

March 1, 2012

Mr. Pat Martin, M.P.  
Chair, Standing Committee on Government Operations and Estimates  
Sixth Floor, 131 Queen Street  
House of Commons  
Ottawa, ON K1A 0A6

Dear Mr. Martin:

During yesterday's meeting of the Standing Committee on Government Operations and Estimates, two follow-up questions were posed by members of the Committee.

The **first** was posed by the member from Lotbinière—Chutes-de-la-Chaudière regarding examples of documentation from other jurisdictions that present the Budget, Estimates and related appropriation bill at the same time. As mentioned in the meeting, Australia, New Zealand and South Africa all follow this process. Examples of their documentation can be found at the following Web sites:

- New Zealand: <http://www.treasury.govt.nz/budget/2011>
- Australia: <http://www.budget.gov.au/2011-12/index.htm>
- South Africa:  
<http://www.treasury.gov.za/documents/national%20budget/2012/enebooklets/default.aspx>

You will note that each of these jurisdictions appropriates funds on the basis of activities and outcomes (e.g. provision of search and rescue services), rather than inputs (i.e. operating vote, capital vote).

The **second** question was posed by the member from Burlington regarding an example of how a “sunsetting” program would be presented in the Australian Budget and Estimates. The first link is to the chapter outlining all expenditure changes proposed in the Australian Budget for 2011:

- [http://cache.treasury.gov.au/budget/2011-12/content/download/bp2\\_expense.pdf](http://cache.treasury.gov.au/budget/2011-12/content/download/bp2_expense.pdf)

You will note that measures are flagged as a new program, “redirection” of funding (i.e. reallocation), a “cessation” of funding (i.e. a funding cut) or an “extension” or “continuation” (i.e. sunsetters in the Canadian federal context). As mentioned above, these budget items are integrated into the same appropriation bill and supporting explanatory documents. This approach avoids the “stop/start” of

the Canadian federal system, where sunsetters are often not presented in the Estimates, but renewed in the Budget, and then subsequently presented in a Supplementary Estimates document.

Finally, for the reference of Committee members, I also attach background information regarding the supply process in Australia and New Zealand. Members may find it instructive as both countries inherited the same Westminster model from the U.K., but have made many enhancements over the intervening period of time. We encourage you to contact legislators from both countries to determine the extent to which they are satisfied with the current system.

- New Zealand: <http://www.treasury.govt.nz/publications/guidance/publicfinance/pit/>
- Australia: <http://www.finance.gov.au/budget/budget-process/appropriation-bills.html>

Please do not hesitate to contact me office if you require additional information.

Yours sincerely,

*[signature]*

Kevin Page  
Parliamentary Budget Officer

c.c.: Mr. Marc-Olivier Girard, Clerk of the House of Commons Standing Committee on Government Operations and Estimates