments.

MEASURES — AGENCY SUMMARY

DFAT is seeking departmental funding for 2004-05 of \$2.305 million (Appropriation Tsunami Financial Assistance Bill 2004-05) for three new measures related to the tsunami disaster:

- **\$1.811m** for overseas staff deployment and other costs in affected countries related to the provision of emergency consular assistance;
- **\$0.392m** for staff and other costs to coordinate the consular response through the emergency call and consular management functions in Canberra;
- **\$0.102m** for staff and other costs for the whole of Government crisis management.

DFAT is seeking administered funding for 2004-05 of \$15.019 million (Appropriation Tsunami Financial Assistance Bill 2004-05) for three new measures related to the tsunami disaster:

- **\$0.173m** for financial assistance to affected Australians;
- **\$14.569m** for disaster victim identification and repatriation of Australian remains and personal effects;
- **\$0.277m** (cash impact in 2005-06) to compensate the Export Finance Insurance Corporation for the temporary freezing of tsunami-affected countries' debt.

Agency Additional Appropriations Statements – DFAT

Table 1.1 - Summary of 2004-05 measures since the 2004-05 Portfolio Additional Estimates Statements

Measure	Out- come	Output groups affected	Appropriations 2004-05 (\$'000)			Appropriations 2005-06 (\$'000)			Appropriations 2006-07 (\$'000)			Appropriations 2007-08 (\$'000)		
			Admin items	Dept outputs	Total	Admin items	Dept outputs	Total	Admin items	Dept outputs	Total	Admin items	Dept outputs	Total
Budget measure														
Asian Tsunami: Emergency Response	2	2.1	14,742	2,305	17,047	0	0	0	0	0	0	0	0	0
Asian Tsunami: Emergency Response	1		277	0	277	0	0	0	0	0	0	0	0	0
Total			15,019	2,305	17,324	0	0	0	0	0	0	0	0	0

BREAKDOWN, BY APPROPRIATION BILL, OF ADDITIONAL FUNDING SOUGHT

Table 1.2 - Appropriation (Tsunami Financial Assistance) Bill 2004-05

	2004-05 Budget and Additional Estimates \$'000	2004-05 Revised \$'000	2004-05 Supplementary Additional Estimates \$'000
ADMINISTERED ITEMS			
Outcome 1			
Australia's national interests protected and advanced through contributions to international security, national economic and trade performance and global cooperation	191,855	192,132	277
Outcome 2			
Australians informed about and provided access to consular and passport services in Australia and overseas	500	15,242	14,742
Outcome 3			
Public understanding in Australia and overseas of Australia's foreign and trade policy and a positive image of Australia internationally	48,621	48,621	0
Total	240,976	255,995	15,019
DEPARTMENTAL OUTPUTS			
Outcome 1			
Australia's national interests protected and advanced through contributions to international security, national economic and trade performance and global cooperation	499,798	499,798	0
Outcome 2			
Australians informed about and provided access to consular and passport services in Australia and overseas	148,874	151,179	2,305
Outcome 3			
Public understanding in Australia and overseas of Australia's foreign and trade policy and a positive image of Australia internationally	49,648	49,648	0
Total	698,320	700,625	2,305
Total administered and departmental	939,296	956,620	17,324

AUSTRALIAN AGENCY FOR INTERNATIONAL DEVELOPMENT (AUSAID)

Section 1: Overview, variations and measures

OVERVIEW OF ADDITIONAL APPROPRIATIONS SOUGHT

Additional appropriations relate to humanitarian, relief and rehabilitation assistance to countries affected by the 26 December 2004 Asian Tsunami.

An additional outcome has been created to cover expenditure under the Australia-Indonesia Partnership for Reconstruction and Development (AIPRD).

Outcome 1

An additional \$50 million for administered expenses and an additional \$0.640 million for departmental expenses for 2004-05 which relates to the Government's response to the Tsunami emergency. The additional \$50 million relates to the announcements made by the Minister for Foreign Affairs and is being provided as humanitarian relief and rehabilitation assistance to Tsunami affected countries.

Outcome 2

Creation of a new Outcome titled "Australia's national interest advanced by implementing a partnership between Australia and Indonesia for reconstruction and development".

This new Outcome has been created to cover the implementation of the Australian Government's \$1 billion commitment over 5 years together with departmental costs directly related to the Australia-Indonesia Partnership for Reconstruction and Development (AIPRD). The purpose of the AIPRD is to support Indonesia's reconstruction and development efforts, both in and beyond Tsunami affected areas, through long-term cooperation focused on assistance for economic and social development projects and Indonesia's programmes of reform and democratisation. The \$1 billion commitment consists of \$500m in grants and \$500m in concessional loans. The outcome also covers an additional \$5.6 million in departmental expenses, an additional \$2.9 million in administered expenses and an additional \$0.1 million in administered capital related to the management of the AIPRD.

This additional funding is to cover both 2004-05 and 2005-06 financial years. The additional funding for 2005-06 will be received through the 2005-06 annual appropriation funding Bills.

ADDITIONAL ESTIMATES AND VARIATIONS TO OUTCOMES

AusAID is seeking a total of \$50 million for administered expenses and \$0.640 million for departmental expenses for Outcome 1 and, \$1002.9 million for administered expenses, \$0.1 million for administered capital and \$5.6 million for departmental expenses for Outcome 2. This additional funding is to cover both 2004-05 and 2005-06 financial years. The additional funding for 2005-06 will be received through the 2005-06 annual appropriation funding Bills.

Measures

	2004-05 (\$'000)	2005-06 (\$'000)	2006-07 (\$'000)	2007-08 (\$'000)
Outcome 1				
Increase in administered appropriations				
Tsunami Financial Assistance	50,000	0	0	0
Increase in departmental appropriations				
Tsunami Financial Assistance	640	0	0	0
Outcome 2				
Increase in administered appropriations				
Australia - Indonesia partnership for reconstruction and development	1,000,830	2,109	0	0
Increase in departmental appropriations				
Australia - Indonesia partnership for reconstruction and development	1,632	3,923	0	0

Other variations to appropriations

AusAID does not have any other variations to our appropriations since the tabling of Additional Estimates.

MEASURES — AGENCY SUMMARY

- Tsunami Relief Assistance
- Australia-Indonesia Partnership for Reconstruction and Development

Agency Additional Appropriations Statements –AusAID

Table 1.1: Summary of 2004-05 measures in relation to the Australian Government’s Response to the South Asian Tsunami

Measure	Out- come	Output groups affected	Appropriations 2004-05 (\$'000)			Appropriations 2005-06 (\$'000)			Appropriations 2006-07 (\$'000)			Appropriations 2007-08 (\$'000)		
			Admin items	Dept outputs	Total	Admin items	Dept outputs	Total	Admin items	Dept outputs	Total	Admin items	Dept outputs	Total
Tsunami Relief Assistance	1	1 & 2	50,000	640	50,640	0	0	0	0	0	0	0	0	0
Australia - Indonesia partnership for reconstruction and development (expense measure)	2		1,000,830	1,632	1,002,462	2,109	3,923	6,032	0	0	0	0	0	0
Australia - Indonesia partnership for reconstruction and development - (capital measure)	2		114	0	114	0	0	0	0	0	0	0	0	0
Total			1,050,944	2,272	1,053,216	2,109	3,923	6,032	0	0	0	0	0	0

BREAKDOWN, BY APPROPRIATION BILL, OF ADDITIONAL FUNDING SOUGHT

Table 1.2: Appropriation (Tsunami Financial Assistance) Bill 2004-05

	2004-05 Budget and Additional Estimates \$'000	2004-05 Revised \$'000	2004-05 Supplementary Additional Estimates \$'000
ADMINISTERED ITEMS			
Outcome 1			
Australia's national interest advanced by assistance to developing countries to reduce poverty and achieve sustainable development	2,093,246	2,143,246	50,000
Outcome 2			
Australia's national interest advanced by implementing a partnership between Australia and Indonesia for reconstruction and development	0	0	0
Total	2,093,246	2,143,246	50,000
DEPARTMENTAL OUTPUTS			
Outcome 1			
Australia's national interest advanced by assistance to developing countries to reduce poverty and achieve sustainable development	72,815	73,455	640
Outcome 2			
Australia's national interest advanced by implementing a partnership between Australia and Indonesia for reconstruction and development	0	1,632	1,632
Total	72,815	75,087	2,272
Total administered and departmental	2,166,061	2,218,333	52,272

Table 1.3: Appropriation (Tsunami Financial Assistance and Australia-Indonesia Partnership) Bill 2004-05

	2004-05 Budget and Additional Estimates \$'000	2004-05 Revised \$'000	2004-05 Supplementary Additional Estimates \$'000
OTHER ADMINISTERED ITEMS			
Outcome 2			
Australia's national interest advanced by implementing a partnership between Australia and Indonesia for reconstruction and development	0	1,000,830	1,000,830
Total	0	1,000,830	1,000,830
Non-operating			
Equity injections	0	0	0
Loans	0	0	0
Previous years' outputs	0	0	0
Administered assets and liabilities	0	0	0
Total capital			
Australian Agency for International Development (AusAID)	0	114	114
Total	0	114	114

ESTIMATED SPECIAL ACCOUNT FLOWS

Table 1.4: Estimated special account flows

	Opening balance 2004-05 \$'000	Receipts 2004-05 \$'000	Payments 2004-05 \$'000	Closing balance 2004-05 \$'000
Australia - Indonesia Partnership for Reconstruction and Development (Grants) Special Account (A) ⁽¹⁾ <i>Financial Management and Accountability Act 1997 s20</i>	0	500,000	60,000	440,000
Australia - Indonesia Partnership for Reconstruction and Development (Loans) Special Account (A) ⁽²⁾ <i>Financial Management and Accountability Act 1997 s20</i>	0	500,000		500,000
Total special accounts	-	1,000,000	60,000	940,000

D = Departmental

A = Administered