

4. PRACTICE AND EXPERIENCE IN THE AUSTRALIAN PARLIAMENT

Appropriations

4.1 When considering Parliament's appropriations an immediate difficulty arises in defining what constitute, or perhaps should constitute, those appropriations. The current practice provides for only certain specific items to be included in the annual Appropriation Bills under the general heading of Parliament and therefore under the general control of the Presiding Officers (separately in respect of the two House departments and jointly in respect of the joint service departments). Other specific items are contained in the votes for certain Executive departments, such as Administrative Services, Capital Territory, Finance, Housing and Construction and Prime Minister and Cabinet, and are therefore under the administrative control of those Departments.

4.2 Based on approximate figures supplied by the Department of Finance, an examination of the Appropriations, including Special Appropriations, which might be said to relate directly and indirectly to the operation of the Houses of Parliament and the parliamentary activities of their Members shows that, for the year 1980-81, approximately 39% of the estimated expenditure falls into the category of moneys under the control of the Presiding Officers and the remaining 61% into the category of moneys under the control of Executive departments. It should be made clear that this calculation can at best be only approximate, depending as it does on an assessment of what functions relate to the operations of the Parliament. The figures used in the calculation include, for example, the office of Parliamentary Counsel, the inclusion of which as a charge against the Parliament is, at best, doubtful: They do not, and cannot, make any allowance for largely unknown services provided by departments whose activities may range through messenger duties to Parliament House, consideration of legislation, amendments, etc., to Parliamentary liaison duties, and police security services.

4.3 In general terms the votes under the Presiding Officers' control currently relate to the salaries and allowances of Senators and Members (Special Appropriations flowing from the provisions of the *Remuneration Tribunals Act 1973*), salaries, etc., of Parliamentary staff, the administrative costs of all Committees of the Houses and of the Parliamentary departments, and Parliamentary printing.

4.4 The votes administered by Executive departments on behalf of the Parliament cover matters such as the provision of electorate offices and equipment, the salaries of research and electorate staff (including those provided to assist party committees), official overseas travel of Senators and Members, local travel of Senators and Members' staffs, telephone charges outside of Parliament House, and other comparable matters.

4.5 Current procedures for the preparation of the estimates for the Parliamentary departments are similar to those existing in Executive departments and they are prepared under the same guidelines.

4.6 Draft Estimates of Expenditure, which eventually form the basis of the Budget Appropriation Bills (Nos 1 and 2), are prepared in March/April each year in accordance with the classifications and principles set out in Finance Directions and the Annual Estimates Memorandum of the Department of Finance. In the Department of the Senate, these draft estimates are prepared in the Administration Office of the Department, after consultation with and, where necessary, submissions from other sections of the Department.

4.7 After consideration by the Clerk they are then submitted to the President for his approval. Formal advice of the estimates is forwarded directly to the Minister for Finance, in accordance with recent arrangements made between the Presiding Officers

and the Government. Copies of the approved estimates, together with the explanations, are sent to the Department of Finance.

4.8 Following the submission of the approved estimates, the contents are the subject of formal discussions, at officer level, between the Senate and the Department of Finance. If agreement cannot be reached on any items of proposed expenditure these are referred back to the President for reconsideration. Formal discussions between the President, the Leader of the Government in the Senate and the Leader of the House may be held at this stage if agreement has not been reached. Discussions are held with the Speaker in relation to the House of Representatives and, in the case of the three jointly controlled Parliamentary departments, with both the President and the Speaker.

4.9 When agreement has been finally reached, the estimates are included in the relevant Appropriation Bills. If agreement cannot be reached, *the Minister for Finance on behalf of the Government, would ultimately include the figures which the Government deemed appropriate*, in accordance with its economic policy. Included as Appendix 5 is a list detailing examples over recent years of additional expenditures for the Parliament which have been requested and rejected.

4.10 The funds available to Parliament for what are described as civil works and repairs and maintenance are not contained in the appropriations of any parliamentary department, but such requirements are also subject to an estimating process within each of the parliamentary departments. At present the funds are contained in the appropriations for the Department of Housing and Construction.

4.11 The Departments of the Senate, the House of Representatives, the Parliamentary Library and Hansard submit their estimates for these items to the Joint House Department, which then submits estimates for Parliament to the Presiding Officers for their approval. After approval by the Presiding Officers the proposals are forwarded to the Minister for Finance and copies of the relevant portions are forwarded to the Department of Housing and Construction. These estimates are subject to the same negotiation arrangements outlined in paragraphs 4.8 and 4.9.

4.12 One area of interest, and possible concern, relates to the control of expenditure subsequent to the passage of Appropriation Bills. At any stage during a financial year, the Government may determine that actual expenditure by departments will be restricted or reduced, regardless of the appropriations made by Parliament. For example, the actual expenditure during a financial year on civil works may bear little relationship to the sum appropriated for that year, because it is controlled by the Civil Works Programme and a cash allocation set by the Government through the Department of Housing and Construction. This determines how much of particular projects is actually carried out during the year.

4.13 Estimates for Special Appropriations made under the *Remuneration Tribunals Act 1973* are prepared at the same time as the ordinary estimates for the Department. They are subject to the same procedures as the ordinary appropriations, but as they are determined by the Tribunal, they are not in fact open for any possible negotiation or disagreement.

They include estimates for the payment of:

Senators and Members' salaries and allowances in the nature of salary;

Senators and Members' travelling allowances;

Senators and Members' postage (Canberra); and

the salary and allowances of the Clerks of the Senate and the House of Representatives and the other Parliamentary Permanent Heads.

(Estimates for other payments made pursuant to this Act are prepared by and come under the control of the Department of Administrative Services).

Staffing

4.14 Staffing of the five Departments of the Commonwealth Parliament is governed by much the same procedures and conditions of service as apply to the Australian Public Service. Section 9 of the *Public Service Act* 1922 does, however, contain special provisions relating solely to the staffing of the Parliament.

4.15 The legislation provides for all appointments and promotions of officers of the departments of the Parliament to be made by the Governor-General on the recommendation of the Presiding Officer(s).¹ The Presiding Officer(s) substitute for the Public Service Board where such a substitution is not inconsistent with the context of the legislation; similarly, references in the legislation to 'the Minister' are to be construed as references to the Presiding Officers.²

4.16 The classification of offices is made by the Presiding Officer(s), but the Presiding Officer(s) may request, the Public Service Board to make the classification. However, a long standing arrangement (see paragraphs 2.17 to 2.19) which has been imposed upon the Parliament has meant that the Presiding Officers must consult with the Board before classifying or creating an office. The Board is also consulted by the Parliamentary departments on a range of other matters affecting the Parliamentary staff for example, organisation, pay, employment conditions and industrial matters.

4.17 Sections 9 (6) and (7) of the Act provide that the Presiding Officer(s) make regulations on all matters on which the Board may do so, but a regulation made by the Board will apply unless and until

- (a) it is inconsistent with, or dealt with in a regulation relating to parliamentary officers; or
- (b) the Governor-General, on the recommendation of the Presiding Officer(s) declares that it shall not apply.

4.18 Staff numbers in the Australian Public Service are currently subject to a policy of Executive determined levels, commonly referred to as staff ceilings. The Parliamentary departments are also subject to these staff ceilings. The following extract from correspondence between the Prime Minister and the President indicates the extent of government control over parliamentary staff numbers:

'The Public Service Board, the Department of the Prime Minister and Cabinet and the Treasury prepared a joint report for me on revised ceilings for departments and statutory authorities wholly or partly financed from the Budget. After consideration of the recommendations of that report I have approved revised staff ceilings for the Parliamentary Departments as set out in the attachment to this letter The setting of these ceilings is consistent with the Government's general approach of achieving economies in expenditure wherever possible and ensuring that maximum restraint is exercised with respect to staffing in the public sector. Accordingly, I am writing to you, the Speaker and to all Ministers asking that, among other things, it be emphasised to departments and statutory authorities that funds for 1976-77 will only be provided to support staffing levels up to but not exceeding the ceilings set to apply at 30 June 1976.'³

4.19 The application of Executive imposed staff ceilings to the Parliamentary departments is a matter of grave concern to the Committee as it clearly undermines the principle that Parliament regulates its own affairs.

Notes and references

- 1. Public Service Act 1922, section 9 (1)
- 2. *ibid*, sections 9 (2) and (3)
- 3. Extract from letter from the Prime Minister to the President, 10 February 1976