



OVERVIEWS

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Clerk's review

The 2011–12 financial year has been another eventful year for the department. The fact that no party or group had a majority in the House ensured that there was no shortage of interesting challenges and requirements. The House and the Federation Chamber met for additional sitting hours; committees have been consistently busy; and we have been fully engaged with the high level of work that has accompanied these activities. All areas of the department have been affected and staff have risen to the challenges of meeting and sustaining the high tempo of activity in what, as the middle year in the three-year parliamentary cycle, always promised to be a busy one.

Service

The election of a new Speaker, the Hon. Peter Slipper, on the last sitting day in 2011, was a significant event, and the department provided the usual briefing and support to Mr Slipper as he assumed the role.

Chamber activities associated with the reform agreement of 2010 continued to have a major impact on the department in 2011–12. The extra sitting hours, the number of private members' bills and detail stage amendments were all significantly more numerous or greater than in 2009–10, the last equivalent non-election year. Indeed, more private members' bills were introduced in the year than in any year since Federation in 1901. I am proud of the way in which staff coped with the increased activity while maintaining the quality and timeliness of our support and advice.

The Selection Committee, established at the beginning of the parliament, in addition to programming private members' business and committee and delegation business was able to refer bills to committees for advisory reports. By 30 June, the Selection Committee had referred 79 bills to house or joint committees supported by the department—more than double the number of referrals of the previous year, which had itself been a record year for referrals. In 2011–12, referrals included 19 bills in one package and 11 bills in another. Committees continued to adapt to the demands of these bills inquiries with innovative

inquiry processes and the introduction of oral as well as written reports to the House. As in the House, the practices of committees are evolving under minority government and leading to dynamic and new ways of operation as they play a greater role in the legislative process. Staff too have benefited from the greater opportunities to have a bills inquiry 'under their belt', and there is a flourishing exchange of advice and ideas at regular committee office debriefs. The work of committees and the House more generally has been highlighted in the various community outreach activities of the department.

Another very public change for the House of Representatives was the renaming of the Main Committee to the 'Federation Chamber' with effect from 27 February 2012. Since its inception in 1994, the second Chamber of the House has become an increasingly important venue in which parliamentary business is conducted. In 2011–12, the Federation Chamber met for more hours than in any previous year. This high level of activity also required a corresponding higher level of support from the department.

The department's principal duty is to support the operations of the House (and the Federation Chamber) and to provide advice and assistance to members. It is gratifying to note that respondents to the annual members' survey continued to rate highly the levels of service provided by the department. Further details of the survey and responses are in Appendix 12.

The year saw two internationally recognised visitors to Parliament House. In October 2011, Her Majesty, Queen Elizabeth II, visited Australia and attended a function in the building, drawing many visitors to the precinct. On 17 November 2011, the President of the United States, the Honourable Barack Obama, addressed members and senators in the House of Representatives Chamber at a special sitting. This event saw the culmination of many weeks of preparation, particularly by staff of the Serjeant-at-Arms' Office.

People

The strength and success of the department depends on its people. I continue to be impressed by the professionalism, enthusiasm and commitment of our staff across all areas of the department. Staff members took opportunities during the year to reflect on the way we do business, to suggest changes, to embrace new technologies and to focus on delivering the best possible advice and support in what has been a very demanding period. At the same time, we have been conscious to manage the additional demands placed on people, with greater use of shadowing in the Chamber support areas and other management strategies designed to mitigate demands on individual staff members.

The annual planning day was an opportunity for all staff to contribute their views on some of the issues facing the department. I am grateful, once again, for the willingness with which people participated in this important event on the departmental calendar.

The department has held accreditation against the *Investors in People* Standard since 2002. This standard is used to assess an organisation essentially by the levels of the skill, knowledge and morale of its staff. The department was re-assessed against the standard in 2012 by external assessors who interviewed a sample of staff selected at random. The results were

announced at the June planning day. The department met the standard to the newly created and higher 'bronze' level—a most gratifying result.

The department also conducted its eighth annual staff survey in June 2012. The survey is an important mechanism that allows us to measure perceptions of the quality of the department's leadership and the satisfaction of staff with their conditions of service. It was pleasing to see that the results were consistent with those of previous years, despite the additional pressures of work.

We place a high priority on training, and on staff developing and sharing their knowledge. The department continued to offer an extensive internal and external training program and to hold specialist training sessions run by senior staff. We also run regular Chamber and committee debriefs which allow people to share experiences in an informal atmosphere.

The financial year ended as the early negotiations began for the next enterprise agreement for staff. Our people are our most important asset and our greatest strength and, as always, we will seek to provide the employment conditions to attract and retain the best possible staff.



Photo: A division in progress, 30 May 2012. Photo supplied by Auspic.

Capability

During the year, the department was subject to the same budgetary pressures faced by the wider public sector, including the application of the efficiency dividend and a parameter adjustment. Nonetheless, 2011–12 did see additional operational funding flow through to support the extra sitting hours of the House and Federation Chamber and the Joint Committee on the National Broadband Network. While this was welcome, the need for funding to cover the other increased costs from 2012–13 went largely unmet. Further, the imposition of a one-off increase in the efficiency dividend for 2012–13 will place greater restrictions on expenditure, for which the department had to start preparing in 2011–12. Staff have responded positively to requests to help identify potential savings to meet the new budget demands and we will continue to seek efficiencies wherever possible.

The department has been fortunate in having access to the Appropriations and Administration Committee. This committee is a formal, representative group of members, led by the Speaker, which is able to consider the funding needs of the department, to advise the House accordingly and to make representations to government. The Committee has now reported on the department's budget estimates for two years and has endorsed the department's requests for supplementary funding. We will continue to work closely with the Committee as it represents an important formal conduit between members and the department.

Collaboration

We work closely with our colleagues in the three other parliamentary departments, including the newly formed Parliamentary Budget Office. The closeness of our working relationships is demonstrated at a formal level by the service level agreements we have with the Department of Parliamentary Services and the Parliamentary Budget Office (from July 2012) to provide them with payroll services. It is also demonstrated by our work with the other parliamentary departments on the formal boards and committees that have been established to ensure

parliamentary-wide governance in key areas, for example, the Security Management Board, the Senior Management Coordination Group, the Projects Assessment Committee and the newly established Heritage Advisory Board. In addition, we have worked together with our colleagues on a number of joint projects. These include the redevelopment of the Parliament House website, the document production system and associated databases for the Table Offices of the two Chamber departments, the exchange of specialised IT systems by the committee offices of the two Chamber departments and a working group (chaired by the Deputy Clerk) to establish the Parliamentary Budget Office.

The department also works closely with executive agencies. The Department of Finance and Deregulation (Finance) provides services and entitlements to members, necessitating close collaboration with us. The department has long been responsible for paying the base salaries for members while Finance has paid the additional salary supplements to members who were ministers and parliamentary secretaries. From December 2011, our department took responsibility for paying all salaries for members as an administrative rationalisation. The department has always had a close working relationship with the Office of Parliamentary Counsel and we have been most grateful that the office has agreed to second a senior drafter to the department to assist with the drafting of bills and amendments for private members.

I am pleased that we have still been able to help other parliaments in our region through the year. Most notably, the Pacific Parliamentary Partnerships program, supported by AusAID, was expanded to include capacity-building projects for the parliaments of the Cook Islands, Samoa and Vanuatu as well as for those of Kiribati, Tonga and Tuvalu. Departmental officers were involved in delivering several of these projects, as were our colleagues from state and territory parliaments. We have also continued to assist our members in their participation in the Commonwealth Parliamentary Association and the Inter-Parliamentary Union.

Outlook

The financial year 2012–13 will be close to the end of the current three-year parliamentary cycle when activities across the department traditionally start to decline as committees wind up inquiries and there is a drop in other levels of activity. However, to date, the pace of legislative, scrutiny and representational work of the House has shown no sign of abating. The additional sitting hours of the House and Federation Chamber are likely to continue, as may the high number of bills referred to committees and the many private members' bills and amendments being introduced. These levels of activity will present challenges and opportunities for the department.

Our highest priority will always be to support the work of the House, its committees and its members on a day-to-day and week-to-week basis. I am confident that our people will continue to meet the increased levels of activity with their usual professionalism and enthusiasm. We will be careful also to prepare for the future and to maintain our levels of service in a constrained fiscal environment.

The increase in the efficiency dividend and unsuccessful bids for additional funding means that expenditure reductions will be necessary in order for us to remain within budget. We will take a fiscally conservative approach and look at every opportunity to deliver existing services in more efficient ways, including through technical innovations and greater collaboration with the other parliamentary departments. However, some of our existing activities may need to be reviewed and any new activities looked at in light of the department's financial position. We will continue to keep the Standing Committee on Appropriations and Administration informed about all matters relating to the department's financial position.

We operate in a wider Australian Public Service environment and need to take account too of reforms in that environment. We are responding to the announcement by the Australian Information Commissioner late in the financial year that it held that the department, along with the departments of the Senate and Parliamentary Services, was, in fact, subject to the *Freedom of Information Act 1982*. Previously

the three departments had been considered exempt from the Act, but we are now developing a framework to respond appropriately to requests for access to departmental records. In 2012 a bill was before the House to amend the *Public Service Act 1999*. The parliamentary departments will seek the introduction of equivalent legislation to amend the Parliamentary Services Act to ensure that the broad consistency between the two Acts remains.

In 2013, the 25th anniversary of the opening of New Parliament House will be an event of significance to all occupants of 'the Hill'. We will work with our colleagues in the other parliamentary departments to plan and deliver activities to mark this occasion.

As I have already alluded to, the year has been one of challenge and opportunity. The department relies so heavily on its staff and I am very grateful for the tremendous support my colleagues have shown throughout the year.

Departmental overview

Purpose

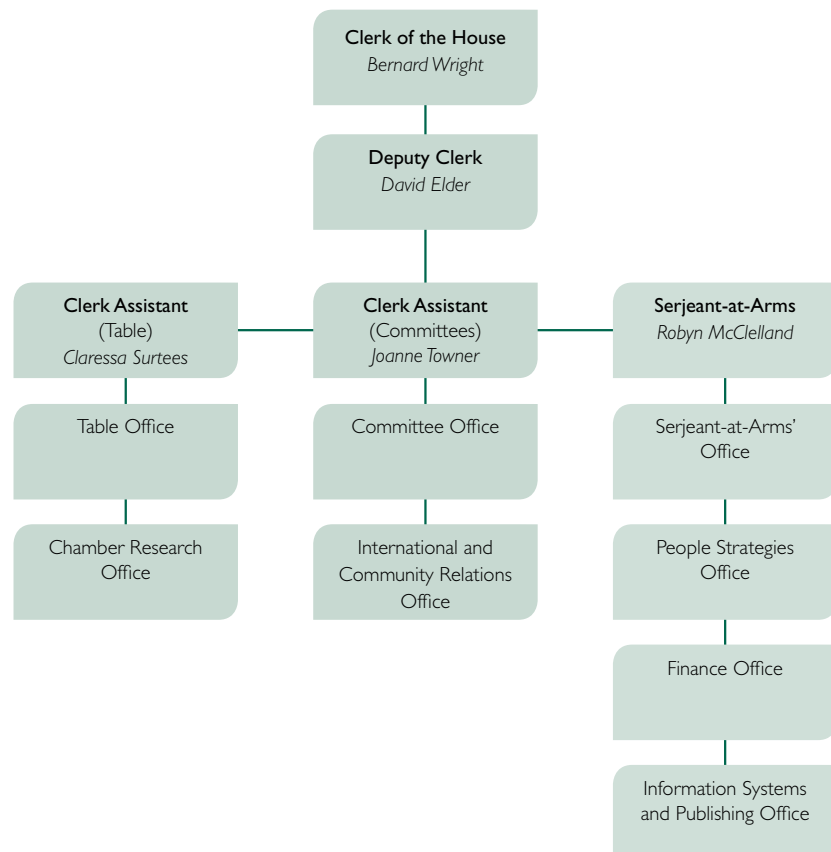
The department's purpose, as set out in its corporate plan, is:

'To support the House of Representatives, and the wider Parliament, in the role of a representative and legislative body by providing advice and services of a high standard.'

Organisational structure

The department is managed by its Executive, comprising the Clerk, Deputy Clerk, Clerk Assistant (Committees), Clerk Assistant (Table) and Serjeant-at-Arms. Their work is carried out through eight offices. The department's organisational structure at 30 June 2012 is depicted in Figure 1.

Figure 1 Organisational structure at 30 June 2012



Role and functions

The *Parliamentary Service Act 1999* provides the legal framework for a nonpartisan Parliamentary Service to serve the Australian Parliament. The Act establishes this department and the other three parliamentary departments—the Department of the Senate, the Department of Parliamentary Services and, from 15 February 2012, the Parliamentary Budget Office. The Act provides for the management, leadership and responsibilities of Parliamentary Service employees as well as the functions of the Parliamentary Budget Officer, the Parliamentary Service Commissioner and the Parliamentary Service Merit Protection Commissioner. The other parliamentary departments report separately to the parliament.

During 2011–12, the department continued its role as a service department for the parliament, supporting the work of the House of Representatives, including its members in their parliamentary work, its committees and some joint committees comprising members of both Houses. The department also maintained its focus on assistance to the House and the parliament in their relationships within Australia and internationally.

Outcome and program structure

The department has one outcome:

Advisory and administrative services support the House of Representatives to fulfil its representative and legislative role.

The department has one program, containing the following five components:

- **Program component 1.1: Chamber and Federation Chamber¹**

Departmental activities: *Resources supporting the effective operation of the Chamber and Federation Chamber of the House of Representatives.*

- **Program component 1.2: Community awareness²**

Departmental activities: *Resources supporting the provision of services to increase community understanding of, and interaction with, the work of the House of Representatives and the Commonwealth Parliament.*

Revenue from other sources (s. 31).

- **Program component 1.3: Committee services**

Departmental activities: *Resources supporting the House of Representatives and some joint committees in fulfilling their role in the parliamentary consideration of policy and legislation and the scrutiny of government.*

- **Program component 1.4: Inter-parliamentary relations**

Departmental activities: *Provision of advice and support to facilitate the conduct of the parliament's international and regional affairs.*

- **Program component 1.5: Members' services and corporate support³**

Departmental activities: *Provision of advice, services and support to members in Parliament House.*

Payment of members' salaries and allowances.

¹ The Main Committee was renamed the 'Federation Chamber' with effect from 27 February 2012, following amendments to the standing orders adopted by the House of Representatives on 8 February 2012.

² From 1 July 2012 the Program Component 1.2: Community Awareness was renamed 'Community Relations and Awareness'.

³ From 1 July 2012 the Program Component 1.5: Members' Services was renamed 'Members' Services and Corporate Support'.

Figure 2 Outcome and program structure at 30 June 2012

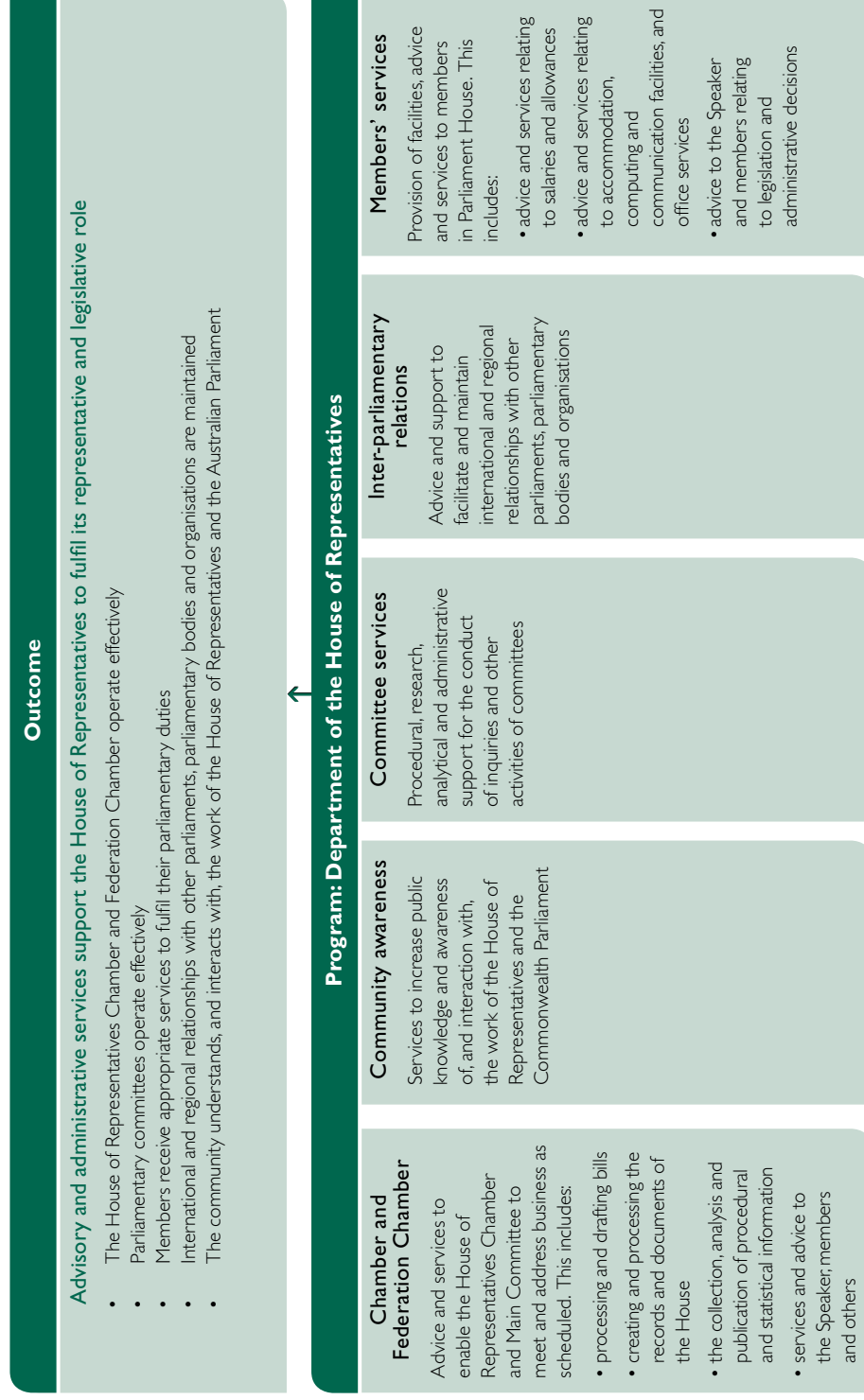
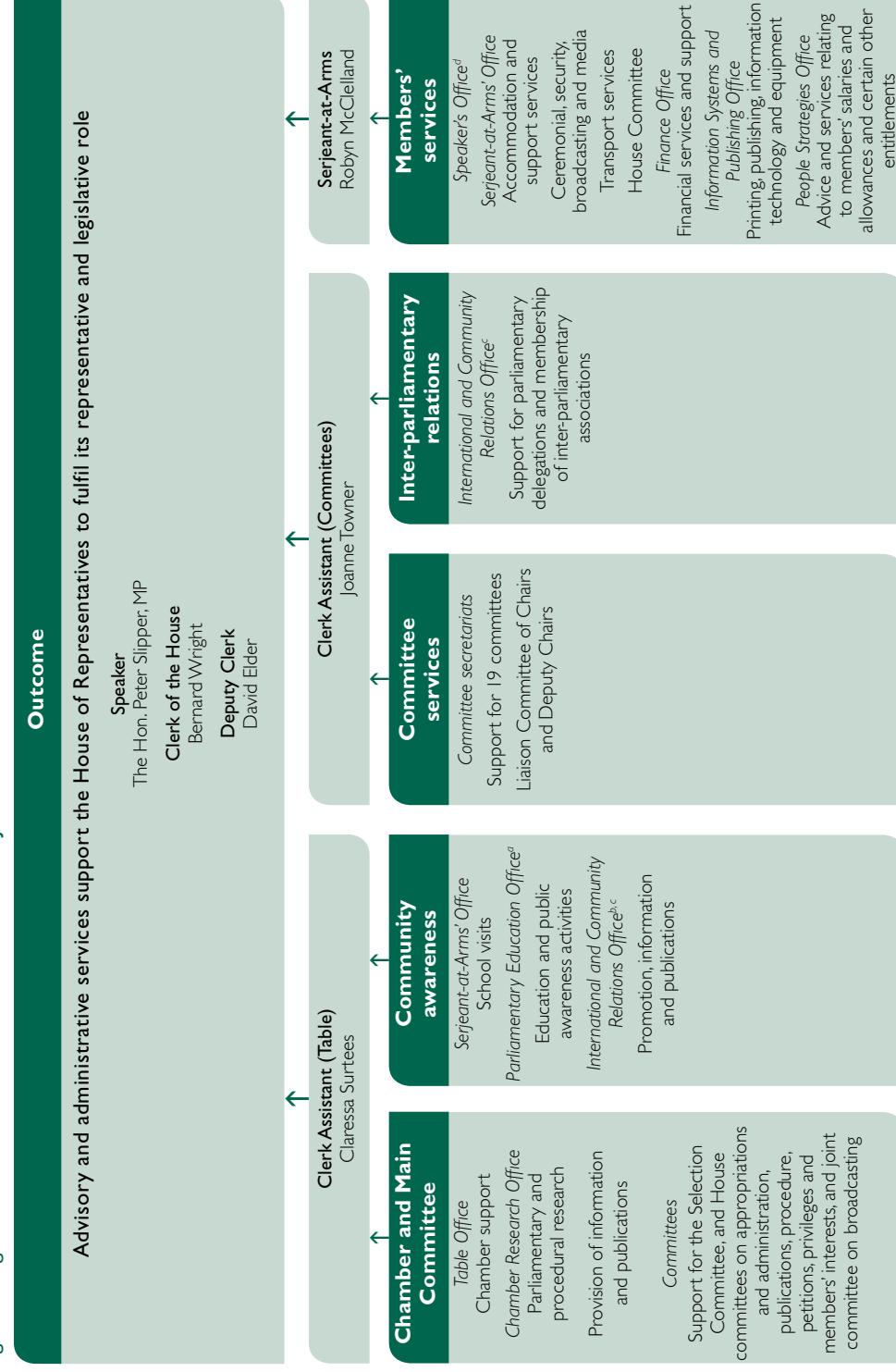


Figure 3 Organisational contribution to the outcome at 30 June 2012



^a Jointly funded by the departments of the House of Representatives and the Senate, and administered by the Department of the Senate.

^b The International and Community Relations Office reports to the Clerk Assistant (Committees).

^c Jointly funded by the departments of the House of Representatives and the Senate, and formed by the merger on 1 October 2010, of the Parliamentary Relations Office and the Liaison and Projects Office.

^d Included in this program component for budgetary purposes.

Financial performance

The department ended the 2011–12 financial year reporting a deficit attributable to the Australian Government of \$0.697m. This result reflects the increase to employees' and suppliers' expenses that normally occurs during the middle year of the parliamentary cycle. Compounding these increases was the decrease in the government bond rate used to calculate leave balances, resulting in an increase in employee expenses. All areas of the department have been fully staffed throughout the reporting period. Through the 2011–12 Federal Budget, the department was able to secure additional funding to support the extra sitting hours of the Chamber and Federation Chamber and also to support the Joint Committee on the National Broadband Network.

The outlook for the coming financial years continues to remain tight. The imposition of the additional 'one-off' efficiency dividend of 2.5% on top of the usual

existing 1.5% has meant that the department has had to implement savings measures from 2012–13. There is now limited scope for the department to find further 'efficiencies' and so it was necessary to reduce some services to members and to some departmental operations. The targeted savings were aimed at specific expenditure items in all program components. Savings in the order of \$0.480m have been identified for 2012–13; however the amount of reduction in the department's budget due to the 'one-off' efficiency dividend was \$0.553m. The situation will continue to be challenging as the department strives to maintain existing service levels across all offices. The department received essential additional funding of \$0.487m across the budget and forward years for the Joint Committee on Public Accounts and Audit to fulfil its statutory requirement of oversight of the Parliamentary Budget Office.

Figure 4 provides a picture of the department's financial performance over the five-year period since 2007–08.

Figure 4 Financial performance, 2007–08 to 2011–12

