

The Senate

Finance and Public Administration
Legislation Committee

Budget estimates 2003–04

June 2003

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Senator Lyn Allison	Senator Kate Lundy
Senator Andrew Bartlett	Senator Sue Mackay
Senator the Hon Paul Calvert	Senator the Hon Nick Minchin
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BUDGET ESTIMATES 2003-04

INTRODUCTION

1.1 On 13 May 2003, the Senate referred to the Committee for examination and report the following documents:

- Particulars of proposed expenditure in respect of the year ending on 30 June 2004 [Appropriation Bill (No.1) 2003-04];
- Particulars of certain proposed expenditure in respect of the year ending on 30 June 2004 [Appropriation Bill (No.2) 2003-04]; and
- Particulars of proposed expenditure in relation to the parliamentary departments in respect of the year ending on 30 June 2004 [Appropriation (Parliamentary Departments) Bill (No.1) 2003-04].

1.2 The Committee is required to report to the Senate by 19 June 2003.

Portfolio Coverage

1.3 The Committee has responsibility for the following portfolios, departments and agencies:

- Parliament;
- Prime Minister and Cabinet; and
- Finance and Administration.

Hearings

1.4 The Committee held public hearings From 26 to 29 May 2003. Copies of the Committee's transcript of evidence are tabled in four volumes of *Hansard* for the information of the Senate. Copies of *Hansard* are available on the internet at the following address: <http://www.aph.gov.au/hansard>

1.5 Further written explanations furnished by departments and agencies will be tabled, when received, in volumes entitled Additional Information.

1.6 The Committee received evidence from the President of the Senate, Senator the Hon Paul Calvert; Senator the Hon Robert Hill, Minister for Defence representing the Prime Minister; Senator the Hon Nick Minchin, Minister for Finance and Administration; and Senator the Hon Eric Abetz, Special Minister of State responsible for Outcome 3 of the Department of Finance and Administration and for the Australian Electoral Commission, and also representing the Prime Minister and the Minister for Finance and Administration, together with officers of the departments and agencies concerned.

GENERAL ISSUES

1.7 In this report, the Committee presents a number of the specific matters raised during its examination of the budget estimates of the portfolios it oversees. Before going to those issues, the Committee draws attention to general matters concerning its administration of the estimates process.

New security measures and funding

1.8 A recurring theme across all portfolios during the Committee's hearings related to new security measures departments and agencies are adopting and how these are being funded. Members of the Committee inquired into the nature and cost of security 'enhancements' that have been adopted since 11 September 2001 and the Bali bombings in October 2002. The measures adopted by the parliamentary departments in particular attracted considerable attention and are discussed later in the report.

1.9 A related concern of the Committee was whether stronger security measures are to be paid for out of existing budgets or from additional funding. Members sought to determine whether the parliamentary departments are in a unique position compared to other agencies of having to pay for substantial security upgrades out savings measures from their own budgets. Neither the Department of Prime Minister and Cabinet nor the Office of National Assessments has been required to make savings in relation to security enhancements. The Department of Finance and Administration (DOFA), on the other hand, indicated that it had absorbed some of the cost of newly adopted security measures from within its existing budget. DOFA also pointed to three other agencies – the Attorney-General's Department, Australian Customs Service and Department of Defence – that have absorbed part of the costs for new security measures.

Responses to Questions on Notice

1.10 The Committee has reported regularly in the past its concerns with the late receipt of answers to questions taken on notice. Although all answers were provided to the Committee before commencing the budget hearings in the week beginning 26 May 2003, the Committee again observes that providing answers immediately before a department's appearance does not allow the Committee sufficient time to adequately examine the answers.¹

1.11 The Committee reminds agencies of Standing Order 26(9) that empowers the Committee to set a date for the receipt of questions on notice. Agencies are obliged to comply with Committee deadlines.

1 Finance and Public Administration Legislation Committee, *Additional Estimates 2002-03*, March 2003, p.3

1.12 The Committee also draws the attention of agencies to the point that failure to comply with a requirement of a Senate committee may constitute contempt.

1.13 However, the Committee is pleased to report the practice adopted by the Department of Finance and Administration where written explanations for the delay and revised dates for submission of answers were provided in the interim before the set deadline. In addition, where considerable time and resources were required to answer a question on notice, the Department liaised with senators' offices to negotiate an alternate date to provide a final response.

1.14 While the Committee encourages this practice as a preferred alternative to long time-lags with no response, it will closely monitor the practice to ensure that departments and agencies do not use it as way out of meeting their obligations to the Committee and the estimates process. Furthermore, departments and agencies are fully aware of the annual budget cycle and within reasonable circumstances should be able to anticipate and allocate resources accordingly.

1.15 The Committee also reminds departments and agencies that both electronic and hardcopy provision of answers to questions on notice is required.

PARLIAMENTARY DEPARTMENTS

1.16 The Committee heard evidence from the parliamentary departments on Monday, 26 May 2003. The hearing was notable for being one of the longest spent by the Committee on the parliamentary departments. Detailed examination of the budget arrangements for 'enhanced' security measures in and around Parliament House dominated proceedings with each department. This is reflected in the Committee's discussion of the evidence that follows.

Department of the Senate

1.17 Issues raised by members of the Committee and other senators in attendance included the:

- new security arrangements implemented at Parliament House;²
- budget for implementing enhanced security at Parliament House;
- Podger review, its estimated efficiencies and its budgetary impact regarding the implementation of enhanced security measures;³
- possible disclosure of a PricewaterhouseCoopers document commissioned as part of the Podger review;

2 Mr Bolton, Secretary of the Joint House Department, also provided evidence concerning security matters.

3 *ibid*

- possible amalgamation of parliamentary departments;
- efficiency dividend and what steps the Department may take to meet its obligation; and
- feasibility of special appropriations for overseas travel for the Parliamentary Joint Committee on Foreign Affairs, Defence and Trade.

1.18 The Committee spent considerable time addressing issues relating to security in and around Parliament House. Of particular interest to the Committee was the advice provided regarding the measures in place, whether these measures are appropriate and how these and any further enhanced security measures will be financed.

1.19 Since responsibility for Parliament House security has shifted from the departments of the Senate and the House of Representatives to the Joint House Department (JHD), the Committee called the Secretary of the JHD, Mr Michael Bolton, to the table to assist with the Committee's inquiries.

1.20 The President of the Senate, Senator Calvert, and the Clerk, Mr Evans, outlined to the Committee that the implementation of new security arrangements was based on advice from several sources namely, the Protective Services Coordination Centre and ASIO. The reorganisation of functions under the JHD came about following recommendations in the *Review by the Parliamentary Service Commissioner of Aspects of the Administration of the parliament* (also known as the 'Podger review').⁴

1.21 The Committee was also informed about the role of the Security Management Board, established in 2002, that governs the new arrangements and which aims to better coordinate security across the five parliamentary departments. The Board is chaired by the Joint House Department and comprises representatives from all of the parliamentary departments. The Board receives external advice on security assessments from the Protective Services Coordination Centre and ASIO. It in turn provides advice on security matters to the Presiding Officers.⁵

1.22 Evidence highlighted the need for the recently adopted security 'enhancements'. The Committee heard that Parliament House and its occupants were assessed as a high profile target because the building is of national significance, attracts high numbers of tourists each year and houses the nation's federal representatives, including the executive.⁶

1.23 The Committee had concerns about the white plastic barriers that have been erected around Parliament House and whether there has been an adverse effect on the

4 Finance and Public Administration Legislation Committee, *Committee Hansard: Consideration of Budget Estimates* (hereafter F&PA), 3-4

5 F&PA 2

6 F&PA 3

numbers visiting the building.⁷ The barriers restrict pedestrian access to the roof and have disabled the movement of traffic in the building's fore-court. Mr Bolton explained that after the initial installation it became evident that the barriers were causing problems with access to the building. To overcome this problem, the barriers were rearranged on 23 May 2003 to allow traffic to approach Parliament House from Kings Avenue and Commonwealth Avenue, thereby allowing easier access to the public car park at the front of the building.⁸ Mr Bolton said that this has not compromised the integrity of the security arrangements.

1.24 In addition to erecting physical security barriers, there have been increased Australian Protective Service armed patrols in and around parliamentary grounds. Some of these patrols include sniffer dogs able to detect explosive devices.⁹

1.25 With these additional security arrangements in force the Committee was eager to identify what funding had been allocated to the Department's budget to cover the associated costs. Mr Evans told the Committee that expenditure for the Department of the Senate for the 2003-04 financial year is currently \$300,000 over the budget due to the additional costs of security but that the Department had not been provided with additional funds; additional security related costs are to be met out of overall available funds for the year.¹⁰

1.26 The Committee's examination revealed that none of the parliamentary departments has been allocated funding for security enhancements in the forward estimates years. Senator Ray brought the hearing's attention to tables in Budget Paper No. 2¹¹ which indicate that the parliamentary departments are the *only* Commonwealth departments required to make substantial savings within their own budgets to pay for the enhanced security measures.¹² Senator Ray explored this matter with the President:

Senator ROBERT RAY—So, of all those departments that have been given money for good reason to enhance security, only one of them has put up a savings measure of half a million dollars in all those out years, yet you are required to put up well over \$18 million in savings to fund it?

The PRESIDENT—That is correct.

Senator ROBERT RAY—I note for the record, in case anyone believes I have not been accurate, that in the case of the Department of Transport and Regional Services there are revenue measures to do with X-raying containers et cetera. But in terms of saving measures yours is the only

7 F&PA 9-10

8 F&PA 9, 12-13

9 F&PA 9

10 F&PA 13

11 Budget Paper No. 2, *Budget Measures 2003-04*, Table 4, 'A Safer Australia: Summary of measures', pp.75-78

12 F&PA 15

department, apart from that minor example of Foreign Affairs, that has to fund its own enhanced security on government advice through savings measures. Why is that?

The PRESIDENT—That is a direction from the government. The government have funded us for the next year. They have told the Speaker and me that funding for the additional security measures in the out years 2004-07 should come from increased efficiencies in the parliament.¹³

1.27 When the Committee sought an explanation as to why the parliament appeared to be treated differently to other departments in respect of enhanced security measures, the President stated that neither he nor the Speaker had been given a reason.¹⁴

1.28 With respect to the Podger review, the Committee explored two issues: the estimated cost efficiencies of the security review and whether these would offset the costs of security enhancements; and an apparent leak of confidential information associated with the Podger review to the Department of Finance and Administration.

1.29 Evidence given to the Committee suggested that the reorganisation of security may generate estimated annual savings of around \$5.2 million.¹⁵ However, the Committee noted that even if the estimated savings were to eventuate, the parliamentary departments would still be short of funds in excess of \$1.5 million in the out years, requiring them to find further efficiencies to fund the shortfall.¹⁶

1.30 With the Committee keen to ascertain where such efficiencies could be found, Mr Evans stated that the Department had limited scope for achieving savings of the order required. He explained that the majority of the Department's annual budget consisted of staff salaries. Reduced capital expenditure would be required if any potential savings were to be met.¹⁷ In a response to a question taken on notice, Mr Evans identified specific items, such as reducing staff or eliminating some current activities, that might be cut from the department's expenditure to achieve the savings expected of it. Mr Evans' response is contained in Appendix 1.

1.31 The Committee probed a possible leak of information contained in a PricewaterhouseCoopers (PWC) document, commissioned as part of the Podger review. There was concern that figures included in the budget papers appeared to take

13 F&PA 15

14 F&PA 15

15 F&PA 17

16 F&PA 17

17 F&PA 17

into account figures from the PWC document.¹⁸ Both the President and the Clerk told the Committee that the document in question was not passed on from them.¹⁹

Department of the Parliamentary Library (DPL)

1.32 Issues raised by members of the Committee and other senators in attendance included:

- the attendance of a departmental delegation to an overseas conference of the International Federation of Library Associations (IFLA);
- TARDIS, the Library's new time attribution recording system that has replaced the old system known as SPIRIT;
- the Department's ability to finance enhanced security measures,
- the Podger review, its estimated efficiencies and the Department's ability to meet its obligation in relation to the efficiency dividend and fund future pay increases;
- the possible amalgamation of parliamentary departments;
- retention of electronic media monitoring resources;
- outsourcing of non-core services and functions;
- confidentiality and related issues regarding inquiries and requests for information made by members of parliament and the independence of the Library's advice; and
- the implementation of internet content filtering software in Parliament House.

1.33 The Committee again pursued the issue of the funding of enhanced security measures and sought the Department's view of where it could make savings to help pay for the measures. Similar to the Department of the Senate, Mr Templeton stated that most of DPL's budget (about 85 per cent) goes towards staff salaries and the library collection, with each input being fundamental to DPL's output, and that remaining funds go towards capital accumulation and special projects.²⁰

1.34 Mr Templeton argued that efficiencies in capital expenditure, although providing short-term savings, have significant long-term costs as the utility of some capital goods depreciates rapidly. By reducing scheduled replacement programs DPL would run the risk of its systems and services becoming obsolete and less effective.²¹

18 F&PA 18-19

19 F&PA 18-19

20 F&PA 39

21 F&PA 39

Department of the Parliamentary Reporting Staff (DPRS)

1.35 Issues raised by members of the Committee and other senators in attendance included the:

- survey of senators satisfaction with regard to the services provided by DPRS; and
- senators' pagers communications system.

1.36 The Committee inquired into the costs of and delays in finishing the 'pagers project', which is essentially an upgrade of the existing service in operation for senators. Mr Templeton, Secretary, explained that the project delays were due to problems encountered with signal strength and other technical issues within the 'exclusion zones'²² around the two chambers.²³ Officials also stated that the project was originally estimated to cost \$1.18 million but would require approximately \$200,000 additional funding to rectify problems that had arisen.²⁴

Joint House Department (JHD)

1.37 Issues raised by members of the Committee and other senators in attendance included:

- major works undertaken in and around Parliament House – repair and replacement of blinds and handrails;
- the Parliament House nurses centre;
- the water use within the parliamentary precinct; and
- security arrangements within the parliamentary precinct.²⁵

1.38 The Committee again pressed for more details about the associated costs of enhanced security. In particular, members of the Committee were interested to find out who is responsible for, and the associated costs of, the sniffer dogs in service at Parliament House. Mr Bolton told the Committee:

...there are a number [of dogs] that the parliament is bearing the cost of via a budgetary appropriation. The cost of training of the staff and the training of the dogs is being borne by the parliament.²⁶

22 The exclusion zones are areas where the pager is automatically switched off to avoid inadvertent ringing which has the potential to interrupt parliamentary debate.

23 F&PA 59

24 F&PA 59

25 Matters relating to security in the Parliamentary precinct were concurrently dealt with during the Committee's examination of the Department of the Senate. See the earlier discussion in the report.

26 F&PA 65

...[the] Australian Protective Services is a full cost-recovery organisation. Therefore, all those costs get passed on to whoever the client is—kennelling of dogs, training of dogs, buying of dogs.²⁷

1.39 Mr Bolton also told the Committee that the dogs are kennelled offsite and cared for by the Australian Protective Services.²⁸

PRIME MINISTER AND CABINET PORTFOLIO

1.40 The Committee heard evidence from the Department and agencies of the Prime Minister and Cabinet Portfolio on Monday, 26 May 2003, Tuesday, 27 May 2003 and Thursday, 29 May 2003.

1.41 Witnesses from the Office of the Inspector-General of Intelligence and Security were released without examination due to time constraints faced by the Committee.

Office of the Official Secretary to the Governor-General

1.42 Issues raised by members of the Committee and other senators in attendance included the:

- processes surrounding the standing aside and then resignation of the Governor-General, Dr Peter Hollingworth;
- resources allocated to Dr Hollingworth while outside of his official capacity;
- entitlements of former Governors-General;
- costs associated with the two television broadcasts Dr Hollingworth made relating to the independent inquiry into child abuse claims in the Anglican Church and the rape allegations made against him;
- the role, fees and actions of a public relations consultant, Mr Andy Reynolds;
- appointment of Mr Malcolm Hazell as the new Official Secretary; and
- ownership or copyright relating to Dr Hollingworth's 'non-Governor-General' correspondence while in office.

1.43 With the announcement of the Governor-General's resignation coming the day before the Committee met to consider Budget Estimates, the Committee was keen to pursue such matters as when the Governor-General's commission is expected to be revoked, what Commonwealth resources were provided to Dr and Mrs Hollingworth prior and subsequent to his resignation and what entitlements the former Governor-General will receive once his commission ceases.

27 F&PA 65

28 F&PA 64-65

1.44 The Committee was unable to obtain the exact date when Dr Hollingworth's commission would cease. Mr Hazell, Official Secretary to the Governor-General, was only able to tell the Committee that the appropriate process would be followed, whereby the Prime Minister makes a recommendation to the Queen and the Queen then acts accordingly. The Committee was left with the understanding that Dr Hollingworth will cease to be Governor-General as of when the Queen revokes his commission.²⁹

1.45 Mr Hazell reiterated the Prime Minister's statement from earlier that day (26 May 2003) that Dr and Mrs Hollingworth are entitled to reside at Yarralumla up until 30 June 2003. Mr Hazell also said that while the Hollingworth's remained at Yarralumla they would continue to receive the same level of domestic support as before the resignation announcement.³⁰

1.46 Further questions revealed, however, that as of Monday 26 May 2003 Government House was no longer providing administrative support to Dr Hollingworth. Instead, an officer had been seconded from the Department of the Prime Minister and Cabinet (PM&C) and assigned to the Hollingworth's to provide basic administrative support functions.³¹ Mr Hazell said that he thought the offer to second an officer had come from PM&C, but he was unable to shed any light on the reasons why it had been made prior to Dr Hollingsworth's announcement of his resignation.

1.47 The circumstances surrounding the offer of the seconded officer was subsequently explained during the Committee's examination of PM&C. The offer was made originally on the basis that Dr Hollingworth had stood aside from his duties as Governor General. As to the process by which the offer was made, Ms Belcher, First Assistant Secretary of Government Division, told the Committee:

It was the Prime Minister who agreed that, if administrative support was needed by Dr Hollingworth, Prime Minister and Cabinet would provide that support. I informed the new official secretary of that on 12 May, asking that he let me know what sorts of skills would be required if a person were needed at Government House. Late Tuesday evening I received a phone call from Government House to say that it would be appreciated if someone could be provided and early the next day I confirmed that someone would go out from today [ie, 26 May 2003].³²

29 F&PA 69

30 F&PA 70

31 F&PA 71-72

32 F&PA 102

Office of the Commonwealth Ombudsman

1.48 Issues raised by members of the Committee and other senators in attendance included:

- complaints to the Ombudsman by detainees at Villawood Detention Centre;
- the need for the Ombudsman to maintain a media monitoring capacity; and
- the profile of tax-related complaints being received by the Ombudsman and the budget initiatives designed to address them.

1.49 The Committee welcomed the new Ombudsman, Professor John McMillan, and relayed their congratulations to Mr Ron Brent, also recently appointed as the new Deputy Ombudsman. Given the recent turnover of staff at the head of the organisation, the Committee asked Professor McMillan to outline his vision for the organisation. Professor McMillan emphasised maintaining continuity in the organisation's operations, but also planned to raise the profile of the office, not in relation to particular cases, but by raising awareness of the Ombudsman's contribution to the accountability of government.

1.50 Committee members sought the Ombudsman's views in connection with a story in the *Sydney Morning Herald* of 16 May 2003, which reported that the Ombudsman was investigating complaints relating to detention centres. The Ombudsman indicated that his office had passed on to the secretary of DIMIA statistics on the complaints they had received, and was continuing to investigate conditions in detention centres, particularly in connection with the availability of appropriate medical attention and treatment. The Ombudsman's office had discussed these issues with the immigration department.

1.51 In the course of exploring the issue of the detention centre complaints, Committee members expressed concern about the lack of media monitoring by the Ombudsman's office. They suggested steps be taken to correct this deficiency, such as by drawing on the PM&C clipping service.³³

1.52 Senator Murray asked about tax-related complaints being received by the Ombudsman's office. The Committee heard that the number of tax related complaints was declining after a peak that followed the introduction of the GST. It is expected that the overall number of complaints will, however, settle at a level higher than prior to the introduction of the new tax system. The Ombudsman is also working on some more complex tax-related issues, and a modest increase in resources had been made to deal with these issues.

Department of the Prime Minister and Cabinet (PM&C)

1.53 Issues raised by members of the Committee and other senators in attendance included:

- Dr Hollingworth's resignation as Governor-General: the secondment of a PM&C officer to provide administrative support to Dr Hollingworth;³⁴ the entitlements of former Governors-General; legal advice sought from the Australian Government Solicitor relating to the Governor-General's resignation, the appointment of Sir Guy Green as Administrator of the Commonwealth and the tabling of the Anglican Church report on child abuse;
- the appointment of Mr Hazell as the Official Secretary to the Governor-General;
- child sexual abuse matters;
- the appointment of former Senator the Hon. John Herron as Ambassador to Ireland;
- the establishment of two new divisions within PM&C, namely the Cabinet Division and the National Security Division;
- lessons from 'children overboard' affair;
- investigations into leaks;
- housing policy matters including rental assistance issues;
- departmental staff awards;
- Australia Day awards;
- refurbishments and car parking upgrades;
- new security measures, including arrangements for senior public servants, costs and budget funding;
- former Secretary, Mr Moore-Wilton and the decision making related to the sale of Sydney Airport;
- DFAT cable relating to SIEV X;
- overseas trips of the Prime Minister and their costs;
- the Centenary Medal;
- bravery medals for crew of the HMAS Westralia;
- staffing levels of departmental liaison officers in ministerial offices;
- Prime Minister's wine cellar;
- advertising costs related to health insurance;
- costs of the counterterrorism kit;

34 See the earlier discussion of this matter under the section concerning Office of the Official Secretary to the Governor-General

- the under-spending in women's program budget funds for 2001-02 and 2002-03, particularly Partnerships Against Domestic Violence and National Initiative to Combat Sexual Assault;
- the resignation of OSW's First Assistant Secretary and process for filling the position;
- the scope of OSW's role in commenting on draft legislation and participating on interdepartmental committees;
- OSW's role in providing advice on work and family issues;
- the allocation of funding for women's NGOs;
- methods used to collect data on Indigenous women and domestic violence; and
- comments made in Australia's country statement to the Commission on the Status of Women on domestic violence funding and Australia's concern about trafficking of women.

1.54 Senator Murray asked whether PM&C had expanded its policy making and advisory role on child sexual abuse issues, given the increased public interest in the matter generated by concerns surrounding Dr Hollingworth and the Anglican Church inquiry. PM&C indicated that it is one of a number of issues that is being looked at closely.

1.55 Senator Murray also inquired whether the current heightened interest in these issues might lead the Government to reconsider its decision not to accept a recommendation from the Senate Community Affairs References Committee that an honour awarded to a person, who had died and had been found to have run an institution where child sexual abuse was endemic, be revoked posthumously. The Minister, Senator Hill, stated that he would cause the matter to be revisited by the Government.³⁵

1.56 Members of the Committee questioned witnesses about the establishment of two new divisions within PM&C, namely the Cabinet Division and the National Security Division. The Committee was told that the Cabinet Division will comprise the current cabinet secretariat branch and a new branch charged with overseeing the implementation of 'key government decisions'. The cabinet secretariat branch is expected to expand in personnel as it will assume responsibility for supporting the Cabinet's National Security Committee, a role currently performed by PM&C's International Division.

1.57 The new National Security Division will bring together two existing branches, namely the Defence and Intelligence Branch in International Division and the Domestic Security and Border Protection Unit in the Government Division. The number of staff in both branches will increase. The Division's function will be to provide policy advice to the Prime Minister and government-wide policy coordination on issues of counterterrorism, defence, security, intelligence, border protection and

law enforcement.³⁶ The Committee also explored the relationship the Division would have with the Office of National Assessments, which is discussed below.

1.58 Witnesses were also asked to expand on recent comments made by Dr Shergold, the newly appointed Secretary of PM&C, on lessons learnt from the ‘children overboard affair’ in relation to the record keeping practices of interdepartmental committees. The Committee heard that Dr Shergold had been referring to observations made by the Senate Select Committee on A Certain Maritime Incident in its October 2002 report regarding record keeping and that he had checked to ensure that ‘interdepartmental processes were being appropriately minuted and advice to ministers was appropriately put in written form’.³⁷ Mr Metcalf, Deputy Secretary, said this was particularly the case with the interdepartmental committee that coordinated Australia’s involvement in the Iraq War:

I chaired the interdepartmental committee that coordinated those issues, and we were fastidious in ensuring that there were agendas for meetings and that there were outcomes of meetings and, as appropriate, advice to ministers, which usually occurred through NSC [National Security Committee] processes that were occurring.³⁸

1.59 The Committee commends Dr Shergold and other PM&C officers for having taken both heed of the Select Committee’s findings on record keeping and, moreover, steps to improve such practices on interdepartmental bodies.

1.60 In the course of questioning PM&C officials on the costs of the Prime Minister’s overseas travel, it was discovered that PM&C had supplied two items of incorrect information in earlier evidence to the Committee. Both mistakes only emerged as a result of members seeking clarification of the information that had been supplied. In the first case, the figures supplied in a written answer to a question on notice for the accommodation costs for the Prime Minister and accompanying officials of a trip to London did not match those provided by witnesses at the hearing. Mr Metcalf suggested that the disparity appeared to be the result of a ‘clerical error back in PM&C’ but undertook to investigate it further and report back to the Committee.³⁹

1.61 The second error concerned the number of PM&C officials that had stayed in the same hotel as the Prime Minister during the London trip. Originally PM&C had told the Committee during the November 2002 Supplementary Estimates that five officials were involved. Immediately after the November hearing PM&C realised that only four officials had stayed in the hotel.⁴⁰ However, PM&C did not raise the matter with the Committee until it came up during the hearings in May this year.

36 F&PA 117-119

37 F&PA 124

38 F&PA 124

39 F&PA 168-169

40 F&PA 171

1.62 As mentioned at the hearing, the issue here is not so much the original error, which appears to have been inadvertent, but PM&C's failure to correct it in the appropriate manner. The Government Guidelines for Official Witnesses before Parliamentary Committees and Related Matters, for which PM&C is responsible, indicate that the onus rests with the official or agency concerned to bring to the Committee's attention the need to correct the record when errors in evidence are discovered. In this instance, PM&C should have notified the Committee in writing shortly after the error was discovered in November 2002.

1.63 As with the Parliamentary departments these estimate hearings were notable for the longer than usual amount of time devoted to examining the Office of the Status of Women (OSW). Much of the Committee's examination focused on under-spending of funds allocated to specific women's programs administered by OSW, namely the Partnerships Against Domestic Violence and National Initiative to Combat Sexual Assault programs. Evidence at this and previous estimates hearings of the Committee has highlighted an apparent trend of under-spending in these programs.⁴¹

1.64 In response to Senator Crossin's questions about what had happened to the unspent funds, departmental officials told the Committee that the funds were rephased into the programs' forward estimate years.⁴²

1.65 The Committee sought an explanation for why there is such a significant level of unspent funds, \$10.1 million in 2002-03 and \$4.3 million in 2001-02. Mr Whalan, Deputy Secretary, Social Policy Group, explained the following:

I will start in terms of Partnerships Against Domestic Violence. Having read back through the transcripts from the last couple of appearances I think, as Ms Calder [former Head of OSW] was explaining, there are several reasons. One is that this is quite a complicated program that involves the state governments and some complex advisory structures involving state governments. That means the program takes a longer period of time to put in place. Also, it is a program in an area where there has been limited expertise. One of the claims of the program is that it has been developing expertise in this area. A third issue is that this is the second phase of the program, and the second phase of the program was to build on the lessons from the first phase.

One of the difficulties, though, was that the end of the first phase overlapped with the beginning of the second phase—there were one or two years where the first phase had not finished when the second phase got under way—and finalising those stage 1 projects has taken longer, last year and this year, than had been expected. The combination of those things has meant that the program has been much slower than we had expected. The benefit, though,

41 F&PA 215-16, 221

42 F&PA 216

is that the government has continued to rephrase the money so that the money can be spent in the best possible way.⁴³

1.66 The Committee explored the matter of \$10.1 million of unspent funds from the 2002-03 women's program budget that was being diverted to partially fund the national security campaign. With regard to this Mr Whalan placed the following prepared statement on the record:

I will read a statement which I think will help to clarify the situation. There seems to have been some misunderstanding about the use of women's program funds for the national security public information campaign. The Department of the Prime Minister and Cabinet, of which the Office of the Status of Women is a part, utilised administered funds from 2002-03 that would otherwise have been unspent to meet the cost of the national security public information campaign. This campaign was not anticipated prior to the start of the financial year, so funding was not sought through the 2002-03 budget or additional estimates processes.

The mechanism through which funding could be made available for the campaign was the advance to the minister for finance. Under the rules for the advance to the minister for finance, an advance cannot be made until all funds within an outcome have been utilised. As stated in the budget papers, funds have been reallocated to 2003-04 and 2004-05 and there will be no disadvantage or loss of funding to women's programs as a result of this action. In each financial year it is the practice of departments to manage their funding for the various spending programs within an outcome as outlined in the portfolio budget statement.⁴⁴

1.67 Mr Whalan told the Committee that advice on the matter had been sought from the Department of Finance and Administration.⁴⁵ He stated that appropriations for an outcome can be used in any area of that outcome, noting that:

For the Department of the Prime Minister and Cabinet, outcome 1 is 'Sound and well coordinated government policies, programmes and decision making processes'. All the expenditure within the Department of the Prime Minister and Cabinet comes under that one outcome, including the women's programs.⁴⁶

43 F&PA 222

44 F&PA 229

45 F&PA 230

46 F&PA 232

Australian National Audit Office (ANAO)

1.68 The Committee has discussed with ANAO its lease of Centenary House on regular occasions since it was first signed in 1993.⁴⁷ On this occasion, Senator Brandis asked whether the ANAO had managed to renegotiate the lease with the lessor since ANAO had last appeared at estimates hearings. ANAO indicated that it had held a meeting with the lessor, but that no renegotiation of the lease had been agreed. As a consequence, ANAO had indicated that it would not exercise its option to extend the lease beyond 2008. The Committee also heard that correspondence to ANAO from the lessor in August 2002 suggested that its borrowings to finance the building were in some way tied to the guarantee of rising rental earnings, and that this was a reason why the lessor would not renegotiate rental arrangements more in line with current market rates.

Office of National Assessments (ONA)

1.69 Issues raised by members of the Committee and other senators in attendance included the:

- relationship between ONA and the new National Security Division in PM&C;
- purpose of increased funding for ONA; and
- resignation of ONA officer Mr Andrew Wilkie.

1.70 Senator Ray asked whether ONA is confident that it would have an appropriately arms-length relationship with the new Division of PM&C. ONA Deputy Director-General Dr Eyers indicated he is confident that ONA officers are clear that the organisation works directly to the Prime Minister.

1.71 Senator Ray also sought an outline of the purpose of the increased funding of \$3.2 million for ONA. Dr Eyers indicated it had three purposes: first, to fund ONA liaison officers in Washington and London; second, to enhance ONA's analytic capacity in relation to terrorism in South-East Asia; and third, to support IT upgrades.

1.72 Committee members asked whether any of Mr Wilkie's actions during his much-publicised resignation from ONA had been illegal or improper, and expressed concern about possible effects on ONA staff morale. Dr Eyers indicated that Mr Wilkie's conduct had not been illegal, and that any concern within ONA was for Mr Wilkie himself, who had done something 'not only controversial but brave, difficult and unpleasant'.⁴⁸ Dr Eyers also emphasised that ONA staff 'are not policy advisers' and that intelligence assessment 'is quite a distinct job from advising on policy'.⁴⁹

47 eg. F&PA 3 June 1997 p. 386; 22 November 2000, p. 49

48 F&PA 470

49 F&PA 471

Australian Public Service Commission

1.73 Issues raised by members of the Committee and other senators in attendance included:

- the overall state of the APS and some of the challenges it faces including staff losses expected over the next five years and retention trends, workforce and succession planning, embedding APS values, the service's relationship with the Parliament and its committees and levels of indigenous employment;
- working conditions within the APS;
- the adoption and extent of individual workplace agreements across the APS;
- whistle blowing, how cases are handled in general and the cases dealt with in 2001-2002;
- expected guidelines dealing with the relationship between the public service and parliament, including ministerial offices;
- the lessons from the 'children overboard' affair;
- merit protection matters; and
- compliance with the APS values and code of conduct, including the extent to which agencies provide training on these.

1.74 Members of the Committee took the opportunity during the hearing to explore with the Public Service Commissioner, Mr Andrew Podger, his views on the relationship between public servants and the parliament, especially parliamentary committees. Mr Podger referred to the emphasis that APS's values-based management model places on relationships. Mr Podger stated in particular that:

You will see that in the values there are three which relate very much to the government and the parliament, and the parliament is mentioned in one of them. Of the three I am talking about, one says that we are apolitical, impartial and professional; the second one talks about accountability within the framework of ministerial responsibility to the government, the parliament and the public; and the third one is about our responsiveness to the elected government. They are the fundamentals of the Westminster system and are the key to our relationship, as public servants, with the government and the parliament.⁵⁰

1.75 The Committee draws the attention of government departments and agencies, especially their senior managers, to the concerns Mr Podger expressed about the level of attendance by officers of the senior executive service rank at the Commission's training courses on officials appearing before parliamentary committees. He stated:

I think my disappointment has been that not sufficient of the senior staff of the Public Service have been going to the courses that we run. Those who do go invariably talk about how valuable they are. But the concern has been

that there are still a significant number of senior public servants who have not undertaken that training.⁵¹

1.76 Members also sought the Commissioner's views on the lessons from the 'children overboard' affair. Some of the issues Mr Podger pointed to mirror the lessons cited earlier in the report in relation to PM&C, namely record keeping and the sound management of interdepartmental committees. Mr Podger also underlined the importance of 'clarifying the relationship between public servants and ministerial advisers', noting that trust, cooperation and a clear mutual understanding of roles and responsibilities are essential in these relationships.

1.77 Senator Carr also asked the Commissioner if he felt that, in the environment of devolution since the new Public Service Act was introduced in 1999, he and the Commission had sufficient powers to deal with the range of challenges that face the APS. Mr Podger replied:

There is a bit of a conundrum here. If I were given more powers I suspect that we would actually go backwards. On values based management, the intent is not to have a too prescriptive process or a directive process from the centre, but to try to encourage a more devolved arrangement. The issue is: how can you have confidence in the integrity of decisions made within that devolved arrangement? That is about culture and values; it is not about giving me more powers of direction.⁵²

1.78 Mr Podger also pointed to the importance he places on the Commission's annual evaluations into areas of concern. He explained that his approach is to work with agencies collaboratively, rather than using evaluations as a 'big stick'. He went onto say: 'I have always got the capacity to do an audit or something a little bit tougher but at this stage I feel it is better for me to primarily do it in a collaborative process'⁵³

51 F&PA 478

52 F&PA 487

53 F&PA 487

FINANCE AND ADMINISTRATION PORTFOLIO

1.79 The Committee heard evidence from the Department and agencies of the Finance and Administration Portfolio on Wednesday, 28 May 2003 and Thursday, 29 May 2003.

1.80 Witnesses from the Commonwealth Grants Commission were released from the hearing without examination due to time constraints faced by the Committee.

Department of Finance and Administration (DOFA)

1.81 Issues raised by members of the Committee and other senators in attendance included:

- the transfer of responsibilities from the Department of Immigration and Multicultural and Indigenous Affairs (DIMIA) to the Department of Finance for construction of a reception and processing centre on Christmas Island;
- the reporting of superannuation liabilities contained in the Budget Papers;
- leave and other entitlements of employees in the Australian Public Service;
- the abolition of reporting on the capital user charge within Portfolio Budget Statements;
- the budget balance and auditing of financial statements;
- the financial reporting requirements prescribed under the Finance Minister's Orders (FMO);
- how Commonwealth assets are revalued and presented in the financial statements;
- the transfer of agency appropriations into special accounts;
- the report from the budget and resources subcommittee (MAC Report);
- departmental staffing arrangements regarding the preparation of the 2003-04 Budget;
- the estimated staffing increase for the department over the next two years;
- the management of asset sales;
- financial reporting with regard to 'net worth' and 'net debt' and which of the two figures correctly states the level of Commonwealth debt reduction;
- whether there are, or should be, contingency provisions that reflect the statement of risks in the budget papers;
- review of the Australian Electoral Commission's funding model;
- funding for security enhancements;
- the amalgamation of Parliamentary departments;

-
- the valuation method applied to the Telstra shares in government ownership;
 - the treatment of superannuation liabilities within the financial framework;
 - specialist staffing within the division of Asset Sales;
 - property management: Holsworthy army base
 - the sale of Employment National;
 - funding for the ACT Emergency Services Bureau;
 - the sale of Comcars with global positioning systems (GPS) installed without the previous information erased;
 - IT security breaches in members of parliament electorate offices;
 - parliamentarians staff travel budgets;
 - the regulations for hiring self drive vehicles; and
 - disparities between staffing allocations in the whips offices.

1.82 By way of preamble, the Committee notes that its examination of DOFA during these hearings provided further evidence of the critical role the estimates process plays in promoting the transparency and accountability of government expenditure and activities. In two cases, namely the Christmas Island detention facility project and the overstatement of the government's net worth, the Committee's scrutiny through the estimates hearings shed light on matters requiring remedial action or reconsideration by the Government and its agencies.

1.83 In the first case, members of the Committee inquired about the construction of a detention facility on Christmas Island. Departmental officers explained that responsibility for the project had been transferred from DIMIA to DOFA because DOFA possessed the necessary expertise to manage major construction projects. DOFA manages all the contractual arrangements in place for the facility, in addition to chairing an interdepartmental committee that includes DIMIA and other agencies involved in the project. DIMIA has continued to have input on the project design, particularly as it has evolved since the start of the project.

1.84 Members also inquired about the extension in the period of time for the project's completion and the implications of this for project's exemption from scrutiny under the Public Works Committee Act. The length of time for the project to be completed has grown from about nine months to between two to three years. A current review of the project is expected to provide a more exact timeframe shortly. The cost of the project has also changed significantly, from an original estimate of \$245.5 million to an expected \$490 million.

1.85 Referring to the project's exemption from scrutiny by the Public Works Committee (PWC) on the grounds that it was originally designated urgent, members asked if the extended timeline now meant that the project would or should come

before the PWC for review.⁵⁴ Mr Jackson, Manager of the Major Projects Branch, cited advice from the Australian Government Solicitor to the effect that:

The advice we have is that, once an exemption is granted under the Public Works Committee Act, that exemption does stand. As such, considerable work has already been undertaken on the project – some \$60-odd million has already been spent. To refer a project halfway through, even if there were the ability to do so, would be a little unusual.⁵⁵

1.86 At the request of Committee members, Minister Abetz undertook to take the matter back to the Government to see if the project might be referred to the Public Works Committee for review of the process pursued to date. The Committee considers that such a move would be consistent with the spirit of the Public Works Committee Act and is essential for ensuring the transparency of process for a capital project of this magnitude, especially as the project's design, time frame and cost have changed significantly since its inception.

1.87 During the Committee's examination of financial statements contained in the budget papers the Department conceded that it had overstated the Commonwealth's net worth in the order of \$3 to \$5 billion due to way in which it had reevaluated certain government assets. This emerged from Senator Conroy questioning the Department on how the government's 50.1 per cent share in Telstra had been calculated as part of the overall valuation of government assets. The Department's answer revealed that a 10 to 20 per cent premium was added to the market value of the government's shares in Telstra, effectively increasing the government's net worth position.⁵⁶

1.88 Senator Conroy explored this issue further with Dr Watt:

Senator CONROY—Would it be true to say that without this valuation net worth would have fallen \$5 billion?

Dr Watt—No, Senator, I do not think that is correct.

Senator CONROY—Well, this is an increase in \$5 billion caused by your valuation above the market price.

Dr Watt—This has added \$5 billion to net worth but what I don't know is where net worth was in 2001-02 from this statement. Is it correct to say that without this valuation effect net worth would be something of the order of—broad order of—\$5 billion lower? I think—

54 The *Public Works Committee Act 1969* requires that all public works for the Commonwealth which are estimated to cost more than \$6 million must be referred to the Committee, although there are some exceptions to this rule.

55 F&PA 256

56 F&PA 341-43

Senator CONROY—What else would have offset it? I don't want to sound silly.

Dr Watt—It is a matter of which comparison you are making, Senator. You have asked me a question which leads me to believe that you are comparing 2001-02 to 2002-03. That is what I don't have an answer for. If you are saying would the 2002-03 figure be substantially less than negative \$47 billion, the answer is yes.⁵⁷

1.89 Senator Conroy put it to the Department that the valuation applied to the government owned Telstra share price breached accounting standards, as earlier evidence had indicated that assets should be valued at their *market* price as opposed to the *inflated* price used for Telstra. DOFA officials denied that this was the case. They claimed the Telstra valuation may have been an exception to the rule, because the value reflects an estimate indicative of the future value of Telstra for which the government would be willing to sell off its share.⁵⁸

1.90 In light of the overstated Telstra share price and its flow-through effect on the net worth figures in Budget Paper No. 1, the Committee sought advice on which tables would need to be corrected in the budget papers. Mr Kerwin, Division Head, Financial Reporting and Cash Management Division, listed the following tables as needing correction:

- table 5, page 2-10;
- table B2, page 2-15;
- table B4, page 2-17;
- table 2, page 9-5;
- table 4, page 9-7;
- table 4, page 12-14; and
- table 4, page 13-7.⁵⁹

1.91 The Department indicated that none of the other budget papers would require correcting.⁶⁰ The Department also indicated that they would need to go back over the budget documents to make all the necessary corrections and that they would report back to the Committee and the Parliament at the end of this process.

1.92 In view of the January 2003 bushfires in the Australian Capital Territory (ACT), members of the Committee were interested to pursue the matter of discussions between the ACT government and the Commonwealth over the budget for the ACT Emergency Services Bureau. DOFA indicated that negotiations are continuing and

57 F&PA 342-43

58 F&PA 342-43

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that the Commonwealth is seeking to formalise an agreement regarding the future level of payments to the ACT government.

1.93 A dispute between the Commonwealth and the ACT has arisen over the future quantum that the Commonwealth believes it is required to pay. Ms Smith-Macnee, Branch Manager, Insurance Risk Management Branch, told the Committee that since ACT self-government the Commonwealth has funded one-third of the total Emergency Services Bureau budget.⁶¹ However, it was noted that this funding is in lieu of rates on Commonwealth owned property that would be otherwise paid. It was also noted that, over the past decade, the Commonwealth has divested a significant proportion of its property within the ACT, which now attracts rates.

1.94 Finance officials told the Committee that the Commonwealth is willing to pay a proportion of the funds and that the disagreement is about the methodology of calculating the quantum, as Ms Smith-Macnee explained:

Emergency Services Bureau believes that the methodology should reflect a capability based arrangement and Finance are of the view that we should contribute some amount to reflect the unique circumstances of the ACT and the concentration of property in various areas.⁶²

1.95 Mr Hodgson, General Manager, Asset Management Group, clarified this point by saying ‘we [Finance] are proposing a percentage of the value of [Commonwealth] property protected’.⁶³

1.96 Further questioning from Senators Faulkner and Ray revealed that the Commonwealth owes ACT Emergency Services \$9.2 million from unpaid invoices for each financial year going back to 2000-01. Asked why these invoices are outstanding, Finance officials reiterated their comments that the payments are pending a formal agreement between both parties. Officials also said that, under the Financial Management and Accountability (FMA) Act, a formal agreement needs to be in place for payments to be made.

1.97 Further questions dealing with the conditions the FMA Act imposes on these sorts of payment arrangements, and how this form of expenditure is identified in the budget papers, were placed on notice.

1.98 In relation to the Government Members’ Secretariat, Senator Ray sought to identify the minister responsible for it and the portfolio under which it falls. These matters were taken on notice. Senator Ray foreshadowed at the hearing that he would be requesting that staff from the Secretariat appear before the relevant committee during the Supplementary Estimates in November this year.

61 F&PA 388

62 F&PA 389

63 F&PA 389

ComSuper, CSS Board and PSS Board

1.99 ComSuper, the CSS and PSS Boards were examined in concurrence with DOFA output 1.2.3 public sector superannuation advice. Issues raised by members of the Committee and other senators in attendance included:

- superannuation surcharge liabilities;
- whether the agencies had undertaken preliminary work in the event of the ‘choice of superannuation fund’ legislation being adopted;
- the availability of children’s superannuation accounts; and
- the rate of returns on the two funds, CSS and PSS.

1.100 Senator Sherry sought comparative data on current public sector superannuation returns and those of other sectors in the industry. Mr Gibbs, Chief Executive Officer, referred to two surveys that provide comparative figures. The first is a monthly survey of fund manager superannuation funds. While it does not include the public sector schemes, Mr Gibbs claimed that if the CSS and PSS schemes were included they would rank first and second out of about 30 funds surveyed. The second survey, which is released quarterly and contains 17 of the major superannuation funds, currently ranks the CSS first and the PSS either third or fourth.⁶⁴

1.101 Senator Sherry questioned whether these results could be attributed to the economies of scale of the public sector funds, both in terms of administration and their ability to negotiate comparatively good deals on investment costs. Mr Gibbs answered by saying that both were low-cost schemes and did benefit from economies of scale. However, he also told the Committee that the current good financial performance of the CSS and PSS reflected good management of the funds, stating that:

The good financial performance this financial year, in a comparative sense when we are looking at other funds, has been a combination of having all of our overseas investments fully hedged—the dollar being fully hedged so we have not suffered from the negative impact of a rising Australian dollar—and also having a slightly overweight position to property, which has been positive this year, and having almost every one of our managers outperforming the index. There might be one manager of both international and Australian equities that has not outperformed the index. So there has been good comparative manager performance, a fully hedged Australian dollar and a slightly overweight position to property, and there might be two or three other minor impacts as well.⁶⁵

64 F&PA 371

65 F&PA 371

Australian Electoral Commission (AEC)

1.102 Issues raised by members of the Committee and other senators in attendance included the:

- possible effects of the output pricing review; and
- operation of the McKell Foundation, an associated entity under the Electoral Act.

1.103 The Committee asked the AEC about how it is planning on dealing with what is thought to be a likely budget shortfall in the order of \$20 million through to 2006. The Committee was told that the exact nature of the shortfall would be revealed by an output pricing review currently underway. The AEC indicated that they are looking at both co-location of offices and integration of functions, but that both strategies combined are unlikely to meet the sort of shortfall that is likely to be revealed by the review. They are also being discouraged by the Minister from initiating new office co-locations until the review has been concluded. Although co-location and integration are being considered primarily from a budget efficiency point of view, the AEC pointed out that they also had advantages in terms of career structures and opportunities, which are limited for AEC staff in divisional offices.

1.104 Senator Brandis asked whether the AEC would consider expanding the criteria it used when deciding whether to do a compliance review, to include cases where the entity involved is a matter of public controversy. The AEC indicated that it could consider it, but that its resources are ‘pretty well fully committed’.⁶⁶

ACKNOWLEDGEMENTS

1.105 The Committee expresses its appreciation of the service provided by the Department of the Parliamentary Reporting Staff in recording and broadcasting the Committee's hearings and transcribing them so promptly; and the service provided by Committee Room attendants in preparing the rooms and providing refreshments for witnesses during the hearings.

1.106 The Committee also wishes to thank all ministers and departmental and agency officers for their assistance.

QUESTIONS ON NOTICE

1.107 The Committee has set 10 July 2003 as the date by which responses to questions on notice should be received.

Senator Brett Mason

Chair

APPENDIX 1

hc/let/13981

13 June 2003

Mr Alistair Sands
Secretary
Finance and Public Administration
Legislation Committee
The Senate
Parliament House
CANBERRA ACT 2600

Dear Mr Sands

Estimates hearing 26 May 2003 — further information

Attached is further information which I agreed to supply in response to a question from Senator Murray at the estimates hearing of the committee on 26 May 2003.

Yours sincerely

(Harry Evans)

hc/misc/13979

13 June 2003

ESTIMATES HEARING 26 MAY 2003

FURTHER INFORMATION

The following further information is provided to the committee in relation to a matter raised at the committee's hearing on 26 May 2003.

Senator Murray asked the Clerk: *is it possible for you to advise the Presiding Officer in advance of the areas of savagery that you might be forced to consider if you had to implement the \$1.2 million savings?* (transcript, p. 25)

The implementation of the \$1.2 million reduction in the Senate Department's budget, postulated by the Department of Finance, to fund additional security measures, could be achieved by the loss of approximately 20 staff or by the elimination of some current activities and by 'cheeseparing' administrative expenditure. The most likely approach would be a combination of all three.

Measures which might be taken could include:

- No replacement of senators' laptop computers and portable printers — \$327 210
- No replacement of senators' scanners — \$30 400
- Cease support for the Former Members' Association — \$5 000
- Cancel the intermediary role carried out by staff in Senators' Services —
 - cease transport services, senators book cars through Comcar directly — \$45 000
 - close stationery store — \$38 400
- Cease discretionary entitlements for senators — \$98 400
(magazine subscriptions, diaries, newspapers, Christmas cards)
- Ditto departmental staff — \$13 370
- Charge media organisations and lobbyists an annual bureau fee for use of Table Office inquiries services and cease all mail & freight support to the Press Gallery — \$85 000
- Cease some sitting-night services from 6pm — \$93 000
- Cease the President's Richard Baker Memorial Prize — \$3 000
- Cease the Senate Department Occasional Lecture Series — \$20 000
- Cease the Biographical Dictionary of the Australian Senate project — \$365 000
- Press Clippings in electronic form only — \$27 000
- Abolition of Papers on Parliament series — \$13 000.

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