

## OFFICE OF THE PRIVACY COMMISSIONER

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## OFFICE OF THE PRIVACY COMMISSIONER

### Section 1: Agency overview

The main role of the Office of the Privacy Commissioner is to promote an Australian culture that respects privacy. In achieving this, the Office of the Privacy Commissioner recognises that this right should be balanced against other important social interests such as the free flow of information and the need for government and business to operate efficiently.

The Office of the Privacy Commissioner's output - complaint handling, compliance activities, inquiries and promotion and educational activities - is a key element in the Government's social justice initiatives and reflect the Government's commitment to the protection and promotion of citizens' privacy rights.

The Office of the Privacy Commissioner is responsible for implementing the *Privacy Act 1988*.

Functions under this Act are vested in the Privacy Commissioner and the Act is administered by the Federal Attorney-General

The Office of the Privacy Commissioner:

- investigates complaints from individuals about potential interferences with their privacy
- conducts audits of the personal information handling practices of Commonwealth and ACT agencies and other organisations covered by the Act
- inquires into acts or practices that may be interferences with privacy, and
- fosters public discussion, and undertakes and coordinates research and educational programs to promote the concept of privacy protection.

**Table 1.1: Agency outcomes and output groups**

<b>Office of the Privacy Commissioner</b> <b>Privacy Commissioner: Ms Karen Curtis</b>	
Total Price of Outputs	\$4.900m
Departmental Outcome Appropriation	\$4.081m
<b>Outcome 1: An Australian culture in which privacy is respected, promoted and protected</b>	
Total Price	\$4.900m
Departmental Outcome Appropriation	\$4.081m
<b>Output 1.1: Complaint handling, compliance and monitoring and education and promotion</b>	
Total Price	\$4.900m
Departmental Outcome Appropriation	\$4.081m

## Section 2: Agency resources for 2005–06

### 2.1: APPROPRIATIONS AND OTHER RESOURCES

Table 2.1 shows the total resources from all origins for 2005–06, including appropriations. The table summarises how revenue will be applied by outcome and departmental classification.

The total appropriation for the Office of the Privacy Commissioner in the 2005–06 Budget is \$4.081m.

### 2.2: 2005–06 BUDGET MEASURES

Budget measures affecting the Office of the Privacy Commissioner as explained in Budget Paper No.2 are summarised in Table 2.2. The table also identifies the relevant outcomes and outputs associated with each measure.

**Table 2.1: Appropriations and other revenue 2005–06<sup>1</sup> ('000)**

Outcome	Appropriations				Revenue from Other Sources <sup>5</sup>		Total Resources <sup>7</sup>
	Bill No. 1	Bill No. 2 <sup>2</sup>	Special approp <sup>3</sup>	Total approp <sup>4</sup>		% <sup>6</sup>	
<b>Outcome 1</b> An Australian culture in which privacy is respected, promoted and protected						% <sup>6</sup>	
Departmental	4,081	-	-	4,081	819	16	4,900
<b>Total outcome 1</b>	<b>4,081</b>	<b>-</b>	<b>-</b>	<b>4,081</b>	<b>819</b>		<b>4,900</b>
Departmental capital (equity injections)	-	-	-	-	-	-	-
Previous year's outputs	-	-	-	-	-	-	-
Administered assets and liabilities	-	-	-	-	-	-	-
<b>Total resources</b>	<b>4,081</b>	<b>-</b>	<b>-</b>	<b>4,081</b>	<b>819</b>		<b>4,900</b>

1 This table has been redesigned to correspond with Budget Paper No. 4 'Agency Resourcing'. It now includes (where appropriate) administered revenue from other sources.

2 Under the appropriation structure, Bill No. 2 includes Specific Purpose Payments (SPPs), New Agency Outcomes (NAOs), administered capital and departmental capital via departmental injections and loans.

3 Estimated expenses from individual Special appropriations are shown at Section 3, Tables 3.1, etc.

4 Total appropriations = Bill No. 1 + Bill No. 2 + Special appropriations.

5 Revenue from other sources includes FMA s.31 revenues, CAC body revenues that are available to be expensed, special accounts (non-appropriation revenues) and resources received free of charge.

6 Percentage figures indicate the percentage contribution of Revenue from Government (departmental appropriations) to the total price of outputs, by outcome, and the percentage contribution of Revenue from other sources (departmental) to the total price of outputs, by outcome.

7 Total resources = Total appropriations + Revenue from other sources.

Note: Refer to Budgeted statement of financial performance for application of agency revenue.

**Table 2.2: Summary of measures disclosed in the 2005–06 Budget (impact on fiscal balance)**

Measure	Outcome	Outputs Affected	Appropriations Budget 2005–06 (\$'000)			Appropriations Forward Estimate 2006–07 (\$'000)			Appropriations Forward Estimate 2007–08 (\$'000)			Appropriations Forward Estimate 2008–09 (\$'000)		
			Admin Expenses	Dept Outputs	Total	Admin Expenses	Dept Outputs	Total	Admin Expenses	Dept Outputs	Total	Admin Expenses	Dept Outputs	Total
Efficiency dividend - increase in the rate from 1 per cent to 1.25 per cent	1	1.1	-	(10)	(10)	-	(20)	(20)	-	(30)	(30)	-	(30)	(30)
Providing for Australia's Security - biometrics for border control - privacy advice and audit for biometrics	1	1.1	-	182	182	-	184	184	-	186	186	-	188	188
<b>Total</b>			-	172	172	-	164	164	-	156	156	-	158	158

### 2.3: OTHER RECEIPTS AVAILABLE TO BE USED

Relevant receipts for the Office of the Privacy Commissioner are set out below.

The Office of the Privacy Commissioner has not entered into any cost recovery arrangements.

**Table 2.3: Other receipts available to be used**

	Estimated Receipts 2004-05 \$'000	Budget Estimate 2005-06 \$'000
<b>DEPARTMENTAL OTHER RECEIPTS</b>		
Sales of goods and services	700	800
Resources received free of charge	19	19
<b>Total departmental other receipts available to be used</b>	<b>719</b>	<b>819</b>
<b>ADMINISTERED OTHER RECEIPTS</b>		
<b>Total administered other receipts available to be used</b>	<b>-</b>	<b>-</b>

### 2.7: ADMINISTERED CAPITAL AND DEPARTMENTAL EQUITY INJECTIONS AND LOANS

The Office of the Privacy Commissioner does not have an administered capital appropriation or an appropriation for any departmental equity injections or loans.

## Section 3: Agency outcomes

This section explains how the resources identified in Section 2 will be used to deliver outputs to contribute to the outcome for the Office of the Privacy Commissioner.

### 3.1: SUMMARY OF OUTCOMES, OUTPUTS AND ADMINISTERED ITEMS

All direct expenses and overheads are allocated to the Office of the Privacy Commissioner's only output - Output 1.1.

The Office of the Privacy Commissioner has not changed its outcome and output structure from the 2004-05 Portfolio Budget Statements.

### 3.2: OUTCOMES — DEPARTMENTAL AND ADMINISTERED

#### Departmental appropriations by outcome

The Office of the Privacy Commissioner only has one outcome and as such all resources have been directed towards the achievement of that outcome in each year.

#### Administered appropriations by outcome

The Office of the Privacy Commissioner has no administered appropriations.

### 3.3: OUTCOMES RESOURCING

#### Outcome 1 resourcing

Table 3.1 shows how the 2005–06 Budget appropriations translate to total resourcing for Outcome 1, including administered expenses, revenue from government (appropriation), revenue from other sources (departmental) and the total price of outputs.

**Table 3.1 Total resources for Outcome 1**

	Estimated Actual 2004–05 \$'000	Budget Estimate 2005–06 \$'000
<b>DEPARTMENTAL APPROPRIATIONS</b>		
Output 1.1 - Complaint handling, compliance and monitoring and education and promotion	3,855	4,081
<b>Total departmental appropriations</b>	<b>3,855</b>	<b>4,081</b>
<b>Total revenue from Government (appropriations) Contributing to price of departmental outputs</b>	<b>3,855</b>	<b>4,081</b>
<b>REVENUE FROM OTHER SOURCES</b>		
Sales of goods and services	700	800
Resources received free of charge	19	19
<b>Total revenue from other sources</b>	<b>719</b>	<b>819</b>
<b>Total price from departmental outputs (Total revenue from Government and from other sources)</b>	<b>4,574</b>	<b>4,900</b>
<b>Total estimated resourcing for Outcome 1 (Total price of outputs and administered appropriations)</b>	<b>4,574</b>	<b>4,900</b>
	2004–05	2005–06
<b>Average staffing level (number)</b>	<b>35</b>	<b>35</b>

## Measures affecting Outcome 1

### Efficiency Dividend

A summary of measures in the 2005–06 Budget is at Table 2.2.

## Performance information for Outcome 1

**Table 3.2: Performance information for Outcome 1**

Performance information for departmental outputs	
<i>Output Description</i>	<i>Performance Measure</i>
<p><b>Output 1.1:</b> Complaint handling, compliance and monitoring, and education and promotion</p>	<p><i>Price:</i> \$4.900m</p> <p><i>Quality:</i> Majority of complainants and respondents surveyed satisfied that complaint handling service was timely and impartial</p> <p>Majority of enquirers surveyed satisfied with advice provided by Hotline and in written response</p> <p>80% of complaints finalised within 12 months of receipt, 90% of written enquiries answered within 10 days</p> <p>Agencies and organisations satisfied that audits improve their privacy practices and procedures</p> <p>Audits finalised within 6 months of commencement</p> <p>Targeted information available that informs the community, including business and government, of their rights and responsibilities in respect of the Office's jurisdictional responsibilities</p> <p><i>Quantity:</i> Close 1,300 complaints, respond to 2,000 written enquiries, and answer 20,000 calls</p> <p>3 audits commenced</p> <p>&gt;800,000 visits to the web site and &gt;3.5 million pages viewed on the website</p>

## Evaluations for Outcome 1

Information on planned evaluation activity for the coming year that relates to this outcome is included in table 3.2 and the results will be shown in the annual report.

## Section 4: Other reporting requirements

### **4.1: PURCHASER-PROVIDER ARRANGEMENTS**

The Office of the Privacy Commissioner has not entered into any purchaser-provider arrangements.

### **4.2: COST RECOVERY ARRANGEMENTS**

The Office of the Privacy Commissioner has not entered into any cost recovery arrangements.

## Section 5: Budgeted financial statements

### **5.1: ANALYSIS OF BUDGETED FINANCIAL STATEMENTS**

In 2005–06 revenue from ordinary activities is budgeted at \$4.900m. This is a net increase of \$0.326m over the estimated actual for 2004–05.

There is an increase in appropriation revenue of \$0.226m, from \$3.855m to \$4.081m. This includes an amount for the provision of advice to the Australian Customs Service on privacy implications of the development of biometrics for border control over the next 4 years, and other minor adjustments.

Revenue from the sales of goods and services in 2005–06 (\$0.800m) reflects existing and new memoranda of understanding with various agencies for the provision of technical services and advice.

The increase in salaries expenses (\$0.010m) is attributable primarily to salaries movements under the Office's workplace agreement, Remuneration Tribunal determinations and normal separation payments.

In 2005–06 The Office of the Privacy Commissioner is budgeting for IT infrastructure acquisitions to maintain the amenity and efficiency of existing services.

## 5.2: BUDGETED FINANCIAL STATEMENTS TABLES

**Table 5.1: Budgeted Departmental Statement of Financial Performance for the period ended 30 June**

	Estimated Actual 2004–05 \$'000	Budget Estimate 2005–06 \$'000	Forward Estimate 2006–07 \$'000	Forward Estimate 2007–08 \$'000	Forward Estimate 2008–09 \$'000
<b>REVENUE</b>					
<b>Revenues from ordinary activities</b>					
Revenues from Government	3,855	4,081	4,155	4,182	4,230
Goods and services	700	800	726	650	650
Other	19	19	19	19	19
<b>Revenues from ordinary activities</b>	<b>4,574</b>	<b>4,900</b>	<b>4,900</b>	<b>4,851</b>	<b>4,899</b>
<b>EXPENSE</b>					
<b>Expenses from ordinary activities (excluding borrowing costs expense)</b>					
Employees	2,746	2,756	2,772	2,774	2,786
Suppliers	1,793	2,086	2,058	2,007	2,043
Depreciation and amortisation	35	58	70	70	70
<b>Expenses from ordinary activities (excluding borrowing costs expense)</b>	<b>4,574</b>	<b>4,900</b>	<b>4,900</b>	<b>4,851</b>	<b>4,899</b>
Borrowing costs expense	-	-	-	-	-
<b>Operating surplus or (deficit) from ordinary activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net surplus or (deficit)</b>					
Outside equity interests in net surplus or (deficit)	-	-	-	-	-
<b>Net surplus or deficit attributable to the Australian Government</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Table 5.2: Budgeted Departmental Statement of Financial position as at 30 June

	Estimated Actual 2004-05 \$'000	Budget Estimate 2005-06 \$'000	Forward Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash	183	53	72	91	91
Receivables	60	62	62	63	63
<b>Total financial assets</b>	<b>243</b>	<b>115</b>	<b>134</b>	<b>154</b>	<b>154</b>
<b>Non-financial assets</b>					
Land and buildings					
Infrastructure, plant and equipment	62	52	46	30	30
Intangibles	24	19	6	-	-
Other non-financial assets	10	13	13	13	13
<b>Total non-financial assets</b>	<b>96</b>	<b>84</b>	<b>65</b>	<b>43</b>	<b>43</b>
<b>Total assets</b>	<b>339</b>	<b>199</b>	<b>199</b>	<b>197</b>	<b>197</b>
<b>LIABILITIES</b>					
<b>Provisions</b>					
Employees	854	759	759	757	757
<b>Total provisions</b>	<b>854</b>	<b>759</b>	<b>759</b>	<b>757</b>	<b>757</b>
<b>Payables</b>					
Suppliers	102	101	101	101	101
<b>Total payables</b>	<b>102</b>	<b>101</b>	<b>101</b>	<b>101</b>	<b>101</b>
<b>Total liabilities</b>	<b>956</b>	<b>860</b>	<b>860</b>	<b>858</b>	<b>858</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	(459)	(459)	(459)	(459)	(459)
Retained surpluses or accumulated deficits	(158)	(202)	(202)	(202)	(202)
<b>Total parent entity interest</b>	<b>(617)</b>	<b>(661)</b>	<b>(661)</b>	<b>(661)</b>	<b>(661)</b>
<b>Total equity</b>	<b>(617)</b>	<b>(661)</b>	<b>(661)</b>	<b>(661)</b>	<b>(661)</b>
<b>TOTAL ASSETS AND LIABILITIES BY MATURITY</b>					
<b>Current assets</b>	<b>253</b>	<b>128</b>	<b>147</b>	<b>167</b>	<b>167</b>
<b>Non-current assets</b>	<b>86</b>	<b>71</b>	<b>52</b>	<b>30</b>	<b>30</b>
<b>Current liabilities</b>	<b>543</b>	<b>538</b>	<b>538</b>	<b>538</b>	<b>538</b>
<b>Non-current liabilities</b>	<b>408</b>	<b>322</b>	<b>322</b>	<b>322</b>	<b>322</b>

\* 'Equity' is the residual interest in assets after deduction of liabilities.

**Table 5.3: Budgeted Departmental Statement of Cash Flows for the period ended 30 June**

	Estimated Actual 2004-05 \$'000	Budget Estimate 2005-06 \$'000	Forward Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	680	815	765	715	715
Appropriations	3,855	4,081	4,155	4,182	4,230
Other	29	26	29	32	35
<b>Total cash received</b>	<b>4,564</b>	<b>4,922</b>	<b>4,949</b>	<b>4,929</b>	<b>4,980</b>
<b>Cash used</b>					
Employees	2,740	2,693	2,707	2,708	2,731
Suppliers	2,001	2,309	2,172	2,202	2,249
<b>Total cash used</b>	<b>4,741</b>	<b>5,002</b>	<b>4,879</b>	<b>4,910</b>	<b>4,980</b>
<b>Net cash from or (used by) operating activities</b>	<b>(177)</b>	<b>(80)</b>	<b>70</b>	<b>19</b>	<b>-</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
<b>Total cash received</b>	-	-	-	-	-
<b>Cash used</b>					
Purchase of property, plant and equipment	50	50	50	-	-
<b>Total cash used</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>-</b>	<b>-</b>
<b>Net cash from or (used by) investing activities</b>	<b>(50)</b>	<b>(50)</b>	<b>(50)</b>	<b>-</b>	<b>-</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
<b>Total cash received</b>	-	-	-	-	-
<b>Cash used</b>					
<b>Total cash used</b>	-	-	-	-	-
<b>Net cash from/(used by) financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase or (decrease) in cash held</b>	<b>(227)</b>	<b>(130)</b>	<b>19</b>	<b>19</b>	<b>-</b>
Cash at the beginning of the reporting period	410	183	53	72	91
<b>Cash at the end of the reporting period</b>	<b>183</b>	<b>53</b>	<b>72</b>	<b>91</b>	<b>91</b>

**Table 5.4: Departmental Capital Budget Statement for the period ended 30 June**

	Estimated Actual 2004–05 \$'000	Budget Estimate 2005–06 \$'000	Forward Estimate 2006–07 \$'000	Forward Estimate 2007–08 \$'000	Forward Estimate 2008–09 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Total equity injections	-	-	-	-	-
Total loans	-	-	-	-	-
<b>Total capital appropriations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Represented by:</b>					
Purchase of non-financial assets	-	-	-	-	-
Other	-	-	-	-	-
<b>Total represented by</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriation	-	-	-	-	-
Funded internally by departmental resources	23	50	50	-	-
<b>Total</b>	<b>23</b>	<b>50</b>	<b>50</b>	<b>-</b>	<b>-</b>

**Table 5.5: Departmental Property, Plant, Equipment and Intangibles — Summary of Movement (Budget year 2005–06)**

	Other Infrastructure Plant and Equipment \$'000	Computer Software \$'000	Total \$'000
<b>As at 1 July 2005</b>			
Gross book value	92	100	192
Accumulated depreciation	30	76	106
<b>Opening net book value</b>	<b>62</b>	<b>24</b>	<b>86</b>
Additions:			
by purchase	42	8	50
by finance lease	-	-	-
from acquisitions of entities or operations (including restructuring)	-	-	-
Net revaluation increment/decrement			
Reclassifications	-	-	-
Depreciation/amortisation expense	45	13	58
Recoverable amount write-downs	-	-	-
Other movements	7	-	7
Disposals:			
from disposal of entities or operations (including restructuring)	-	-	-
other disposals	-	-	-
<b>As at 30 June 2006</b>			
Gross book value	127	108	235
Accumulated depreciation	75	89	164
<b>Closing net book value</b>	<b>52</b>	<b>19</b>	<b>71</b>

### **5.3: NOTES TO THE FINANCIAL STATEMENTS**

#### **Basis of accounting**

The Office of the Privacy Commissioner's Budget Statements are prepared in compliance with Australian Accounting Standards, Accounting Guidance Releases and having regard to Statements of Accounting Concepts.

#### **Asset valuation**

From 1 July 2002 Australian Agencies and Authorities are required to use either the cost basis or fair value basis to measure Property, Plant and Equipment. The Office of the Privacy Commissioner revalues its Property, Plant and Equipment annually on a fair value basis. Fair value essentially reflects the current market value of an asset

