

Dr. Helmut Berger
Head of the Austrian Parliamentary Budget Office
Stubenring 8-10
1010 Wien

Dear Members of the Public Accounts and Estimate Committee

Reference: Inquiry into the Parliamentary Budget Officer

Thank you for your invitation to the inquiry which I am pleased to answer.

The tasks and the organisational framework of the Austrian Parliamentary Budget Office differ considerably from the situation of the Victorian Parliamentary Budget Officer. Many of the issues that the Public Accounts and Estimate Committee has to assess I cannot, of course, judge from the other side of the world and without closer insights. I would therefore like to confine myself to very few issues that have come to my attention in dealing with the legal framework, the terms of reference and the Annual Report 2019-20 and the independent snapshot on the Victorian Budget 20/21. In particular, I would like to address differences with practices and procedures in the Austrian Parliament:

- The **statutory basis** for the Victorian Parliamentary Budget Officer is very comprehensive and detailed. This has the great advantage that there is a strong institutional safeguard and access to government information is supported by a statutory basis. It strengthens PBO's independence and is an important governance mechanism. However, it also restricts the mandate considerably, so that further new developments or reactions to perceived gaps will very likely require a change in the law.
- The **mandate** of the Victorian Parliamentary Budget Officer is a very specific one, with a strong focus on election policy costings and other policy costings. It is also strongly tailored to the requests of individual MPs and less to the tasks of the whole committee. In comparison, the tasks of the Austrian PBO are much more focused on the overall budget outlay. In addition to the budget, the PBO analyses all documents that the government has to submit for budget execution (e.g. monthly reports on budget execution, reports on debts and liabilities, subsidies or public enterprises, as well as on performance accountability). For this purpose, analyses are prepared for the committee and the head of the PBO is available at the committee meetings as permanent expert. Individual MPs can ask the PBO for short studies, but these are made available to all members of the committee and, like all other products, are published on Parliament's website. Policy costing and impact assessment of new legislation in Austria is first and foremost the task of the government, as the vast majority of laws are submitted by the government and must include corresponding impact information. The PBO evaluates the documents submitted and, if required, prepares analyses based on the specific request from a MP.
- A separate budget for the Victorian Parliamentary Budget Officer is very welcome because it is an important element of autonomy and independence. The Austrian PBO does not have a separate budget line and budget is incorporated to the overall Parliamentary Administration budget. Adequacy, by its very nature, cannot be assessed without precise knowledge of the requirements and benefits. Policy costings are a very demanding and time-consuming task, so that the number of costings, requests and information mentioned in the activity report seems considerable at first glance with regard to the number of staff.
- A particularly positive aspect of the annual report is that it also includes performance indicators and contains a number of interesting data. The activity report of the Austrian PBO also contains some substantive comments on the most important products and analyses in the past year or on general budget-related issues that might be of interest to the MPs.
- The Snapshot on the Victorian Budget 20/21 gives a very good overview of the development of the main budget indicators and economic indicators. The presentation is very clear and the graphics are easy to read. In comparison, the analyses of the Austrian PBO on the annual

budget go into much more detail and contain more comprehensive tables and presentations, but are also much longer.

- A systematic review and assessment of the Austrian PBO's function like the current one of the Victorian Public Accounts and Estimate Committee has not been performed by the Budget Committee. The Budget Committee however discusses regularly the products of the PBO and also comments on their quality. The Austrian PBO publishes an annual report and submits it to the members of the Budget Committee. This is required in the agreement for the PBO of all party groups. A peer review of the PBO performance is considered.

I hope the submission is of any value for the inquiry and please do not hesitate in case any follow-up questions arise.

Best regards,
Helmut Berger

Dr. Helmut Berger
Parlamentsdirektion
Leiter des Budgetdienstes



www.parlament.gv.at