

Clerk's review

This report documents the performance of the Department of the Senate for 2012–13.

The electoral cycle

As reported last year, 2011–12 typified the middle year of an electoral cycle, with high volumes of legislative work and elevated levels of Senate and joint committee activity. That momentum carried through this year to what we now know were the final sittings of the 43rd Parliament in June.

While the 43rd Parliament will likely be remembered for the rare occurrence of a minority government in the House of Representatives, and for the political affairs of the time, an unusual aspect was the almost complete lack of legislative disagreement between the Houses. In hindsight this was perhaps predictable, with the negotiations necessary to progress the government's agenda in the House also providing a basis for securing majority support in the Senate. Nevertheless, the activities of the Senate and its committees throughout the year significantly affected legislative outcomes. Around 10 per cent of the bills considered were amended by the Senate, while others were amended in the House in accordance with recommendations of Senate committees.

Senate committees continued to provide effective forums for accountability and scrutiny, including through established mechanisms such as the estimates process and the referral of almost 50 per cent of bills for examination. The department also provided secretariat support for a number of new committees, including the Parliamentary Joint Committee on Human Rights, which completed its first full year of operation; the Joint Select Committee on Constitutional Recognition of Aboriginal and Torres Strait Islander Peoples, which operated through much of the year, and a committee given oversight of the implementation of the National Disability Insurance Scheme, established late in the Parliament.

Evaluation of services

As this report demonstrates, the department provided advisory, secretariat and other support services to meet the requirements of the Senate,

its committees, and senators. In the past, the department has used a biennial survey of senators to provide formal feedback on its services. For many years, the survey has reported 'high' and 'very high' levels of satisfaction across the breadth of the department's services, particularly in relation to our core advisory and secretariat support roles, with very little dissatisfaction reported. However, the results had become too generic to be useful in suggesting areas for improvement, possibly because of the arm's length nature of the exercise. By contrast, one of our best sources of feedback lies in our day-to-day contact with senators and their staff. Consequently, because of the diminishing value of the results, and also as a cost-cutting measure, the decision was taken to discontinue the survey. Each office has been asked to devise a method of capturing that direct feedback in a more structured form for future annual reports.

Efficiencies and service levels

A recurring theme in the department's annual reports has been the challenge of maintaining its services with a contracting budget. An efficiency dividend has applied to the parliamentary departments since the 1987-88 Budget, and continuous efficiencies have been achieved in line with the intended policy behind it. There has been no growth in real terms in the department's budget, and staff numbers have generally diminished, although workload has not. There has been no growth in numbers of SES and executive level staff in the department, as there has been in the wider public service.

The significant efficiencies that have been found over the years have involved substantial changes in work practices and the use of technology, among other things. In the abstract the phrase "significant efficiencies" explains little. To give an example, in the first year of operation in the "New" Parliament House (1988-89), with 56 operational staff, the Senate Committee Office produced 27 reports and managed the 48 matters were referred during that year. In 2012-13 the office produced around 200 reports and supported as many as 60 inquiries at a time - again with, quite coincidentally, 56 staff. No doubt these comparisons are imperfect, but they help illustrate the very significant efficiencies that have been achieved.

The staff of the department are its key resource, accounting for more than 70 per cent of its operating costs. As a consequence, virtually every

funding cut affects the staffing budget. The efficiency dividend also constrains the potential for savings from efficiencies to be redirected to enhanced services, limiting the ability of the department to respond to the requirements of senators as they change.

Rebalancing the budget

An efficiency dividend is not endlessly sustainable. The question raised each year is whether we have reached the point where services and service standards can no longer be maintained. That was certainly the concern reported in last year's report, which recorded a deficit of \$1.338 million, the fourth deficit result in a row.

Changes applied during the year have turned this around to produce a balanced budget. In particular, as reported last year, the department implemented measures to cap staffing numbers (and underlying budgets) for the year and over the forward years, with changes made in work practices to adjust to reduced numbers. This has particularly involved streamlining of service delivery within the Black Rod's Office and adjustments to support arrangements for some committees. It has required concerted effort across the department to implement and adjust to change. All staff have contributed to this, for which I thank them.

We have also been working toward significant productivity improvements in our use of information technology. In particular, we have worked with the Department of the House of Representatives to redevelop the systems that support the core work of the Houses and their committees. When implemented in the new Parliament, these will streamline the way thousands of documents are created, managed, published, shared and archived. Increasingly, this is occurring online, with the need to produce hard copy versions of documents falling away year by year.

These changes will increasingly provide staff with the opportunity to focus on the procedural and intellectual aspects of their work, rather than battling against the technology to get their work done. The benefits will include productivity improvements for the department and new ways of managing and sharing the information required by senators and others, particularly in the work of parliamentary committees.

The department's bottom line has also been improved by the inclusion

of some modest new policy funding to support new committee activity, legislative drafting and an online-publishing resource, negotiated by the Appropriations and Staffing Committee.

Appropriations and staffing

To operate effectively, an independent parliament requires a degree of independence in its funding. As I observed last year:

The institutions of representative and responsible government are at the head of the Australian Constitution. Their ability to carry out fundamental representative, scrutiny and legislative functions should not be compromised by continual and arbitrary reduction of funds.

Under long-standing arrangements the Senate Appropriations and Staffing Committee has had the formal role of determining the appropriations for the Senate department and been recognised as the proper forum for resolving disagreements with government in relation to the department's budget. Last year's review noted the limited effectiveness of this process in recent years. By contrast, in May 2013 the committee reported that a new process had been agreed upon, restating and expanding earlier arrangements:

In consultation with the Government, the Presiding Officers have agreed on a process that goes some way in recognising the constitutional independence, in a budgetary context, of the two Houses of the Parliament and the Parliamentary administration which supports them. Following the internal process of developing the budget of the Department of the Senate each financial year, under this new process the President will now consult with the Minister for Finance and Deregulation prior to the consideration of the Department's budget by the Expenditure Review Committee (ERC). The Finance Minister will have carriage of the Department's budget through the ERC process on behalf of the President, and will then advise the President of the outcome of the ERC's deliberations with respect to the Department's budget.

This is an important step forward in recognising the constitutional independence of the Senate and the correct application of parliamentary procedure in the budget process.

This is a welcome development, as is the opportunity for the committee to address matters of parliamentary administration together with the equivalent committee established in the House of Representatives during the 43rd Parliament.

The committee's conclusions, and relevant correspondence, is contained in its Annual Report for 2012–13, tabled in June 2013, which provides the model the department will follow in pursuing matters affecting its finances, ensuring that the determination of the budget for the Senate department remains a matter for the Senate to negotiate, taking into account the relevant expenditure and staffing policies of the government of the day.

The parliamentary service

Another area of ongoing change is in the development of new cooperative endeavours across the parliamentary administration. The main aspect of this in the past year has been in working toward the implementation of a 'whole of parliament' approach to the management and use of information and communication technology (ICT).

The centralisation of ICT is not a new idea. When the parliament moved to 'the New and Permanent Parliament House' 25 years ago, a single, central information services office was established to provide IT support, using funds and staff resources drawn from each of the parliamentary departments. What was then a sound vision lost its focus many years ago, resulting in a fragmentation of IT support across different agencies.

The immediate catalyst for resolving unsatisfactory service arrangements was the Presiding Officers' review of parliamentary ICT, noted in last year's review. Each of the parliamentary departments participated in the review, which reported in October 2012. The President of the Senate, in particular, has championed implementation of the review's recommendations, which principally involve establishing a central ICT division within the Department of Parliamentary Services (DPS) and a 'one-stop-shop' for the acquisition, installation, support and disposal of hardware, software, mobile computing requirements for parliamentarians and their staff and for the parliamentary departments. At the end of the year, the department was preparing to transfer staff and resources to DPS in line with these recommendations, and negotiating the terms of service level agreements to underpin ICT

support for the work of the Senate and its committees.

Freedom of Information

The question of the application of the *Freedom of Information Act 1982* to the work of the department has featured in recent annual reports. As originally enacted, the Act clearly did not cover the parliamentary departments. Nevertheless, the department has always complied with the spirit of the Act in relation to its administrative records, to the extent that was practicable. On the basis of a revised interpretation of legislative changes made in 1999, the department accepted that the Act applied to its operations, despite a concern that the scope of its application was unclear. At the end of the year, however, the Parliament restored the pre-existing understanding by legislative amendment, following concerns raised by the Parliament's Library Committee.

The matter was touched on in the department's appearances at estimates hearings of the Finance and Public Administration Legislation Committee, and in a submission from the Clerks of the two Houses and the Secretary of DPS to a recent review of FOI undertaken by Dr Allan Hawke AC. The submission argued that, if FOI is to cover the parliamentary departments, it should do so as a result of an informed decision of the parliament, and with provisions which properly confine the scope of its coverage to administrative records, leaving parliamentary records as a matter for the Houses and their committees to control. The report of the review, published in August 2013, made recommendations accordingly.

Staff development

In May 2013, a rotation of the department's senior staff was announced, to take effect during the second half of the year. This accords with a long-standing policy, intended to build up corporate knowledge and insure against loss of key staff. Rotations were also planned to occur at non-SES levels. During the year, staff continued to embrace the department's learning and development program, with strong attendance at training activities, many of which are delivered in-house by senior staff. The program aims to enhance workplace skills as well as institutional expertise. The department plans to develop additional activities in response to requirements identified by staff, and begin producing self-paced, online

training modules in relation to some aspects of our work.

Conclusion

The work of the department would not be achieved without the skills, knowledge and dedication of its staff, and those who support them. I thank them for their continuing commitment to support the work of the Senate and its committees. I also thank colleagues in the other parliamentary departments and the Office of Parliamentary Counsel for their ongoing support. In particular, I would like to acknowledge the outstanding parliamentary service of my colleague Bernard Wright, Clerk of the House of Representatives, who has announced his intention to retire later in 2013, and to thank him for his support and friendship over many years.

Rosemary Laing
Clerk of the Senate

