

## SENATE ESTIMATES

Senate estimates hearings, also known as estimates committees or simply ‘estimates’, allow senators to scrutinise (closely examine) how executive government is spending taxpayers’ money. Senators focus on how government has spent this money and on the government’s future spending plans. The hearings are called ‘estimates’ because they examine what the government estimates it will collect and spend in the financial year (1 July to 30 June).



Senate estimates in action

### Membership

Estimates committees consist of six senators – three from the government, two from the opposition and one minor party or Independent senator. A government senator runs the meetings of each committee.

### Purpose

One of the functions of the Parliament is to scrutinise the work of the executive government. While the government is responsible for raising and spending public money, it cannot legally spend money without the approval of the Parliament. Through estimates hearings, the Parliament ensures that it knows, in detail, how the government plans to collect and spend money. On this basis, the Parliament may approve government spending across many areas.

### Process

In the annual Budget speech to the Parliament in May, the Treasurer explains spending plans in each minister’s portfolio (area of responsibility) – for example, defence, education or the environment. Following this, the estimates committees scrutinise the Budget statements. These documents have been presented by the Treasurer to the Parliament and contain details of all the main income and spending for the financial year.

After the committees have scrutinised the Budget statements, committee hearings begin. Ministers and top-level officials from government departments and authorities must explain government spending and how government programs are run.

Only ministers who are senators are required to attend and answer questions. Senate ministers speak on behalf of ministers who work in the House of Representatives. In this case, Senate ministers representing ministers from the House may rely on the departmental officials to know the details of the department’s budget.

After the May estimates hearings, each committee presents a report to the Senate on its findings, including any recommendations or issues of concern. Extra estimates hearings later in the year and early in the following year allow senators to check and further question government spending and the actions of government departments or authorities.

## Timing

Estimates hearings are usually held three times a year, soon after the Treasurer presents the government's annual Budget to the Parliament in May, and then again around November and the following February. Estimates hearings last for up to two weeks. Sessions for individual government departments may last several days, with hearings beginning at 9am and continuing until 11pm, with four committees running at the same time.

## Observing a hearing

All estimates hearings are open to the media and the public, and are televised. Since these hearings are a formal meeting of the Parliament, Hansard records and publishes all statements and debates in the hearings for public information and scrutiny.

## Significance

Estimates hearings attract public attention because sometimes there are disagreements between ministers and non-government senators. Under detailed questioning from non-government senators, ministers and department officials may reveal details about government practice that have previously not been public. Estimates hearings may prompt improvements in the way government departments are run, as well as reminding the government that it is accountable to Australians for its policies and actions.

## LINKS

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### PEO website

Fact Sheet: *Parliamentary Committees*

[www.peo.gov.au/learning/fact-sheets/parliamentary-committees.html](http://www.peo.gov.au/learning/fact-sheets/parliamentary-committees.html)

Fact Sheet: *Budget*

[www.peo.gov.au/learning/fact-sheets/budget.html](http://www.peo.gov.au/learning/fact-sheets/budget.html)

### APH website

House of Representatives Infosheet: *The budget and financial legislation*

[www.tinyurl.com/Infosheet10](http://www.tinyurl.com/Infosheet10)

Senate Brief: *Consideration of Estimates by the Senate's Legislation Committees*

[www.aph.gov.au/Senate/briefs/brief05](http://www.aph.gov.au/Senate/briefs/brief05)