



Part 1

Overviews

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Members of the department's 2016–17 Executive at the table in the House of Representatives Chamber. Left to right: James Catchpole, Serjeant-at-Arms; Robyn McClelland, previous Clerk Assistant (Committees); Claessa Surtees, Deputy Clerk; David Elder, Clerk of the House; and Catherine Cornish, then Clerk Assistant (Table). Photo: David Foote, Auspic/DPS.

Clerk's review

The 2016–17 financial year was an eventful one for the department. It was also one of transition in which the department focused on developing the capability of its people as more senior staff retire or approach retirement.

The beginning of the reporting period was preceded on 9 May 2016 by a double dissolution that brought the Forty-fourth Parliament to an end. As it was only the seventh double dissolution since Federation—and the first since 1987—the department's resources were tested in terms of retrieving information on procedures and implementing processes that are not commonly used. The expertise and professionalism of the department's staff meant that all proceeded smoothly.

The general election was held on 2 July 2016 and a Coalition government was formed with the slimmest of majorities. While the usual business of parliament is suspended during election periods, it is still a time of intense activity for the department. Over the election period, staff worked on a range of activities, including reviewing and updating departmental policies, preparing office suites for new and returning members, and preparing material for the new members' seminar. They also completed the many tasks required to support the opening and commencement of a new parliament.

The 2016 election saw the retirement of more than 20 members with a collective experience of the House of more than 400 years. Those retirements, combined with the defeat of other members, resulted in a relatively large contingent of new members: 37 new members were elected and two former members were re-elected. In the last two parliaments—that is, since 2013—there has been a turnover of more than half the House. The effect of this on the assistance the department provides to members with their work in the Chamber and on committees has been significant.

One way in which we seek to orient new members is at a two-day seminar that provides an overview of the work of the House and committees and information about services and facilities available to members. All of the newly elected members attended the seminar, which was held in mid-August 2016 before the first sitting of the House. Feedback from participants was overwhelmingly positive.

The Forty-fifth Parliament was officially opened on 30 August 2016 with a Welcome to Country by local Indigenous people, followed by the swearing-in of members and the Governor-General's opening speech.

The reporting year has been a busy one for the department in terms of staffing. There was a higher than usual turnover of staff, including the departure of some senior employees with many years of experience. To maintain the required staffing levels, the department undertook significant recruitment activity. We also continued our focus on professional development of new and existing staff and strengthening our culture of leadership. A renewed leadership statement was launched in April 2017 and a reinvigorated leadership development program was implemented for staff at most levels.

At the end of 2016 and in early 2017 some changes were made to the department's structure. In December 2016, I approved the creation of an additional senior executive position dedicated to providing enhanced procedural capacity-building for members and staff. Priorities for the new Clerk Assistant (Procedure) are to oversee the completion of the seventh edition of *House of Representatives Practice* and to focus on processes for the future production of that key procedural document. As the definitive guide on matters of practice and procedure in the House, it is an invaluable resource for members and staff. I anticipate that the new edition will be ready for publication in 2017–18. Priority is also being given to diversifying the content, format and delivery of procedural guidance and other materials for both members and staff.

The other significant change was the co-location of the Parliamentary Skills Centre with the International and Parliamentary Relations Office. This move consolidates and rationalises the department's support for international parliamentary engagement and parliamentary capacity-building.

The opening of the new parliament heralded the resumption of business-as-usual activities for the department. In the first few weeks of the Forty-fifth Parliament, members were appointed to committees, and by the end of 2016 a busy program of committee inquiries was well underway. In the latter part of 2016, the annual program of official parliamentary delegations gained momentum, and a full program of incoming and outgoing delegations commenced in earnest in early 2017.

A very positive feature of 2016–17 was the increased level of engagement and cooperation among the four parliamentary departments. The department heads held regular formal and informal meetings, culminating in our joint endorsement of the Australian Parliament's *Strategic plan for the parliamentary administration*. The plan brings together the key priorities across the whole of the parliamentary administration, identifying shared goals and formalising a collaborative approach to achieving optimal outcomes in providing support and services for the parliament.

In addition to the resumption of business, a number of notable events occurred in 2016–17 that warrant mention.

In October 2016, the House welcomed His Excellency Lee Hsien Loong, Prime Minister of the Republic of Singapore. In an engaging address to members, senators and guests, he emphasised the close association and warm relations that exist between Singapore and Australia. The address was well supported by staff of the department.

In March 2017, Dr Rosemary Laing, Clerk of the Senate, retired after a distinguished career in parliamentary service. Throughout her tenure as Clerk, Dr Laing exemplified all of the best qualities of a parliamentary officer, with professionalism, a dedication to the institution and a commitment to providing the highest quality of service.

On 23 May 2017, the Address in Reply was presented to the Governor-General. As the formal acknowledgement from the House of the Governor-General's speech given at the opening of parliament, it signified the end of formalities associated with the commencement of the Forty-fifth Parliament. Again, the event was well supported by staff of the department.

Finally, at a meeting convened by the Presiding Officers in June 2017, members and senators in attendance agreed unanimously to apply to reconstitute the Commonwealth of Australia Branch of the Commonwealth Parliamentary Association. The formal process for the branch to be recognised by the association's governing body is now in train.

Looking to the year ahead, 2017–18 promises to be another busy one, as is typical of the middle years in the parliamentary cycle. Acknowledging that the experience, expertise and hard work of staff are crucial, the department continues to consult with staff on a new enterprise agreement. It is anticipated that an agreement will be finalised and implemented early in 2017–18.

I have noted over the years since I have been Clerk the pressure on the department's budgetary position. A most welcome development in the 2017–18 budget process was the government's commitment of additional funding over the next four years for the department's core work of supporting the Chamber, Federation Chamber and parliamentary committees. I am pleased that all of the additional funding we sought has been allocated. This means that we are well placed to respond effectively to the opportunities and challenges that will inevitably arise in the years ahead.

In closing, I would like to thank the Speaker for his support to me and the department over the year and the support and encouragement we have had from members of the House.

Departmental overview

Purpose

The department's purpose as set out in its 2016–17 corporate plan is:

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

Role and functions

The *Parliamentary Service Act 1999* provides for a non-partisan parliamentary service to serve the Australian Parliament. The Department of the House of Representatives is established by and operates under the Act, together with three other parliamentary departments: the Department of the Senate, the Department of Parliamentary Services (DPS) and the Parliamentary Budget Office (PBO).

During 2016–17, the department continued in its role as a service department for the parliament, supporting the work of the House of Representatives, its members and committees, and some joint committees (comprising members of both the House and the Senate).

The department continued to provide services to increase public knowledge and awareness of the work of the House and the Australian Parliament and to encourage interaction. The department also assisted the House and the parliament in maintaining institutional relationships with their state, territory and international counterparts.

Departmental structure

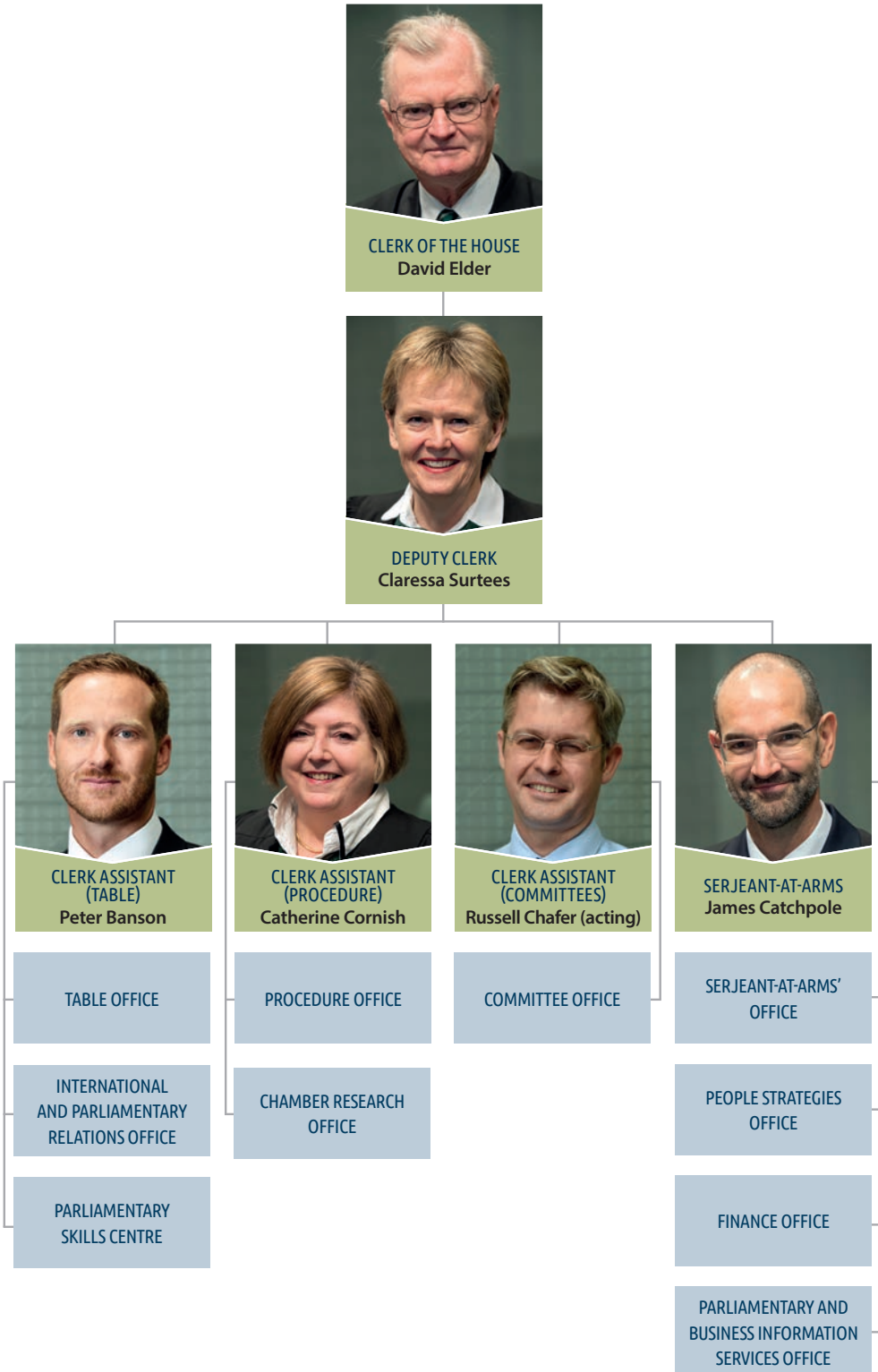
The department is managed by its Executive: the Clerk, Deputy Clerk, Clerk Assistant (Table), Clerk Assistant (Procedure), Clerk Assistant (Committees) and Serjeant-at-Arms.

Two changes were made to the department's organisational structure during the year. In December 2016, to support an enhanced focus on parliamentary procedural capacity-building for members and departmental staff, the Clerk approved an additional Senior Executive Service Band 1 position for a designated Clerk Assistant (Procedure). The position is established for an 18-month period, and the Clerk Assistant (Procedure) assumed responsibility for the Procedure Office and the Chamber Research Office. The Chamber Research Office previously reported to the Clerk Assistant (Table).

The second change was the Parliamentary Skills Centre's co-location with the International and Parliamentary Relations Office, which consolidated the department's support for international parliamentary engagement and parliamentary capacity-building. The two areas are now under the same director and report to the Clerk Assistant (Table).

Figure 1 shows the department's organisational structure at 30 June 2017.

Figure 1 Departmental structure at 30 June 2017



Roles and responsibilities of the Executive

Clerk

The Clerk is the most senior official of the department. The Clerk is the principal adviser to the Speaker, and is responsible for leading 153 departmental staff members who provide administrative and procedural advice to the House, its committees and its international and domestic liaison services.

Deputy Clerk

The Deputy Clerk is the second most senior official of the department. The Deputy Clerk is responsible for advising and assisting members, their staff and departmental staff on matters of parliamentary practice and law, and for overseeing the drafting of private members' bills and amendments. The Deputy Clerk assists the Clerk in managing the department and during the Clerk's absence performs the duties of Clerk.

Clerk Assistant (Table)

The Clerk Assistant (Table) is responsible for the areas of the department that provide programming, procedural and legislative support to the Chamber and Federation Chamber of the House. The Clerk Assistant (Table) is also responsible for the areas of the department that support the parliament's program of international delegations and parliamentary strengthening.

Clerk Assistant (Procedure)

The Clerk Assistant (Procedure) is responsible for the Procedure Office and the Chamber Research Office. Those offices provide procedural research and publications on the work of the House and its institutional role. The Clerk Assistant (Procedure) also contributes to the House's parliamentary strengthening activities related to parliamentary procedure.

Clerk Assistant (Committees)

The Clerk Assistant (Committees) is responsible for the Committee Office, which provides a range of support services to House committees and to some joint committees.

Serjeant-at-Arms

The Serjeant-at-Arms is responsible for the corporate areas of the department, which provide support and a range of services for members and for departmental staff. The Serjeant-at-Arms has a key role in managing security matters relating to the House.

Outcome and program structure

The department's outcome and program structure for the year is set out in the 2016–17 Portfolio Budget Statements.

The department has one outcome:

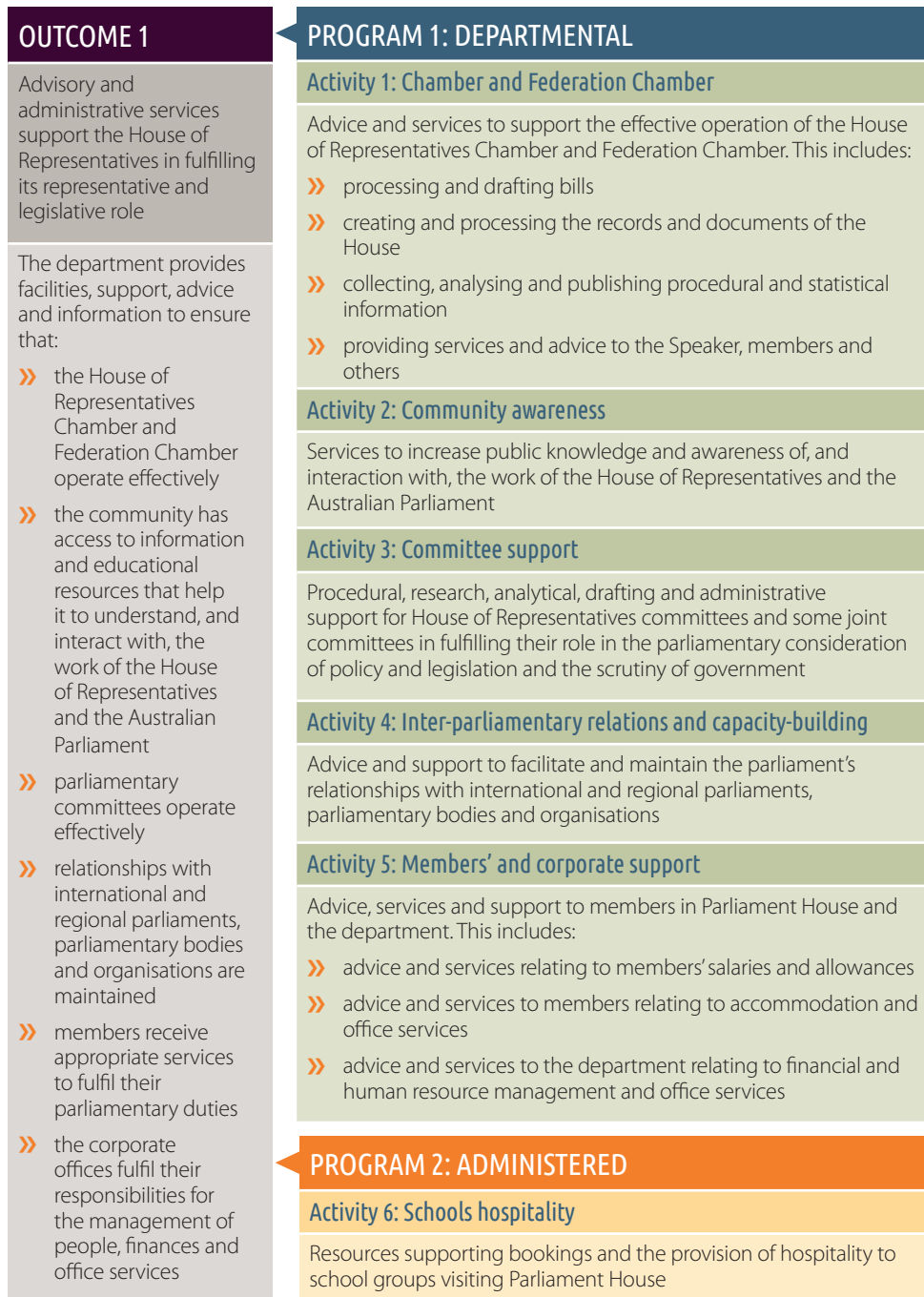
Advisory and administrative services support the House of Representatives to fulfil its representative and legislative role.

The department has two programs:

- » Program 1: Departmental—supports five activities
- » Program 2: Administered—supports one activity.

Figure 2 shows the department’s outcome and program structure and the activities under each program.

Figure 2 Outcome and program structure, 2016–17



Financial performance

The department ended the 2016–17 financial year reporting a surplus attributable to the Australian Government of \$2.316 million. The net cash position (after deducting depreciation and amortisation expenses of \$0.909 million) was a surplus of \$1.407 million.

There were two reasons for this result:

- » The 2016–17 federal budget included supplementary funding of \$2.368 million for the department. The department also recognised revenue from government relating to the prior year of \$1.016 million, making a total of \$3.384 million in additional available appropriation for 2016–17.
- » Expenditure can vary significantly over the three-year parliamentary cycle due to fluctuations in the level of departmental activity (see Figure 3). As the Forty-fifth Parliament commenced during the first quarter of the reporting period, expenditure remained low until the second half of the financial year. The main stimulus to expenditure is employee costs. Depending on the sitting pattern and the number of committees supported, the department may undertake an extensive recruitment process at the start of each new parliament. The department reached full staffing capacity in February 2017.

The increase in funding was very welcome, relieves financial pressure and ensures appropriate allocation of resources to support business-as-usual operations. The department's own-source revenue decreased as a result of the completion of external funding contracts from the Department of Foreign Affairs and Trade for Pacific parliamentary development programs; no new programs were established and other programs were not able to be progressed due to the timing of the general election. The amount of revenue recognised in relation to these programs corresponds to the amount of expenses incurred during the financial year.

The department's financial position has remained strong, with appropriation receivable totalling \$14.742 million. The department undertook a materiality review of its carrying value of the property, plant and equipment asset class. The independent valuer's report concluded that there was no material difference between the fair value and the carrying value of this asset class. Asset additions during the year related to the office furniture replacement project. Replacement of items in the staff areas of members' offices commenced in late 2015 and will conclude in July 2018.

Total liabilities rose slightly as a result of the calculation of leave balances in employee provisions and an increase in the payables for accrued salaries and wages due to the timing of the final payroll payment for the year.

The estimates for 2017–18 indicate that the department has sufficient resources to continue to support members, the House and committees. The department will continue to innovate and keep pace with technological change in order to sustain the quality of its service delivery.

Figure 3 Financial performance, 2012-13 to 2016-17

