



Australian
National
University

Crawford School of Public Policy

TTPI

Tax and Transfer Policy Institute

Budget transparency: The Open Budget Survey 2017

TTPI – Policy Brief 2/2018 September 2018

Teck Chi Wong

Research Assistant

Tax and Transfer Policy Institute

Australian National University

Miranda Stewart

Professor, University of Melbourne

Fellow, Tax and Transfer Policy Institute

Australian National University

Tax and Transfer Policy Institute

Crawford School of Public Policy

College of **Asia and the Pacific**

+61 2 6125 9318

tax.policy@anu.edu.au

The Australian National University

Canberra ACT 0200 Australia

www.anu.edu.au

CRICOS Provider No. 00120C

The [Open Budget Survey 2017](#), released in January 2018, assesses and compares budget transparency, oversight and participation in countries around the globe. Countries are ranked in the [Open Budget Index \(OBI\)](#) using their transparency score from the Survey. We previously provided a brief overview of the Survey including [Australian findings](#) and [recommendations](#). This Policy Brief explains the OBI in more detail and discusses the state of budget transparency, participation and oversight in Australia, regionally and globally. We identify some gaps in the Australian budget system and conclude with lessons to be learned from the Survey for Australia and the region.

The Open Budget Survey is the only independent global survey on budget transparency. It is conducted every two years by a US-based non-government organisation, the International Budget Partnership (IBP). This is the sixth Survey coordinated by the IBP, but it is the first time Australia has been included. In its first [Survey report](#), Australia received a transparency score of **74 out of 100** and **was ranked 12 out of 115 countries** in the OBI. The three highest-ranked countries are New Zealand (score: 89), South Africa (score: 89) and Sweden (score: 87).

The IBP works with independent researchers within countries to make evidence-based assessments about the country's budget system. The [Australian questionnaire](#) was completed by the [Tax and Transfer Policy Institute](#) (TTPI). The assessments are subject to rigorous and anonymous review by

governments and independent reviewers. The questionnaire, country report and correspondence in the review process can be viewed on the [IBP website](#).

Australia's score of **74 out of 100** indicates that Australia has a good level of transparency and provides substantial budget information to its citizens. Australia also does well on budget oversight scoring **70 out of 100**, indicating that it has adequate institutional practices in place to oversee the budget process.

On the third measure of public participation, Australia received a lower score of **41 out of 100**. The Survey finds that participation opportunities are scarce in most participating countries so, with this low score, Australia is in fact close to the top. New Zealand has the highest participation score globally, at 59 out of 100.

Budget transparency and accountability: A global challenge

If there is one thing to be learned from this year's [Open Budget Survey report](#), it is not to take budget transparency and accountability for granted. This year's report depicts a rather bleak global picture for budget transparency.

In this round, the Survey assessed 115 countries, 13 more than the previous 2015 edition. The Survey finds that only 26 of the 115 countries surveyed have adequate budget transparency (defined as countries with a score of 61 and above). The Survey covers developed and developing countries across most continents. There are 22 OECD countries in the Survey this year including Australia, Canada and Japan as new additions. Australia's

score of 74 puts it equal with France and the United Kingdom.

For the first time since the Survey began in 2006, global progress toward greater transparency has stalled. The average OBI score fell two points to 43 in 2017 for the 102 countries surveyed in both rounds.¹ There are regional differences. Asia Pacific and South Asia have recorded significant improvements in their transparency scores, but other regions saw slower growth or declines. In particular, Sub-Saharan African countries recorded a double-digit fall in transparency: the regional average score of Sub-Saharan Africa declined from 39 in 2015 to 29 in 2017.

Even developed countries are facing challenges in maintaining and enhancing budget transparency, with some countries registering a decline in their score, notwithstanding the fact that they are still more transparent than most parts of the world. All OECD countries perform better than the global average of 42. However, eight are deemed not to be providing sufficient information to the public. Hungary is the lowest, with a score of 46. This year's scores of OECD member countries are presented in Figure 1.

The United States transparency score fell four points from 81 in 2015 to 77 in 2017; Spain's score slipped four points to 54; Germany's score declined two

¹ The decline is partly due to the change in definition of 'publicly available' this round to exclude hard copies document and consider only those available on the internet. This requirement should not be the cause of declines in developed countries. The IBP identifies a decline in globally transparency even if the definition is unchanged, mainly due to deteriorating transparency in Sub-Saharan Africa.

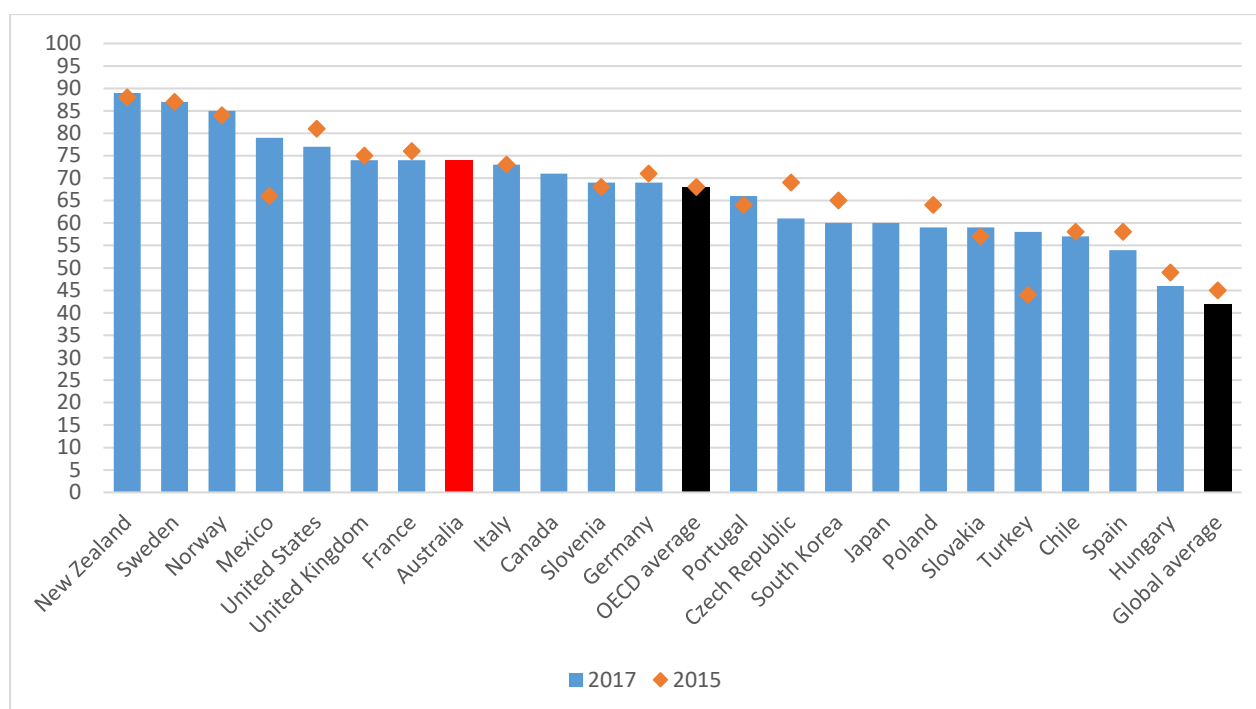
points to 64; France's score fell two points to 74 and the UK's score dropped one point to 74. These declines in transparency scores of developed countries have occurred at a time when there appears to be declining public trust in the government and in democracy in these countries, and voters may feel that the systems are distorted to serve the rich and powerful rather than the masses (Edelman 2017).

The global assessments are also not optimistic about the other pillars of budget accountability, being oversight and participation. Most countries have weak legislative oversight of their budgets, with only 28% of legislatures having adequate practices in place to oversee the budget process.

Better scores are achieved for oversight by supreme audit institutions, such as the Australian National Audit Office (two-thirds of the countries had adequate oversight). However, audit institutions tend to be weaker in countries with less transparency. The Survey also identifies independent fiscal institutions for the first time, finding that 18 countries surveyed have such an institution – including Australia's [Parliamentary Budget Office](#).

The Survey finds not a single country has adequate participation opportunities in place for the public. Four countries (New Zealand, the UK, Australia and the Philippines) are in the range of 41 to 60, which indicates limited opportunities for public participation. The remaining 111 countries scored less than 40.

Figure 1: Open Budget Index – OECD countries and global average



Source: IBP 2015; 2018a

Note: Scores of 81-100 indicate provision of extensive budget information, 61-80 indicate substantial budget information, 41-60 indicate limited budget information, 21-40 indicate minimal budget information and 0-20 indicate scant budget information. Australia, Canada and Japan are new additions in this round.

Improvements in the Asia Pacific

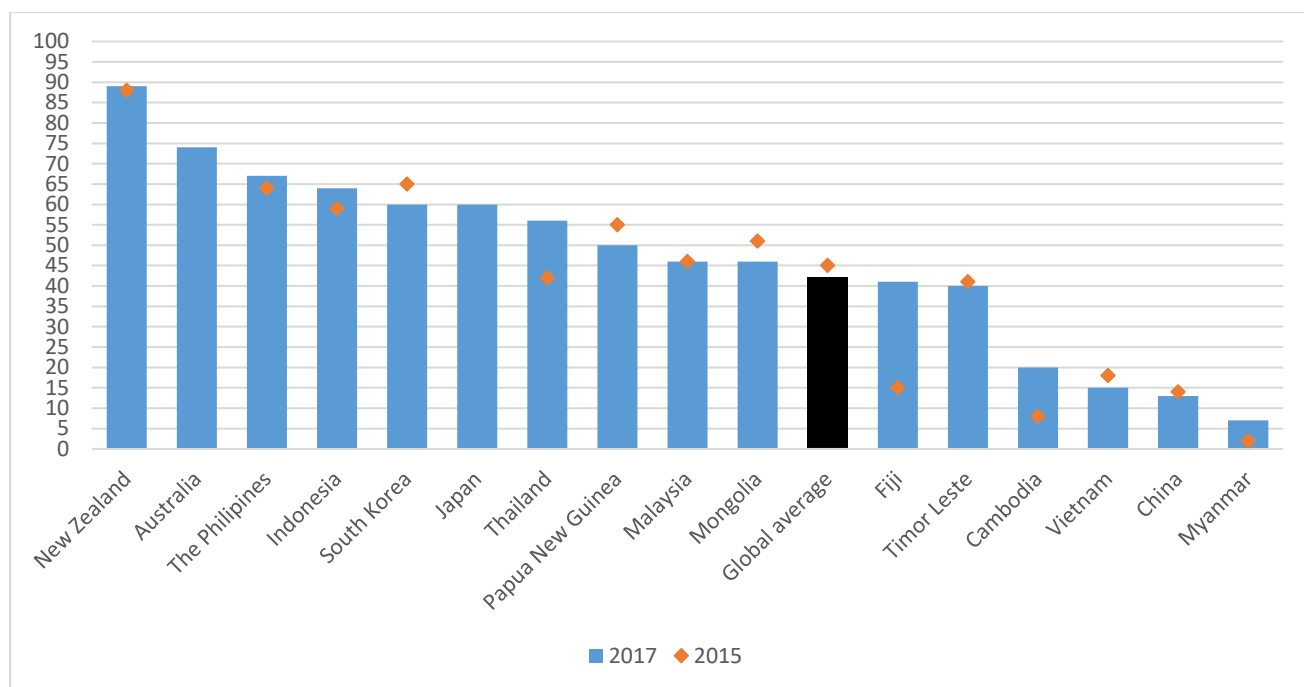
There are still some reasons to be optimistic. Overall, government budgets are generally more transparent today than they were a decade ago. In the Asia Pacific, we see progress toward greater transparency, albeit from a lower basis. Figure 2 shows the 16 Asia Pacific countries covered in the Survey and their score compared to the global average.

Some of the spectacular improvers in this year's Survey are from our part of the world, including Fiji (improved 26 points to 41), Thailand (improved 14

points to 56), Cambodia (improved 12 points to 20) and Myanmar (improved 5 points to 7). This pushed up the regional average transparency score by 3 points to 44.

However, promoting budget transparency is still a challenge in China, with its transparency score dropped one point to 13 in this round. Its neighbour South Korea also slipped 5 points to 60. New Zealand is far ahead of other countries in the region with a score of 89, slightly improved from 88 in 2015. Malaysia remains unchanged at a score of 46.

Figure 2: Open Budget Index – Asia Pacific countries and global average



Source: IBP 2015; 2018a

Note: Scores of 81-100 indicate provision of extensive budget information, 61-80 indicate substantial budget information, 41-60 indicate limited budget information, 21-40 indicate minimal budget information and 0-20 indicate scant budget information. Australia and Japan are new additions.

How Australia performs

From a global perspective, Australia performs relatively well. This is not surprising, given that Australia has a vibrant parliamentary democracy, an effective annual budget process and was able to implement a number of reforms since the 1990s to enhance budget transparency including the [Charter of Budget Honesty \(1998\)](#), which uses the disclosure of budget information as a means to achieve fiscal discipline of the Government. However, there are also some gaps in the Australian budget system, as identified by the Survey [country report](#).

This Survey assessed budget events and activities that occurred in the period up to 31 December 2016. Thus, for Australia, the Survey covers the

whole of the 2015-16 budget year and the first half of the 2016-17 budget year.

Budget Transparency

Australia's score of 74 is considerably higher than the global average of 42 and indicates that relevant budget information is provided to the public to a large extent.

In the Asia Pacific region, Australia is only behind New Zealand and has a higher score than the two other developed countries participating in the Survey, South Korea and Japan, which share an equal rank of 27 globally (see Figure 2). The Philippines (score: 64), another budget transparency enthusiast in the region, ranks 19th globally and 3rd in the region. Even within the OECD, a

natural comparison for Australia, the country is in the leading group. Out of 35 OECD countries, 22 participated in the Survey. Australia's score of 74 is higher than the OECD average of 68 and also better than another new entrant, Canada (see Figure 1). Yet, Australia still lags behind the United States and New Zealand.

The Survey report presents more detailed transparency scores for eight key budget documents, which according to the best practices, should be made available on a timely basis to the public at different stages throughout the budget process.² Australia performs well in publishing most budget documents, which include:

- [Executive's Budget Proposal](#) (score: 87 out of 100);
- In-Year Reports: [Commonwealth Monthly Financial Statements](#) (score: 70);
- Mid-Year Review: [Mid-Year Economic and Fiscal Outlook \(MYEFO\) report](#) (score: 93);
- Year-End Report: [Budget Outcome Report](#) (score: 64); and
- [Audit Report](#) by the [Australian National Audit Office](#) (score: 81).

However, Australia performs less well for other key documents. In particular, Australia does not publish a Pre-Budget Statement (score: 0, as pre-budget documents are produced only for internal use of the government). Australia also publishes less information than the benchmark in the

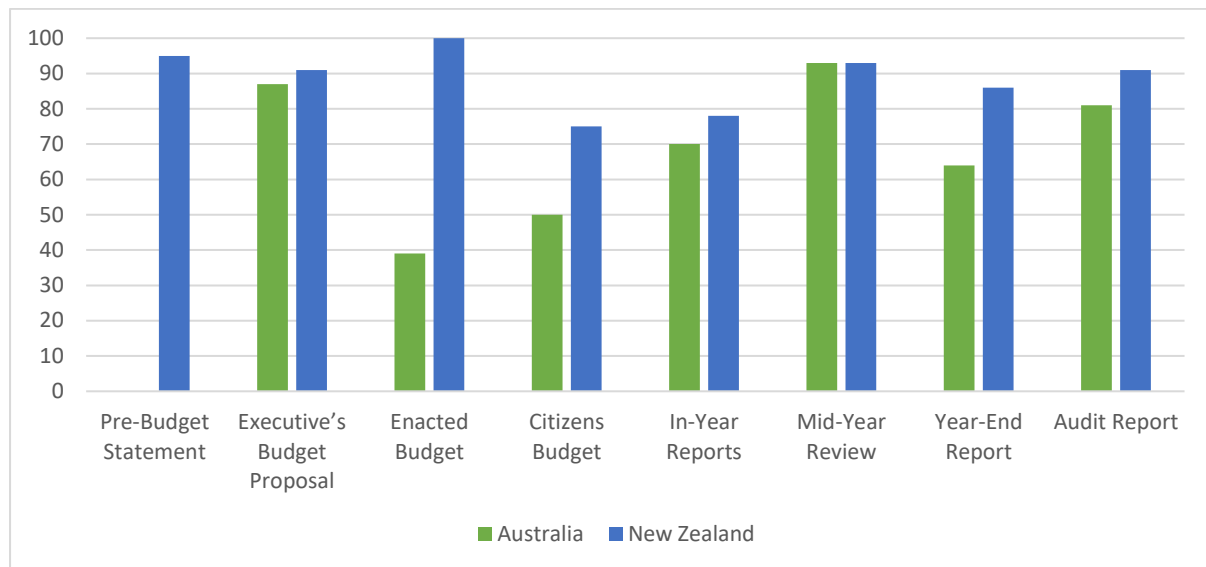
Enacted Budget (the [Appropriation Acts](#), score: 39) and the Citizens Budget (a simpler and less technical version of the government's budget documentation, which is available at the Treasury's [Budget website](#), score: 50).

To put the findings into perspective, we can compare Australia with our trans-Tasman neighbour New Zealand, since both countries share similar political, institutional and historical roots. New Zealand is far ahead of Australia in terms of budget transparency in respect of all budget documents except the Mid-Year Review where both countries scored the same (see Figure 3).

Out of the eight budget documents, New Zealand has six providing extensive information (scores 81-100), while the remaining have substantial information (scores 61-80). Whereas Australia only has three providing extensive information and two providing substantial information. This suggests there are significant gaps between the two countries in budget transparency.

² See the [OBS 2017](#) report (IBP 2018a), p.49 for the release deadlines of the documents.

Figure 3: How comprehensive is the information provided in the key budget documents? Comparison between Australia and New Zealand



Source: IBP 2018b, 2018d

Note: Scores of 81-100 indicate provision of extensive budget information, 61-80 indicate substantial budget information, 41-60 indicate limited budget information, 21-40 indicate minimal budget information and 0-20 indicate scant budget information.

Budget oversight

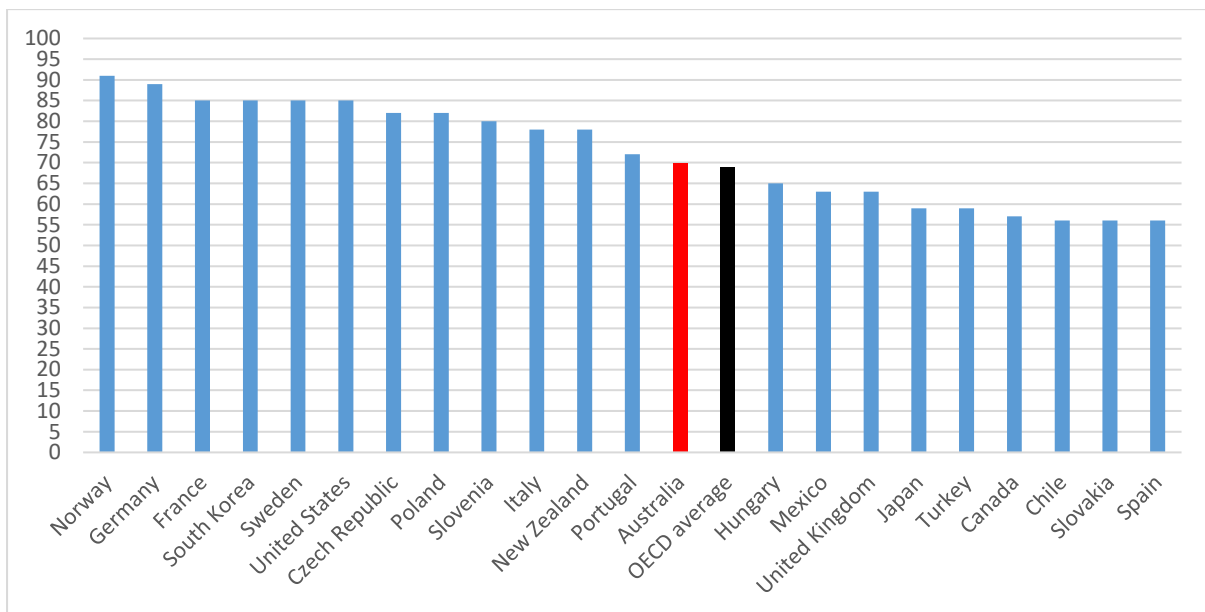
Australia scored 70 out of 100 for institutional oversight of the budget, suggesting there are adequate practices in place to oversee the budget.

Figure 4 compares Australia's budget oversight score with other OECD countries participating in the Survey. Australia's score is slightly above the OECD average of 69 and far behind Norway (score: 91), which tops among the OECD countries. Australia lags behind Germany (score: 89), France (score: 85), South Korea (score: 85), the United States (score: 85) and New Zealand (score: 78), but is still ahead of the UK (score: 63). There are six OECD countries that do not have

adequate institutional oversight, including Japan and Canada.

In the Asia Pacific region, Australia lags behind Indonesia (score: 85), South Korea (score: 85), New Zealand (score: 78), Mongolia (score: 76) and, surprisingly, Vietnam (score: 72), which has a transparency score of 15. This suggests that adequate oversight practices do not necessarily lead to accountable budgets if transparency is absent. Fiji has the weakest institutional oversight in the region, with a score of 15; while China (score: 28) is only slightly better. Figure 5 provides a comparison of Asia Pacific countries.

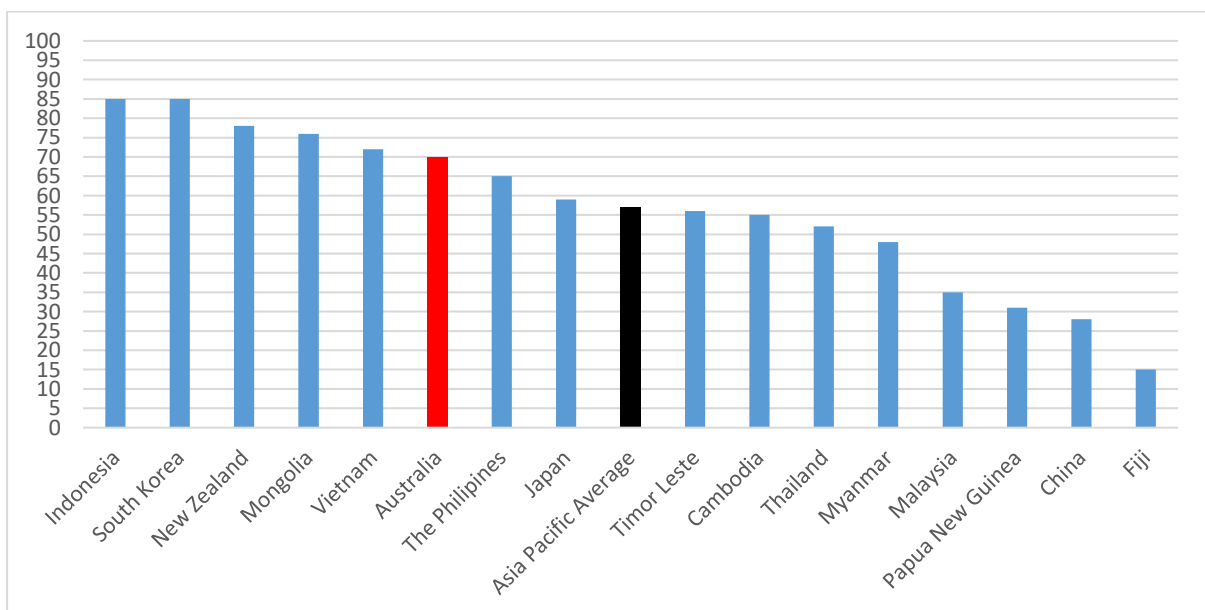
Figure 4: Budget oversight – comparison with OECD countries



Source: IBP 2018a; OECD average is based on our own calculation.

Note: Scores of 61-100 indicate adequate oversight, 41-60 indicate limited oversight and 0-40 indicate weak oversight.

Figure 5: Budget oversight – comparison with Asia Pacific countries



Source: IBP 2018a; OECD average is based on our own calculation.

Note: Scores of 61-100 indicate adequate oversight, 41-60 indicate limited oversight and 0-40 indicate weak oversight.

Australia's financial oversight by the [Australian National Audit Office \(ANAO\)](#) is very strong (score: 100). The main reason Australia is trailing behind other is because of its relatively weak legislative budget oversight. The Survey finds that the Parliament provides adequate oversight at the executive and audit stage (score: 67), but limited oversight at the formulation and approval stage for the budget (score: 48).

The main barriers to effective legislative oversight in Australia, according to the country report, are the lack of pre-budget debate by the Parliament, the Executive's Budget Proposal being only available to members of Parliament less than two months before the start of the budget year, and in-year budget implementation not examined by a parliamentary committee.

Public participation

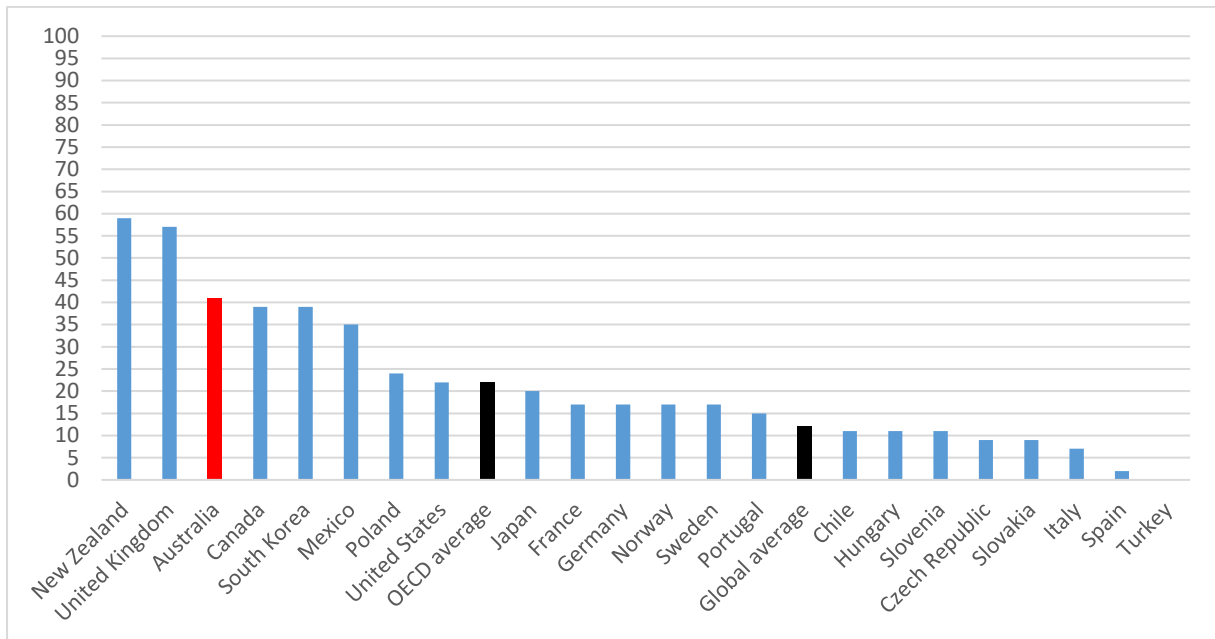
Public participation is the weakest link in Australia's budget accountability system. Australia scored only 41 out of 100, indicating limited opportunities for the public to engage in the budget process. Yet, participation opportunities are much scarcer in most

other countries in the world and Australia is in fact one of the top performers on participation. Even among OECD countries, less than half scored more than 20 and Turkey scored nil. Figure 6 provides a comparison of the public participation opportunities available in OECD countries.

Interestingly, three out of the four top performers on participation are in the Asia Pacific region (see Figure 7). South Korea is not far behind Australia with a score of 39. However, half of the countries in the Asia Pacific have participation scores below the global average of 12.

The Australian participation score is particularly low for the executive branch (score: 30), which reflects the lack of opportunities for the public to participate when the budget is formulated. Opportunities are more, but still limited, for the public to participate in the legislative branch (score: 50). The ANAO, with a score of 67, is the only institution in Australia found to provide adequate opportunities for the public to engage.

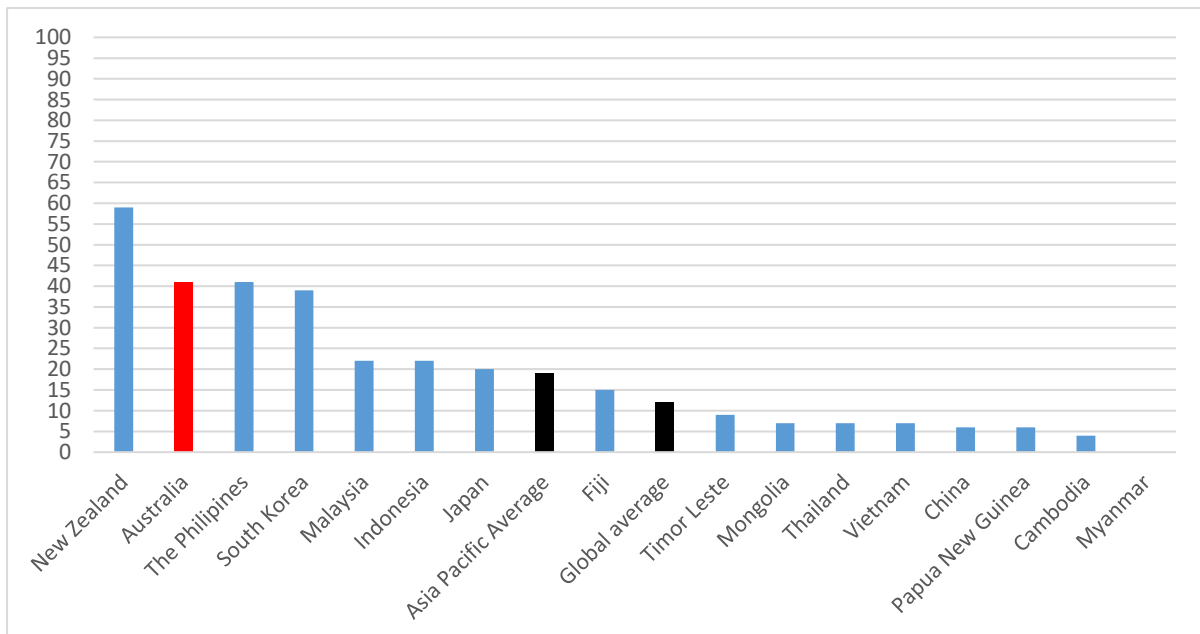
Figure 6: Public participation – comparison with OECD countries and global average



Source: IBP 2018a; the OECD average is based on our own calculation.

Note: Scores of 61-100 indicate adequate public participation opportunities, 41-60 indicate limited opportunities and 0-40 indicate few or no opportunities.

Figure 7: Public participation – comparison with Asia Pacific countries and global average



Source: IBP 2018a; the Asia Pacific average is based on our own calculation.

Note: Scores of 61-100 indicate adequate public participation opportunities, 41-60 indicate limited opportunities and 0-40 indicate few or no opportunities.

Improving the budget process

Overall, the Australian Survey results suggest that the Government does not reveal sufficient information to the public in some stages of the budget process, and that the process prevents the public from participating the budget process effectively and holding the Government accountable for the fiscal decisions it makes.

In the [country summary report](#), the IBP has made some recommendations for

Australia to enhance the budget system. Table 1 summarizes the recommendations.

To have a budget system that is efficient, effective and accountable, it is important that each pillar of budget accountability — transparency, participation and oversight — fulfils the highest standard at each stage of the budget process. Any reforms must also recognise the challenges specific to the Australian budget system.

Table 1: OBS 2017 recommendations for Australia

Component	Recommendation
Budget transparency	<ol style="list-style-type: none">1. Publish a pre-budget statement;2. Provide more information in the year-end report, including data on comparison between original macroeconomic forecast and actual outcome;3. Increase the information provided in the enacted budget.
Public participation	<ol style="list-style-type: none">1. Actively engage with individuals or civil society organisations representing vulnerable and underrepresented communities during the formulation and monitoring of the implementation of the national budget;2. Provide more feedback to the public on how its inputs have been used when it participates in the budget process.
Oversight	<ol style="list-style-type: none">1. Ensure the legislature holds a debate on budget policy prior to the tabling of the Executive's Budget Proposal and approves recommendations for the upcoming budget;2. Ensure a legislative committee examines in-year budget implementation and publishes a report presenting its findings and recommendations.

Source: IBP 2018b

Do we have adequate pre-budget transparency and deliberation?

The Treasury invites pre-budget submissions and does some consultation with individuals, businesses and community groups in the budget process. However, there is no feedback to submissions. The Survey finds that there is a lack of pre-budget transparency in Australia because the Government does not release a pre-budget statement (thus a score of 0). There is also no adequate deliberation because the Government does not permit a parliamentary debate to scrutinise budget priorities.

Some might argue that pre-budget transparency in Australia is not as bad as the score indicates. For example, the Government provides information about its broad fiscal strategies before the release of the budget, either through policy speeches or [press conferences](#) by the Prime Minister and the Treasurer. Economic forecasts and anticipated revenue, expenditures, and debt for the coming fiscal year are also available in the [Mid-Year Economic and Fiscal Outlook](#) (MYEFO) report.

However, it is increasingly expected that, for good governance reasons, governments should publish a systematic and comprehensive pre-budget statement. The two countries that pioneered budget transparency reforms around the same time as Australia in the 1990s, [New Zealand](#) and the [United Kingdom](#), both produce such a statement. This can have positive effects on both public participation and institutional oversight in the budget process.

A pre-budget statement that provides all the relevant information enables the public to participate in the budget

process in a more informed manner from the beginning. This is also in line with the latest Global Initiative for Fiscal Transparency's (GIFT) [Principles of Public Participation in Fiscal Policy](#), among which the *Timeliness* principle recommends that governments should engage the public as early as possible when options for decision are still open. The pre-budget statement also allows parliaments to scrutinize their government's broad fiscal strategies in a pre-budget debate, without this being lumped together with the discussion of detailed funding allocation in the budget approval stage.

Public participation needs to be more interactive and inclusive

In the Australian budget system, there are avenues for public participation through consultations held by the Government. However, these are still inadequate according to Survey requirements. The latest round of the Survey on participation utilizes the [GIFT](#) Principles. The GIFT Principles contain higher requirements for public engagement than previous standards. These higher standards partly explain Australia's low score in public participation.

The GIFT *Sustainability Principle* calls for more regular and interactive engagement between the public and government officials. Consultations held by the Australian Government typically call for written submissions and there is little opportunity for further deliberation with the public. In Australia, the [Citizens Budget](#) only presents a summary of the executive's budget proposal and there is no attempt to identify what information the public really wants. There is no

requirement that the Government provides feedback on pre-budget submissions.

There should also be a systematic attempt by the Government to engage vulnerable and underrepresented communities in the budget process. Disadvantaged communities such as Indigenous Australians, recent migrants or rural and remote communities, may face more obstacles than others to participate in the process. The Survey finds no concrete and proactive steps by the Government to include disadvantaged communities in the budget process. One possibility is the use of citizen juries to engage citizens in policy formation and debate.

The global IBP report presents some innovative approaches by governments, that go beyond traditional consultations to engage the public and to ensure budget information is well understood by them. For example, civil society organisations are the mainstay of public participation in the Philippines' budget process as more than 80 per cent of Filipinos are affiliated with them. These organisations are granted formal authority under the [Budget Partnership Agreement](#) initiatives to have access to spending information, participate in consultations and engage in oversight and evaluation of completed projects (see Box 5.3 in the report). This ensures consistent public participation throughout the whole budget process.

Meanwhile, public participation in Brazil is institutionalized as [Public Policy Management Councils](#), which consist of elected officials, citizen representatives and experts. The

councils have the authority to review municipal, state or federal ministry budgets and if the budget is not approved, the federal government can withhold financial transfers to the relevant agencies.

Plenty of financial information, lack of distributional information

While Australia was once at the forefront of promoting budget transparency, the enthusiasm seemed to [fade](#) after the 2008 Global Financial Crisis. There is growing [disillusionment](#) among voters with the Government and democracy, in a time of difficult [fiscal choices](#). Australia's budget contains less information than in the past about distributional effects of budget policy on taxes and welfare, either by [income](#) or [gender](#), which could help to inform the public debate about such choices. There are also questions about how reliable the budget estimates are, particularly the [government revenues](#).

While Australia performs strongly in terms of the financial information provided in the Government's [budget proposal](#), the Survey confirms that distributional information is missing. The Australian budget does not present the impact of taxes or expenditures by income or by age to illustrate the financial impacts of policies on different groups. In the past, the Government provided "cameo" tables, which show the projected impact of policies in the real disposal incomes of different hypothetical families, but this practice [ceased](#) in the 2014-15 budget.

The United Kingdom has progressed further than Australia as it now regularly includes a [supplementary document](#) in its budget to illustrate the

distributional impact of tax and welfare changes on households.

Australia also does not provide any analysis of the budget by gender. This is in contrast to the 1980s, when Australia was a [pioneer](#) in introducing gender budget analysis. The gap is now filled to some extent by civil society: the National Foundation for Australian Women has been producing [reports](#) that presents a “gender lens” on the budget since 2014-15. Recently, the Senate Economics Committee requested advice from the PBO on the gender impact of personal income tax cuts that had been proposed in the 2018-19 Budget.³ This kind of information would be a valuable input into budget deliberations and policy development.

Limitations of the Survey

While the Open Budget Survey provides a detailed assessment of the budget system, it has its limitations. For example, the Survey assesses only the availability and comprehensiveness of budget information. It does not assess questions of accuracy and credibility. The IBP has identified this as an issue and is commencing a research project

³ PBO submissions to the Senate Economics Legislation Committee: PBO 2018a, *Partial response 1 of 2* (5 June), <https://www.aph.gov.au/~media/05%20About%20Parliament/54%20Parliamentary%20Depts/548%20Parliamentary%20Budget%20Office/Submissions/PBO%20partial%20response%20to%20written%20questions%20on%20notice%20PDF.pdf?la=en>;
PBO 2018b, *Partial response 2 of 2* (13 June), <https://www.aph.gov.au/~media/05%20About%20Parliament/54%20Parliamentary%20Depts/548%20Parliamentary%20Budget%20Office/Publicly%20released%20costings/PBO%20final%20response%20to%20written%20questions%20on%20notice%20PDF.pdf?la=en>.

to identify problems in budget credibility across countries.⁴

In Australia, the reliability of revenue estimates, and thus the Government’s target of returning the Commonwealth budget to surplus, have become contentious in recent years. The Treasury has been criticised for using [overly optimistic](#) future economic growth scenarios and thus projecting an unrealistic fiscal [balance target](#).

The Survey also focuses more on financial information and less on information about distributional and other aspects of the budget. On participation, the Survey assesses only the formal, direct participation opportunities in the budget process. It ignores other informal or indirect avenues, which may not be captured by the Survey, but also provide opportunities for the public to participate in the budget process.

For Australia, it is important to note that the score on participation or oversight does not recognise the role of the [Parliamentary Budget Office](#) (PBO) established in 2012. The PBO makes an important contribution as an independent fiscal institution and Australia is one of the 18 countries in the Survey that has such an institution. The PBO’s functions include providing policy costings to all parliamentarians and conducting research and analysis of budget and fiscal policies. The PBO also carries out research into structural features of taxing and spending with long-run budget impacts. However, the PBO does not have a direct role in oversight of the budget or in engaging

⁴ IBP (2018), Assessing budget credibility, <https://www.internationalbudget.org/content/budget-credibility/>.

public participation. There may be scope to strengthen this role within the existing mandate of the PBO, or even to broaden that mandate.

The Parliamentary Budget Officer [Jenny Wilkinson](#) observed at the Australian launch of the Survey report that it is not unusual for a parliamentarian to propose a policy that one of their constituents has raised with them. So, political avenues and the PBO itself provide scope for public participation in the budget process.

The Survey considers only institutional oversight of the budget. What is not captured by the Survey is the non-governmental oversight provided by civil groups and the media. For example, as mentioned before, while a gender budget analysis is not provided by the government, [reports](#) have been published by activists and academics to provide a gender perspective of analysis to the budget. This analysis is after the budget, however, and does not directly contribute to formulation of budget policy.

Finally, the Survey concentrates on central or national governments; however, budgets are important at other levels of government in Australia and other countries. A country may perform very well at the central government level but budgeting at state and local levels may be opaque.

There are a range of other detailed issues for Australia's budget that arguably are not identified by the Survey, including the relationship between the budget and future-oriented reports such as the Intergenerational Report; and consistency in measurement and

reporting of revenues and expenditures from year to year. Some of these issues may be tracked over time, in future Australian Surveys.

The value of the Open Budget Survey

The budget is where the “rubber hits the road” for government policy. It is an important bridge between citizens and the state as governments decide how public resources are raised and spent. Empirical evidence suggests that greater budget transparency could improve fiscal decision-making and make corruption more difficult.⁵ It should also make governments more accountable to citizens.⁶

The Open Budget Survey and Index promote good budget practices and transparency around the globe. Australia's inclusion in the Survey for the first time is appropriate given our strong commitment to good governance and a robust democracy, and our leadership in budget practices. As the global findings indicate, we should not take budget transparency and accountability for granted, even in developed countries with well-established institutions.

The Survey reveals a few gaps in the Australian budget system, which could prevent the public from assessing budget information, engaging in the budget process and holding the Government accountable for the fiscal decisions it makes. In particular, the pre-budget process, public participation and the lack of

⁵ For example, see Alt & Lassen (2006); Alt, Lassen & Wehner (2012); Arbatli & Escolano (2015); Reinikka & Svensson (2004).

⁶ Khagram, Fung & de Renzio (2013).

distributional information are areas in which more work could be done.

Australia has been regarded as a pioneer in budget reform, particularly since the introduction of the Charter of Budget Honesty. The OBS 2017

findings and results for Australia identify the gaps in the budget system and provide impetus for debate in Australia about further improvements to enhance budget transparency, participation and oversight.

Further readings

Alt, JE & Lassen, DD 2006, 'Transparency, political polarization, and political budget cycle in OECD countries', *American Journal of Political Science*, vol. 50, no. 3, pp. 530-550;

Alt, JE, Lassen, DD & Wehner, J 2012, Moral hazard in an economic union: politics, economics, and fiscal gimmickry in Europe, available at SSRN, <https://ssrn.com/abstract=2102334>

Arbatli, E & Escolano, J 2015, 'Fiscal transparency, fiscal performance and credit ratings', *Fiscal Studies*, vol. 36, no. 2, pp. 237-270

Arbatli, E & Mastruzzi, M 2016, *How does civil society use budget information?*, International Budget Partnership, Washington DC.

de Renzio, P & Masud, H 2011, 'Measuring and promoting budget transparency: the Open Budget Index as a research and advocacy tool', *Governance*, vol. 24, no. 3, pp. 607-616.

Edelman 2017, *Edelman trust barometer 2017: Executive summary*, http://fipp.s3.amazonaws.com/media/documents/Edelman%20Trust%20Barometer%202017_Executive%20Summary.pdf.

Global Initiative for Fiscal Transparency 2015, *Principles of Public Participation in Fiscal Policy*, http://fiscaltransparency.net/PP_Approved_in_General_13Dec15.pdf.

Hawke, L & Wanna, J 2010, 'Australia after budgetary reform: a lapsed pioneer or decorative architect?', in J Wanna, L Jensen & J d Vries (eds),

The reality of budgetary reforms in OECD nations: trajectories and consequences, Edward Elgar, Cheltenham, pp. 65-90.

International Budget Partnership 2015, [Open Budget Survey 2015](#), International Budget Partnership, Washington DC.

International Budget Partnership 2018a, [Open Budget Survey 2017](#), International Budget Partnership, Washington DC.

International Budget Partnership 2018b, [Australia Open Budget Survey 2017 Country Summary](#), International Budget Partnership, Washington DC.

International Budget Partnership 2018c, [Australia Open Budget Survey 2017 Questionnaire](#), International Budget Partnership, Washington DC.

International Budget Partnership 2018d, [New Zealand Open Budget Survey 2017 Country Summary](#), International Budget Partnership, Washington DC.

Khagram, S, Fung, A & de Renzio, P 2013, *Open budgets: the political economy of transparency, participation, and accountability*, The Brookings Institution, Washington DC.

Marchessault, L 2014, *Public participation and the budget cycle: lessons from country examples*, Global Initiative for Fiscal Transparency, Washington DC.

Petrie, M & Shields, J 2010, 'Producing a citizens' guide to the Budget: why, what and how?', *OECD Journal on Budgeting*, vol. 10, no. 2, pp. 1-15.

Reinikka, R & Svensson, J 2004, 'The power of information: evidence from a

newspaper campaign to reduce capture', World Bank Policy Research Working Paper no. 3239, World Bank, Washington DC.

Seifert, J, Carlitz, R & Mondo, E 2013, 'The Open Budget Index (OBI) as a comparative statistical tool', *Journal of Comparative Policy Analysis: Research and Practice*, vol. 15, no. 1, pp. 87-101.

Stewart, M & Wong, TC 2018, Open Budget Survey 2017 Part 1: How Transparent is the Australian Budget?, Austaxpolicy: Tax and Transfer Policy Blog, 20 March 2018, Available from: <http://www.austaxpolicy.com/open-budget-survey-2017-part-1-transparent-australian-budget/>

Stewart, M & Wong, TC 2018, Open Budget Survey 2017 Part 2: What Can

Australia Do to Improve Our Budget Process?, Austaxpolicy: Tax and Transfer Policy Blog, 2 May 2018, Available from:

<http://www.austaxpolicy.com/open-budget-survey-2017-part-2-budget-process/>

Wilkinson, J 2018, 'Fiscal transparency and the Parliamentary Budget Office', Address at the launch of the Open Budget Survey for Australia, Crawford School of Public Policy, Australian National University, Canberra, 20 March,

<https://www.aph.gov.au/~media/05%20About%20Parliament/54%20Parliamentary%20Depts/548%20Parliamentary%20Budget%20Office/Presentations/Fiscal%20transparency%20and%20the%20PBO%20PDF.pdf?la=en>.

Appendix Table A1: OBS 2017 results for OECD countries by three main components

Country	OBI (Transparency)	Public Participation	Budget Oversight
Australia	74	41	70
Canada	71	39	57
Chile	57	11	56
Czech Republic	61	9	82
France	74	17	85
Germany	69	17	89
Hungary	46	11	65
Italy	73	7	78
Japan	60	20	59
Mexico	79	35	63
New Zealand	89	59	78
Norway	85	17	91
Poland	59	24	82
Portugal	66	15	72
Slovakia	59	9	56
Slovenia	69	11	80
South Korea	60	39	85
Spain	54	2	56
Sweden	87	17	85
Turkey	58	0	59
United Kingdom	74	57	63
United States	77	22	85

Note: The average score for OECD countries which participated in the Survey is 68. OECD member countries not included in the OBS 2017 include Austria, Belgium, Denmark, Estonia, Finland, Greece, Iceland, Ireland, Israel, Latvia, Luxembourg, Netherlands and Switzerland.

Appendix Table A2: OBS 2017 Index for OECD countries, 8 sub-components of Transparency

Country	OBI	Pre-Budget Statement	Executive Budget Proposal	Enacted Budget	Citizens Budget	In-Year Reports	Mid-Year Review	Year-End Report	Audit Report
Australia	74	Internal Use	87	39	50	70	93	64	81
Canada	71	78	68	83	Not Produced	78	71	83	81
Chile	57	Internal Use	58	84	33	85	67	60	33
Czech Republic	61	Published Late	70	100	Published Late	89	Published Late	79	62
France	74	50	81	89	59	81	Published Late	93	86
Germany	69	78	80	100	25	74	Not Produced	67	67
Hungary	46	Internal Use	46	72	Not Produced	78	Internal Use	69	57
Italy	73	83	75	100	42	67	78	67	62
Japan	60	22	61	100	67	74	Not Produced	76	81
Mexico	79	61	81	100	100	100	52	76	62
New Zealand	89	95	91	100	75	78	93	86	91
Norway	85	Published Late	91	95	58	85	89	93	95
Poland	59	33	59	95	Not Produced	93	Not Online	83	71
Portugal	66	100	67	89	Not Produced	93	Not Produced	74	81
Slovakia	59	78	66	83	25	59	Not Produced	71	38
Slovenia	69	Published Late	71	95	25	67	78	81	91
South Korea	60	28	60	83	67	85	Not Produced	81	71
Spain	54	89	70	100	Not Produced	93	Not Produced	Not Produced	Published. Late
Sweden	87	100	85	89	92	96	93	71	100
Turkey	58	Published Late	62	89	33	89	55	59	29
United Kingdom	74	100	78	28	Not Produced	89	78	71	86
United States	77	Not Produced	95	39	Not Produced	96	85	52	91

Note: The average score for OECD countries which participated in the Survey is 68. OECD member countries not included in the OBS 2017 include Austria, Belgium, Denmark, Estonia, Finland, Greece, Iceland, Ireland, Israel, Latvia, Luxembourg, Netherlands and Switzerland.

Appendix Table A3: OBS 2017 results for Asia Pacific countries by three main components

Country	OBI (Transparency)	Public Participation	Budget Oversight
Australia	74	41	70
Cambodia	20	4	55
China	13	6	28
Fiji	41	15	15
Indonesia	64	22	85
Japan	60	20	59
Malaysia	46	22	35
Mongolia	46	7	76
Myanmar	7	0	48
New Zealand	89	59	78
Papua New Guinea	50	6	31
Philippines	67	41	65
South Korea	60	39	85
Thailand	56	7	52
Timor Leste	40	9	56
Vietnam	15	7	72

Appendix Table A4: OBS 2017 Index for Asia Pacific countries, 8 sub-components of Transparency

Country	OBI	Pre-Budget Statement	Executive Budget Proposal	Enacted Budget	Citizens Budget	In-Year Reports	Mid-Year Review	Year-End Report	Audit Report
Australia	74	Internal Use	87	39	50	70	93	64	81
Cambodia	20	56	Internal Use	84	33	63	37	Internal Use	38
China	13	Not Produced	Internal Use	56	Not Produced	30	Not Produced	33	52
Fiji	41	Not Produced	70	95	Not Produced	Published Late	Internal Use	Not Produced	Internal Use
Indonesia	64	50	59	89	67	74	78	62	67
Japan	60	22	61	100	67	74	Not Produced	76	81
Malaysia	46	Not Produced	52	17	33	59	Not Produced	60	90
Mongolia	46	Published Late	59	95	Not Produced	74	Internal Use	Internal Use	72
Myanmar	7	Internal Use	Published Late	56	Published Late	Published Late	Internal Use	31	Internal Use
New Zealand	89	95	91	100	75	78	93	86	91
Papua New Guinea	50	Published Late	64	83	Not Produced	Not Produced	82	48	Not Produced
Philippines	67	83	77	50	84	81	Published Late	62	53
South Korea	60	28	60	83	67	85	Not Produced	81	71
Thailand	56	78	63	100	42	70	52	Not Produced	48
Timor Leste	40	Not Produced	64	72	33	Published Late	Not Produced	Internal Use	48
Vietnam	15	33	Internal Use	78	Published Late	33	Not Produced	38	Published Late

