

# OFFICE OF THE PRIVACY COMMISSIONER

## Section 1: Overview

The main focus 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 and monitoring and education and promotion activities – is a key element in the Government's social justice initiatives and reflects the Government's commitment to the protection and promotion of citizens' privacy rights.

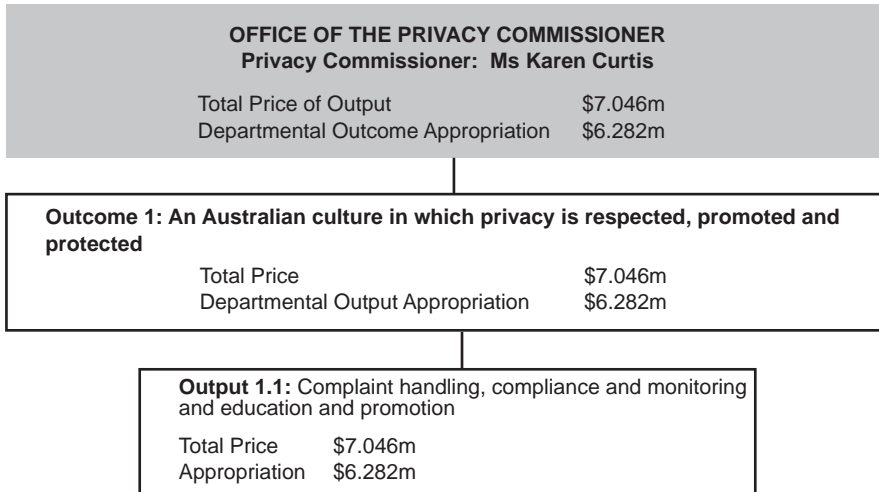
The Office of the Privacy Commissioner is responsible for implementing the *Privacy Act 1988* (the Act).

Functions under the Act are vested in the Privacy Commissioner and the Act is administered by the 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 Australian Government and Australian Capital Territory (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**



## Section 2: Resources for 2006-07

### 2.1 APPROPRIATIONS AND OTHER RESOURCES

Table 2.1 shows the total resources from all origins for 2006-07, including appropriations. The table summarises how resources will be applied by outcome and departmental classification.

The total departmental appropriation for the Office of the Privacy Commissioner is \$6.282m. The total department capital (equity injections) is \$0.044m.

Table 2.1: Appropriations and other resources 2006-07

Outcome/ Non-operating	Departmental			Administered				Total	
	Appropriation Bill No. 1 \$'000	Appropriation Bill No. 2 \$'000	Special Appropriation \$'000	Receipts (a) \$'000	Appropriation Bill No. 2		Special Appropriation \$'000		Receipts (a) \$'000
					Appropriation Bill No. 1 \$'000	SPP \$'000			
Outcome 1 - An Australian culture in which privacy is respected, promoted and protected	6,282	-	-	764	-	-	-	-	
Equity injections	-	44	-	-	-	-	-	7,046	
<b>TOTAL</b>	<b>6,282</b>	<b>44</b>	<b>-</b>	<b>764</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,090</b>	

(a) Departmental and administered receipts from other sources (that is, other than appropriation amounts) that are available to be used.

## 2.2 2006-07 BUDGET MEASURES

Budget measures relating to 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 2.2: Agency measures**

Measure	Outcome	Output Groups Affected	Appropriations Budget 2006-07 \$'000			Appropriations Forward Estimate 2007-08 \$'000			Appropriations Forward Estimate 2008-09 \$'000			Appropriations Forward Estimate 2009-10 \$'000		
			Admin Items	Dept Outputs	Total	Admin Items	Dept Outputs	Total	Admin Items	Dept Outputs	Total	Admin Items	Dept Outputs	Total
<b>Expense Measures</b> National Security - Implementing the <i>Anti-Terrorism Act</i> (No. 2) 2005	1	1.1	-	250	250	-	-	-	-	-	-	-	-	-
Identity security - establishing a document verification service	1	1.1	-	285	285	-	404	290	-	290	-	293	-	293
Office of the Privacy Commissioner - additional funding	1	1.1	-	1,600	1,600	-	1,700	1,600	-	1,600	-	1,600	-	1,600
<b>Total Expense Measures</b>			-	<b>2,135</b>	<b>2,135</b>	-	<b>2,104</b>	<b>1,890</b>	-	<b>1,890</b>	-	<b>1,893</b>	-	<b>1,893</b>
<b>Capital Measure</b> Identity security - establishing a document verification service	1	1.1	-	44	44	-	-	-	-	-	-	-	-	-
<b>Total Capital Measures</b>			-	<b>44</b>	<b>44</b>	-	-	-	-	-	-	-	-	-
<b>Total All Measures</b>			-	<b>2,179</b>	<b>2,179</b>	-	<b>2,104</b>	<b>1,890</b>	-	<b>1,890</b>	-	<b>1,893</b>	-	<b>1,893</b>

## 2.3 OTHER RESOURCES AVAILABLE TO BE USED

Table 2.3 provides details of resources obtained by the Office of the Privacy Commissioner for provision of goods or services. These resources are approved for use by the Office of the Privacy Commissioner and are included in Table 2.1.

**Table 2.3: Other resources available to be used<sup>1</sup>**

	Estimated Resources 2005-06 \$'000	Budget Estimate 2006-07 \$'000
<b>Departmental resources</b>		
Sales of goods and services (FMA Act s31)	818	745
Resources received free of charge	19	19
<b>Total departmental other resources available to be used</b>	<b>837</b>	<b>764</b>

1. This table replaces the former table 'Receipts from Other sources'. It represents own source receipts available for spending on departmental purposes.

## 2.4 MOVEMENT OF ADMINISTERED FUNDS FROM 2005-06 TO 2006-07

The Office of the Privacy Commissioner has no administered funds.

## 2.5 SPECIAL APPROPRIATIONS

The Office of the Privacy Commissioner has no special appropriations.

## 2.6 SPECIAL ACCOUNTS

The Office of the Privacy Commissioner has no special accounts.

# Section 3: Outcomes

## 3.1 SUMMARY OF OUTCOMES AND CONTRIBUTION TO OUTCOMES

The relationship between activities of the Office of the Privacy Commissioner and the outcome is summarised in Table 1.1.

## 3.2 OUTCOMES — DEPARTMENTAL

The Office of the Privacy Commissioner only has one outcome.

## 3.3 OUTCOMES AND PERFORMANCE

### Outcome 1 resourcing

Table 3.1 shows how the 2006-07 Budget appropriations translate to total resourcing for Outcome 1, including revenue from government (appropriation), revenue from other sources, and the total price of outputs.

**Table 3.1: Total resources for Outcome 1**

	Estimated Actual 2005-06 \$'000	Budget Estimate 2006-07 \$'000
<b>DEPARTMENTAL APPROPRIATIONS</b>		
Output 1.1 - Complaint handling, compliance and monitoring and education and promotion	4,156	6,282
<b>Subtotal Output Group 1.1</b>	<b>4,156</b>	<b>6,282</b>
<b>Total revenue from Government (appropriations) contributing to price of departmental outputs</b>	<b>4,156</b>	<b>6,282</b>
<b>OTHER RESOURCES AVAILABLE TO BE USED</b>		
Sales of goods and services	818	745
Resources received free of charge	19	19
<b>Total revenue from other sources</b>	<b>837</b>	<b>764</b>
<b>Total resources (Total revenue from Government and from other sources)</b>	<b>4,993</b>	<b>7,046</b>
<b>Total estimated resourcing for Outcome 1 (Total price of outputs and administered appropriations)</b>	<b>4,993</b>	<b>7,046</b>
<b>Average staffing level (number)</b>	<b>35</b>	<b>40</b>

### Measures affecting Outcome 1

The Office of the Privacy Commissioner will receive ongoing funding for new measures of \$2.135m in 2006-07, \$2.104m in 2007-08, \$1.890m in 2008-09 and \$1.893m in 2009-10. There is also a capital appropriation of \$0.44m for the 2006-07 year only.

The Office of the Privacy Commissioner will also receive ongoing funding to assist business and industry to meet their obligations under the Act. Over the next four Budget years the total appropriation funding will be \$6.500m.

Additionally, during 2006-07 the Office of the Privacy Commissioner will receive funding to develop best practice guidelines under the anti-terrorism legislation (\$0.250m).

### Contributions to achievement of Outcome 1

The Office of the Privacy Commissioner only has one outcome and as such all additional resources will be directed towards the achievement of that outcome.

### Performance information for Outcome 1

Performance information for individual outputs and output groups relating to the Office of the Privacy Commissioner are summarised in Table 3.2.

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

<b>Performance Information for Departmental Outputs</b>	
<i>Output Description</i>	<i>Performance Measure</i>
Output 1.1: Complaint handling, compliance and monitoring and education and promotion	<p>Quality: Majority of complainants and respondents 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 ten days</p> <p>Agencies and organisations satisfied that audits improve their privacy practices and procedures</p> <p>Audits finalised within six 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>Quantity: 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 website and &gt;3.5 million pages viewed on the website</p> <p>Price: \$7.046m</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 does not participate in purchaser-provider arrangements.

### **4.2 COST RECOVERY ARRANGEMENTS**

The Office of the Privacy Commissioner does not have any cost recovery arrangements.

## Section 5: Budgeted financial statements

### **ANALYSIS OF BUDGETED FINANCIAL STATEMENTS**

#### **Income Statement**

In 2006-07 revenue is budgeted at \$6.282m. This is a net increase of \$1.307m over the 2005-06 estimated actual of \$4.975m.

The Office of the Privacy Commissioner's appropriation under Appropriation Act 1 has increased from a revised 2005-06 estimate of \$4.156m to \$6.282m for 2006-07. This is the net result of cumulative parameter adjustments and additional funding for the development of best practice guidelines under the Anti-terrorism legislation, provision of privacy advice in relation to the National Documentation Verification Service and assisting business and industry to meet obligations under the Act.

Revenues from independent sources in 2006-07 (\$0.726m) are anticipated to decrease in relation to those estimated for 2005-06, reflecting the termination of some existing agreements and memoranda of understanding with various agencies for the provision of technical services and advice.

Increased salaries expense (\$1.596m) is attributable primarily to the increased workload associated with the implementation of the new budget measures outlined above. Minor increases result from the salary movements under the new workplace agreement, remuneration tribunal determinations and normal separation payments.

## Balance Sheet

In 2006-07 the Office of the Privacy Commissioner will receive an equity injection of \$0.044m to assist in the purchase of capital equipment (primarily fitout) associated with increased staffing. The Office of the Privacy Commissioner has also budgeted for internally funded capital expenditure of \$0.010m for the maintenance of IT infrastructure, existing communication systems and leasehold improvements.

## BUDGETED FINANCIAL STATEMENTS TABLES

**Table 5.1: Budgeted departmental income statement for the period ended 30 June**

	Estimated Actual 2005-06 \$'000	Budget Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000
<b>INCOME</b>					
<b>Revenue</b>					
Revenues from Government	4,156	6,282	6,270	6,096	6,140
Goods and services	800	726	650	650	650
Other	19	19	19	19	19
<b>Total revenue</b>	<b>4,975</b>	<b>7,027</b>	<b>6,939</b>	<b>6,765</b>	<b>6,809</b>
<b>Total income</b>	<b>4,975</b>	<b>7,027</b>	<b>6,939</b>	<b>6,765</b>	<b>6,809</b>
<b>EXPENSE</b>					
Employees	3,167	4,763	4,871	4,820	5,020
Suppliers	1,783	2,237	2,044	1,924	1,781
Depreciation and amortisation	25	27	24	21	8
<b>Total expenses</b>	<b>4,975</b>	<b>7,027</b>	<b>6,939</b>	<b>6,765</b>	<b>6,809</b>
<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 balance sheet as at 30 June

	Estimated Actual 2005-06 \$'000	Budget Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash	53	72	61	61	61
Receivables	62	62	63	63	63
<b>Total financial assets</b>	<b>115</b>	<b>134</b>	<b>124</b>	<b>124</b>	<b>124</b>
<b>Non-financial assets</b>					
Infrastructure, plant and equipment	23	58	34	13	5
Intangibles	15	7	-	-	-
Other	13	13	13	13	13
<b>Total non-financial assets</b>	<b>51</b>	<b>78</b>	<b>47</b>	<b>26</b>	<b>18</b>
<b>Total assets</b>	<b>166</b>	<b>212</b>	<b>171</b>	<b>150</b>	<b>142</b>
<b>LIABILITIES</b>					
<b>Provisions</b>					
Employees	531	525	493	481	475
<b>Total provisions</b>	<b>531</b>	<b>525</b>	<b>493</b>	<b>481</b>	<b>475</b>
<b>Payables</b>					
Suppliers	68	76	67	58	56
<b>Total payables</b>	<b>68</b>	<b>76</b>	<b>67</b>	<b>58</b>	<b>56</b>
<b>Total liabilities</b>	<b>599</b>	<b>601</b>	<b>560</b>	<b>539</b>	<b>531</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	(444)	(400)	(400)	(400)	(400)
Retained surpluses or accumulated deficits	11	11	11	11	11
<b>Total parent entity interest</b>	<b>(433)</b>	<b>(389)</b>	<b>(389)</b>	<b>(389)</b>	<b>(389)</b>
<b>Total equity</b>	<b>(433)</b>	<b>(389)</b>	<b>(389)</b>	<b>(389)</b>	<b>(389)</b>
<b>Current assets</b>	<b>128</b>	<b>147</b>	<b>140</b>	<b>137</b>	<b>137</b>
<b>Non-current assets</b>	<b>38</b>	<b>65</b>	<b>31</b>	<b>13</b>	<b>5</b>
<b>Current liabilities</b>	<b>520</b>	<b>518</b>	<b>480</b>	<b>462</b>	<b>467</b>
<b>Non-current liabilities</b>	<b>79</b>	<b>83</b>	<b>80</b>	<b>77</b>	<b>64</b>

\*Note: '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 2005-06 \$'000	Budget Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	818	764	652	654	654
Appropriations	4,156	6,282	6,270	6,096	6,140
<b>Total cash received</b>	<b>4,974</b>	<b>7,046</b>	<b>6,922</b>	<b>6,750</b>	<b>6,794</b>
<b>Cash used</b>					
Employees	3,190	5,152	5,149	5,175	5,221
Suppliers	1,790	1,865	1,776	1,575	1,573
<b>Total cash used</b>	<b>4,980</b>	<b>7,017</b>	<b>6,925</b>	<b>6,750</b>	<b>6,794</b>
<b>Net cash from or (used by) operating activities</b>	<b>(6)</b>	<b>29</b>	<b>(3)</b>	<b>-</b>	<b>-</b>
<b>INVESTING ACTIVITIES</b>					
<b>Total cash received</b>					
	-	-	-	-	-
<b>Cash used</b>					
Purchase of intangibles	15	54	8	-	-
<b>Total cash used</b>	<b>15</b>	<b>54</b>	<b>8</b>	<b>-</b>	<b>-</b>
<b>Net cash from or (used by) investing activities</b>	<b>(15)</b>	<b>(54)</b>	<b>(8)</b>	<b>-</b>	<b>-</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	-	44	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>44</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total cash used</b>					
	-	-	-	-	-
<b>Net cash from or (used by) financing activities</b>	<b>-</b>	<b>44</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase or (decrease) in cash held</b>	<b>(21)</b>	<b>19</b>	<b>(11)</b>	<b>-</b>	<b>-</b>
Cash at the beginning of the reporting period	74	53	72	61	61
<b>Cash at the end of the reporting period</b>	<b>53</b>	<b>72</b>	<b>61</b>	<b>61</b>	<b>61</b>

**Table 5.4: Departmental statement of changes in equity — summary of movement Budget 2006-07**

	Accumulated Results \$'000	Contributed Equity/ Capital \$'000	Total Equity \$'000
<b>Opening balance as at 1 July 2006</b>			
Balance carried forward from previous period	11	(444)	(433)
<b>Adjusted opening balance</b>	<b>11</b>	<b>(444)</b>	<b>(433)</b>
<b>Income and expense</b>			
<b>Sub-total income and expense</b>	-	-	-
<b>Total income and expenses recognised directly in equity</b>	-	-	-
<b>Transactions with owners</b>			
Appropriation (equity injection)	-	44	44
<b>Sub-total transactions with owners</b>	-	<b>44</b>	<b>44</b>
<b>Estimated closing balance as at 30 June 2007</b>	<b>11</b>	<b>(400)</b>	<b>(389)</b>

**Table 5.5: Departmental capital budget statement**

	Estimated Actual 2005-06 \$'000	Budget Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Total equity injections	-	44	-	-	-
<b>Total capital appropriations</b>	-	<b>44</b>	-	-	-
<b>Represented by:</b>					
Purchase of non-financial assets	-	44	-	-	-
<b>Total represented by</b>	-	<b>44</b>	-	-	-
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriation	-	44	-	-	-
Funded internally by departmental resources	15	10	8	-	-
<b>Total</b>	<b>15</b>	<b>54</b>	<b>8</b>	-	-

**Table 5.6: Departmental property, plant, equipment and intangibles — summary of movement Budget year 2006-07**

	Other Infrastructure Plant and Equipment \$'000	Computer Software \$'000	Total \$'000
<b>As at 1 July 2006</b>			
Gross book value	23	15	38
Accumulated depreciation	-	-	-
<b>Opening net book value</b>	<b>23</b>	<b>15</b>	<b>38</b>
Additions:			
by purchase	54	-	344
Depreciation/amortisation expense	17	8	25
Other movements	2	-	2
<b>As at 30 June 2007</b>			
Gross book value	75	15	90
Accumulated depreciation	17	8	25
<b>Estimated closing net book value</b>	<b>58</b>	<b>7</b>	<b>65</b>

## NOTES TO THE FINANCIAL STATEMENTS

### Basis of accounting

The Office of the Privacy Commissioner's budgeted statements have been prepared in accordance with Australian Equivalents to International Reporting Standards, Accounting Guidance Releases and having regard to Statements of Accounting Concepts.

### Revenue from government

Appropriations for departmental outputs are recognised as revenue.

### Employee expenses

Employee expenses consist of salaries, leave entitlements, redundancy expenses and superannuation.

### Suppliers

Supplier expenses consist of consultants and contract costs, travel expenses and administrative costs.

## **Cash**

Cash includes notes and coins held and any deposits held at call with a bank or financial institutions.

## **Assets and liabilities**

Assets and liabilities are recognised in the Office of the Privacy Commissioner's balance sheet when and only when it is probable that the future economic benefits will flow and the amounts of the assets or liabilities can be reliably measured.