

NATIONAL COMPETITION COUNCIL

Section 1: Overview, Appropriations and Budget Measures Summary

OVERVIEW

The role of the National Competition Council (NCC) is to oversight and assist the implementation of National Competition Policy and related reforms outlined in frameworks developed and agreed by all Australian governments. Its responsibilities include assisting public awareness of competition reform agendas, recommending on the design and coverage of infrastructure access regimes under Part IIIA of the *Trade Practices Act 1974*, and assessing whether States and Territories have made satisfactory progress towards competition policy reform.

The NCC vision is that through constructive engagement with governments it will work towards completing the reform program originally envisaged in April 1995. The NCC's second broad goal is to help the community to become better attuned to the scope and potential outcomes of competition reform. This approach will enable increased competition to be introduced where it will result in greater economic growth, less unemployment, better social outcomes and the better use of resources for all Australians. The above vision is embodied in the Council's mission: 'To help raise the living standards of the Australian community by ensuring that conditions for competition prevail throughout the economy that promote growth, innovation and productivity'.

APPROPRIATIONS

The total appropriations for the NCC in the 2000-01 Budget are \$3.3 million (see Table 1.1 on the following page).

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National Competition Council — Appropriations 2000-01

Table 1.1: Appropriations (\$'000)

Outcomes	Agency (Price of Outputs)					Administered				Total Appropriations
	Revenue from Government (Appropriations)			Revenue from other sources ^(a)	Price of Outputs	Annual Appropriations		Special Approps	Total Administered Appropriations	
	Bill No. 1	Special Approps	Total			Bill No. 1	Bill No. 2 (SPPs & NAOs)			
(A)	(B)	(C=A+B)	(D)	(E= C+D)	(F)	(G)	(H)	(I=F+G+H)	(J=C+I)	
Outcome 1 — The achievement of effective and fair competition reforms and better use of Australia's infrastructure for the benefit of the community	3,280	-	3,280	30	3,310	-	-	-	-	3,310
Total	3,310	-	3,280	30	3,310	-	-	-	-	3,310
						Agency Capital (Equity Injections and Loans)				-
						Administered Capital				-
						Total Appropriations				3,310

(a) Revenue from Other Sources includes other revenue from government (for example, resources free of charge) and revenue from sources other than government (for example, sales of goods and services).

ADMINISTERED CAPITAL AND AGENCY CAPITAL (EQUITY INJECTIONS AND LOANS)

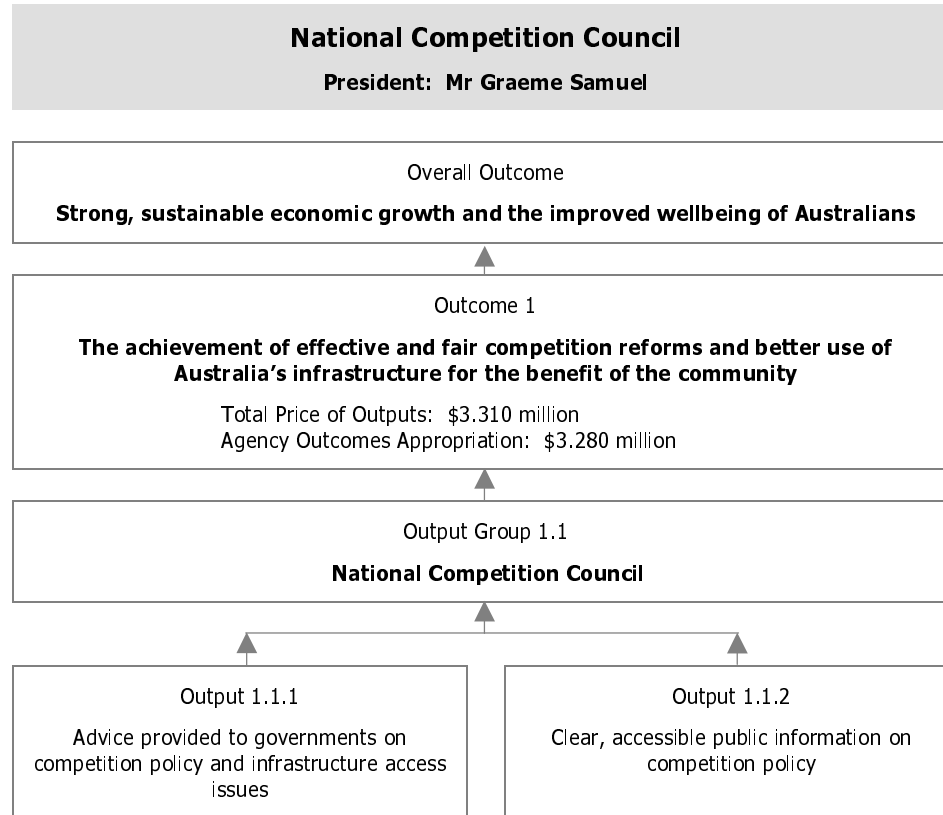
The NCC does not have an appropriation for an equity injection or loan or appropriations for administered capital in 2000-01.

Section 2: Outcomes and Outputs Information

OUTCOMES AND OUTPUT GROUPS

The map on the following page shows the relationship between Government outcomes and the contributing outputs for the National Competition Council (NCC). Financial detail for Outcome 1 by output appears in Table 2.1 while non-financial information for Outcome 1 appears in Table 2.2.

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CHANGES TO OUTCOMES AND OUTPUTS

There is no change in outcomes or outputs from the previous year.

OUTCOME 1

The achievement of effective and fair competition reforms and better use of Australia's infrastructure for the benefit of the community

MEASURES IN THE 2000-01 BUDGET

There are no measures for the NCC in the 2000-01 Budget.

OUTCOME 1 — RESOURCING

Table 2.1 shows how the 2000-01 appropriations translate to total resourcing for Outcome 1 including revenue from Government (appropriation), revenue from other sources and the total price of outputs.

Table 2.1: Total Resources for Outcome 1

	Estimated Actual 1999-00 (\$'000)	Budget Estimate 2000-01 (\$'000)
Agency appropriations		
Output group 1.1 – National Competition Council		
Output 1.1.1 — Advice provided to governments on competition policy and infrastructure access	2,751	2,760
Output 1.1.2 — Clear, accessible public information on competition policy	520	520
Subtotal output group 1.1	3,271	3,280
Total revenue from Government (appropriations) contributing to price of agency outputs	3,271 99.1%	3,280 99.1%
Revenue from other sources		
Output 1.1.1 — Advice provided to governments on competition policy and infrastructure access	27	27
Output 1.1.2 — Clear, accessible public information on competition policy	3	3
Total revenue from other sources	30	30
Total price of agency outputs <i>(Total revenue from Government and from other sources)</i>	3,301	3,310
Total estimated resourcing for outcome 1 <i>(Total price of outputs and admin expenses)</i>	3,301	3,310
	1999-00	2000-01
Average staffing levels (number)	21	22

OUTCOME 1 — CONTRIBUTION OF OUTPUTS

The NCC pursues goals and strategies that allow it to provide advice to governments on competition policy and infrastructure access and public information on competition policy. Further, these goals and strategies work towards the achievement of effective and fair competition reforms and better use of Australia's infrastructure for the benefit of the community.

PERFORMANCE INFORMATION FOR OUTCOME 1

Table 2.2: Performance Information 2000-01

Performance information for agency outputs

Output group 1.1 — National Competition Council

Output 1.1.1 — Advice provided to governments on competition policy and infrastructure access	<p>Advice and recommendations meet criteria as to quality, accuracy and timeliness.</p> <p>Advice and recommendations take into account all relevant considerations and meet Ministers' needs.</p>
Output 1.1.2 — Clear, accessible public information on competition policy	<p>Recommendations to governments and representations to the Australian Competition Tribunal on access to essential infrastructure services, and reviews requested by governments, are effective and timely.</p> <p>Publications and explanatory material, including the Annual Report are comprehensive and meet deadlines, and information provided is effective in promoting understanding of competition reform policy and processes.</p>

Evaluations

An evaluation programme that relates to this outcome is currently being undertaken by government and results will be shown in the NCC's Annual Report.

Competitive Tendering and Contracting

The NCC is currently 'testing' the market for a number of services including:

- the provision of accounting services; and
- the provision of an interactive website.

Section 3: Budgeted Financial Statements

The budgeted financial statements will form the basis of the financial statements that will appear in the National Competition Council's 2000-01 Annual Report and form the basis for the input into the Whole of Government Accounts. The financial statements should be read in conjunction with the accompanying notes.

The budgeted financial statements have been prepared in accordance with the GST accounting guidelines of the Urgent Issues Group (UIG) of the Australian Accounting Research Foundation. The UIG consensus requires that expenses and assets be accounted for net of recoverable GST, revenues be accounted for net of GST payable and that cash flows and accounts payable and receivable be reported gross. Appropriations are thus net of recoverable GST amounts.

Budget Statement of Revenues and Expenses (Budget Operating Statement)

This statement provides a picture of the expected financial results for NCC by identifying full accrual expenses and revenues, which highlights whether NCC is operating at a sustainable level.

Budget Statement of Assets and Liabilities (Budget Balance Sheet)

This statement shows the financial position of NCC. It enables decision-makers to track the management of NCC's assets and liabilities.

Budget Cash Flow Statement

This statement identifies expected cash flows from operating activities, investing activities and financing activities.

Capital Budget Statement

This statement shows all proposed capital expenditure funded through the Budget as appropriations or from internal sources.

Non-financial Assets — Summary of Movement

This statement shows the movement in NCC's non-financial assets over the Budget year 2000-01.

**Table 3.1: Agency Budget Statement of Revenues and Expenses
(for the period ended 30 June)**

	Estimated Actual 1999-00 \$'000	Budget Estimate 2000-01 \$'000	Forward Estimate 2001-02 \$'000	Forward Estimate 2002-03 \$'000	Forward Estimate 2003-04 \$'000
Operating revenue					
Revenues from Government	3,271	3,280	2,977	3,028	3,089
Sales of goods and services	30	30	31	32	33
Other	96	-	-	-	-
Total operating revenues	3,397	3,310	3,008	3,060	3,122
Operating expenses					
Employees	1,631	1,707	1,705	1,741	1,775
Suppliers	1,536	1,462	1,193	1,192	1,222
Depreciation and amortisation	112	112	112	112	112
Total operating expenses	3,280	3,281	3,010	3,044	3,109
Operating surplus or deficit before abnormal and extraordinary items	117	28	-2	16	13
Operating surplus or deficit after abnormal and extraordinary items	117	28	-2	16	13
Aggregate of amounts transferred to/from	-116	29	27	44	57
Capital use charge paid	-	-	-	-	-
Operating surplus or deficit after abnormal and extraordinary items and CUC	1	29	27	44	57

**Table 3.2: Agency Budget Statement of Assets and Liabilities
(as at 30 June)**

	Estimated Actual 1999-00 \$'000	Budget Estimate 2000-01 \$'000	Forward Estimate 2001-02 \$'000	Forward Estimate 2002-03 \$'000	Forward Estimate 2003-04 \$'000
Assets					
Financial assets					
Cash	169	239	270	331	390
Receivables	3	3	4	4	4
Total financial assets	172	242	274	335	394
Non-financial assets					
Land and buildings	195	195	195	195	195
Infrastructure, plant and equipment	122	107	92	77	62
Inventories	6	6	6	6	6
Other	23	23	23	23	23
Total non-financial assets	346	331	316	301	286
Total assets	518	573	590	636	680
Liabilities					
Provisions and payables					
Employees	421	451	479	509	539
Suppliers	59	56	47	46	47
Other	37	37	37	37	37
Total provisions and payables	517	544	563	592	623
Total liabilities	517	544	563	592	623
Equity					
Accumulated surplus or deficit	1	29	27	44	57
Total equity	518	573	590	636	680
Current liabilities	284	299	309	326	343
Non-current liabilities	233	184	254	266	280
Current assets	172	242	274	335	345
Non-current assets	346	331	316	301	286

**Table 3.3: Agency Budget Cash Flow Statement
(for the period ended 30 June)**

	Estimated Actual 1999-00 \$'000	Budget Estimate 2000-01 \$'000	Forward Estimate 2001-02 \$'000	Forward Estimate 2002-03 \$'000	Forward Estimate 2003-04 \$'000
Operating activities					
Cash received					
Appropriations for outputs	3,271	3,280	2,977	3,028	3,089
Sale of goods and services	85	30	31	32	33
Total cash received	3,356	3,310	3,008	3,060	3,122
Cash used					
Employees	1,604	1,678	1,769	1,808	1,842
Suppliers	1,563	1,465	1,203	1,190	1,220
Property purchases	20	120	120	120	60
Total cash used	3,187	3,263	3,092	3,118	3,122
Net cash from operating activities	169	47	-84	-58	-
Net increase in cash held					
Cash at the beginning of the reporting period	-	169	216	132	74
Cash at the end of the reporting period	169	216	132	74	74

**Table 3.4: Agency Capital Budget Statement
(for the period ended 30 June)**

	Estimated Actual 1999-00 \$'000	Budget Estimate 2000-01 \$'000	Forward Estimate 2001-02 \$'000	Forward Estimate 2002-03 \$'000	Forward Estimate 2003-04 \$'000
Capital appropriations					
Previous years carryover	96	-	-	-	-
Total loans	-	-	-	-	-
Represented by					
Purchase of non-current assets	25	20	20	20	20
Other	-	100	100	100	40
Total	25	20	20	-	-
Purchase of non-funded current assets					
Funded by capital appropriations	-	-	-	-	-
Funded internally by agency resources	25	120	120	120	60

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Table 3.5: Agency Non-financial Assets — Summary of Movement

	Land	Buildings	Total Land and Buildings	Other Infrastructure, Plant and Equipment	Total Infrastructure, Plant and Equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross value							
<i>As at 1 July 2000 (opening)</i>		342	342	231	-	-	573
Additions	-	20	20	5	-	-	25
Disposals	-	-	-	-	-	-	-
Other movements	-	-	-	-	-	-	-
<i>As at 30 June 2001 (closing)</i>	-	362	362	236	-	-	598
Accumulated depreciation							
<i>As at 1 July 2000 (opening)</i>	-	208	208	95	-	-	303
Disposals	-	-	-	-	-	-	-
Charge for the reporting period	-	61	61	11	-	-	72
Other movements	-	-	-	-	-	-	-
<i>As at 30 June 2001 (closing)</i>	-	269	269	106	-	-	375
Net book value as at 30 June 2001 (Closing book value)	-	93	93	130	-	-	223
Net book value as at 1 July 2000 (Opening book value)	-	-	134	137	-	-	271
Total additions							
Self funded	-	-	20	5	-	-	25
Appropriations	-	-	-	-	-	-	-
Total	-	-	20	5	-	-	25