



INFORMATION, ANALYSIS
AND ADVICE FOR THE PARLIAMENT

INFORMATION AND RESEARCH SERVICES

Bills Digest
No. 154 2002–03

Appropriation (Parliamentary Departments)
Bill (No. 1) 2003–2004

ISSN 1328-8091

© Copyright Commonwealth of Australia 2003

Except to the extent of the uses permitted under the *Copyright Act 1968*, no part of this publication may be reproduced or transmitted in any form or by any means including information storage and retrieval systems, without the prior written consent of the Department of the Parliamentary Library, other than by Senators and Members of the Australian Parliament in the course of their official duties.

This paper has been prepared for general distribution to Senators and Members of the Australian Parliament. While great care is taken to ensure that the paper is accurate and balanced, the paper is written using information publicly available at the time of production. The views expressed are those of the author and should not be attributed to the Information and Research Services (IRS). Advice on legislation or legal policy issues contained in this paper is provided for use in parliamentary debate and for related parliamentary purposes. This paper is not professional legal opinion. Readers are reminded that the paper is not an official parliamentary or Australian government document. IRS staff are available to discuss the paper's contents with Senators and Members and their staff but not with members of the public.

Inquiries

Members, Senators and Parliamentary staff can obtain further information from the Information and Research Services on (02) 6277 2646.

Information and Research Services publications are available on the ParlInfo database. On the Internet the Department of the Parliamentary Library can be found at:
<http://www.aph.gov.au/library/>

Published by the Department of the Parliamentary Library, 2003

I N F O R M A T I O N A N D R E S E A R C H S E R V I C E S

Bills Digest
No. 154 2002–03

Appropriation (Parliamentary Departments) Bill (No. 1)
2003–2004

Rosemary Bell
Law and Bills Digest Group
22 May 2003

Contents

Purpose.	1
Background.	1
Parliament House Security.	2
Main Provisions	3
Endnotes.	5

Appropriation (Parliamentary Departments) Bill (No. 1) 2003–2004

Date Introduced: 13 May 2003

House: House of Representatives

Portfolio: Finance and Administration

Commencement: Royal Assent

Purpose

To appropriate \$167 279 000 for the recurrent and capital expenditure of the five parliamentary departments for the 2003-2004 financial year.

Background

Since 1982 the appropriations for the parliamentary departments have been effected by a separate Bill. This followed the Fraser Government's consideration of the Report of the Senate Select Committee on Parliamentary Appropriations and Staffing which was tabled on 18 August 1981. Under current arrangements, the executive Government maintains control over the contents of the Bill as introduced. In theory, however, as the Appropriation (Parliamentary Departments) Bill is not for the ordinary annual services of the Government, it may be amended by the Senate.

The *Parliamentary Service Act 1999* provides that the administration of the Parliament is undertaken by five parliamentary departments – the Department of the Senate, the Department of the House of Representatives, the Joint House Department, the Department of the Parliamentary Reporting Staff, and the Department of the Parliamentary Library. The Department of the House of Representatives and the Department of the Senate are responsible for providing procedural advice, information and administrative support to Members and Senators respectively. The Joint House Department performs building management, security and maintenance services, and provides a range of commercial support services and facilities in Parliament House. The Department of the Parliamentary Reporting Staff (DPRS) provides broadcasting, transcription and information technology services to the Parliament, and the Department of the Parliamentary Library (the Library) is responsible for the provision of information services, research and policy analysis.

Warning:

This Digest was prepared for debate. It reflects the legislation as introduced and does not canvass subsequent amendments.

This Digest does not have any official legal status. Other sources should be consulted to determine the subsequent official status of the Bill.

The 2003-2004 budgets for the parliamentary departments have been prepared on an accrual basis and provide funding for departmental expenses, administered expenses and capital items. The primary source of funds for each of the parliamentary departments is the annual Appropriation (Parliamentary Departments) Bill, supplemented as required by a second bill introduced with the Government's supplementary appropriation bills.

The Appropriation (Parliamentary Departments) Bill (No. 1) 2003-2004 appropriates a total of \$167 279 000 for all five parliamentary departments for the 2003-2004 financial year. The Schedule in the Bill deals with the allocation of expenditure for each Department. Appropriations for 2003-2004, with the previous year's actual available appropriation, are as follows:

Parliamentary Department	2003-2004	2002-2003	Variation +/-
House of Representatives	\$32.841m	\$29.938m	+\$3.461m
Senate	\$31.586m	\$29.369m	+\$2.217m
Joint House Department	\$44.852m	\$44.895m	-\$0.043m
Parliamentary Reporting Staff	\$40.613m	\$44.456m	-\$3.843m
Parliamentary Library	\$17.387m	\$17.522m	-\$0.135m
Total	\$167.279m	\$166.180m	+\$1.099m

In addition to appropriations from the Consolidated Revenue Fund, revenue from other sources may be credited to a parliamentary department. These revenues are deemed to have been appropriated. Departments are able to credit revenues from, for example, proceeds from the sale of parliamentary and educational materials, and resources received free of charge, such as from the National Library of Australia or the Australian National Audit Office.

Parliament House Security

A major additional area of spending is security. In April 2002, the former President of the Senate and the Speaker of the House of Representatives asked the Parliamentary Service Commissioner, Mr Andrew Podger, to review and report on the administration of security

Warning:

This Digest was prepared for debate. It reflects the legislation as introduced and does not canvass subsequent amendments.

This Digest does not have any official legal status. Other sources should be consulted to determine the subsequent official status of the Bill.

within Parliament House, and to examine other aspects of the administration of the Parliament with a view to greater cost effectiveness and practicability. A report entitled *Review by the Parliamentary Service Commissioner of aspects of the administration of the Parliament* was tabled in October 2002. The recommendations relating to security at Parliament House have been adopted by the President and the Speaker, endorsed by the Senate Standing Committee on Appropriations and Staffing, and are being implemented. The recommendations include centralising the security function in Joint House Department, establishing the Security Management Board as a permanent body, and strengthening arrangements for controlling access to the building.¹

The remaining recommendations of the Parliamentary Service Commissioner address options for the restructure of the parliamentary departments. The options range from the creation of a shared services centre to provide administrative services to the five parliamentary departments, to the creation of one large services department through the amalgamation of the Library, DPRS and Joint House Department. These recommendations are presently being considered by the Senate Standing Committee on Appropriations and Staffing.²

The Government is providing additional funding of \$25.5 million over four years, starting in 2003-2004, to upgrade physical security in Parliament House, to employ more security staff, and to enhance security-related management and the professional capacity of security staff in Parliament House.³ In 2003-2004 the cost of security for the whole of Parliament House and its environs is to be shared equally by the two chamber departments,⁴ and the Government is providing funds totalling \$6.8 million for this purpose.⁵ However, in the forward years 2004-2005 to 2006-2007, the expenses for increased security at Parliament House are to be offset by savings against the appropriation for the five parliamentary departments. According to the Budget papers, these savings are to be achieved through the introduction of efficiencies, gained either by implementing the remaining recommendations of the Review by the Parliamentary Service Commissioner, or by alternative means.⁶

Main Provisions

Clause 4 provides that Portfolio Budget Statements are to be considered as relevant extrinsic material which may assist in the interpretation of the Appropriation (Parliamentary Departments) legislation. Portfolio Budget Statements are statements prepared by portfolios (or by departments in the case of parliamentary departments) to explain the Budget appropriations in terms of outcomes. Their purpose is to assist in explaining the proposed appropriations in the Appropriation Bills.

Clause 6 lists the total amount appropriated by the Bill – that is \$167 279 000.

Clause 7 provides that for departmental items, the Finance Minister may issue from the Consolidated Revenue Fund amounts that do not exceed that listed in the Schedule to the

Warning:

This Digest was prepared for debate. It reflects the legislation as introduced and does not canvass subsequent amendments.

This Digest does not have any official legal status. Other sources should be consulted to determine the subsequent official status of the Bill.

Bill, and that such funds must be used for the departmental expenses of the relevant parliamentary department. Departmental expenses are incurred by parliamentary departments in providing the programs and services indicated in the Portfolio Budget Statements. **Subclause 7(3)** provides that where the amount is for remuneration or allowances payable under the *Remuneration Tribunal Act 1973* or the *Remuneration and Allowances Act 1990*, the Minister for Finance must issue that amount.

For administered expenses, **clause 8** provides that the Finance Minister may issue the lesser of two amounts; either the amount specified in the item or the amount the Minister determines to be the administered expenses incurred by the parliamentary department during the current year. Administered expenses are funds administered by the parliamentary department on behalf of the Commonwealth for its purposes. An example is the Citizenship Visits Program funded jointly by the Department of the House of Representatives and the Department of the Senate and managed by the Department of the House of Representatives.

Under section 31 of the *Financial Management and Accountability Act 1997* departments have access to certain monies received in payment for services. Services provided by parliamentary departments which may attract receipts include contributions from participants towards the cost of conferences and seminars conducted by the departments, asset sales, monies for accrued leave entitlements of transferred employees and interest earned on fixed term deposits with the Reserve Bank of Australia. It should be noted that resources received free of charge are not covered by section 31 receipts but are part of the price of outputs. Revenues from other sources are applied to the department's operating expenses (**clause 11**).

The responsible Presiding Officer/s will be able to increase the amount allocated to an item to a maximum of \$200 000 for each of the Department of the House of Representatives and the Department of the Senate (for these departments this power is exercisable by the Speaker for the House of Representatives, and by the President for the Senate), and to a maximum of \$200 000 for all the remaining departments combined (exercisable jointly by the Speaker and the President) (**clause 12**).

Clause 13 is similar to clause 12 but deals with increases in items due to unforeseen and urgent circumstances. The maximum increase under **clause 13** is a total of \$300 000 for the Department of the Senate, \$300 000 for the Department of the House of Representatives, and a total of \$1 million for the other departments combined.

Clause 16 will appropriate the funds for the Bill from the Consolidated Revenue Fund.

Warning:

This Digest was prepared for debate. It reflects the legislation as introduced and does not canvass subsequent amendments.

This Digest does not have any official legal status. Other sources should be consulted to determine the subsequent official status of the Bill.

Endnotes

- 1 The Speaker, Hon Neil Andrew MP, House of Representatives, *Debates*, 11 December 2002, p. 10146.
- 2 Senator the Hon Robert Ray, Senate, *Debates*, 18 November 2002, p. 6613.
- 3 Budget Measures 2003-04, *Budget Paper No. 2*, p. 80.
- 4 Department of the Senate, ‘Portfolio Budget statements 2003-04’, *Budget Related Paper No. 1.17B*, p. 10.
- 5 Budget Measures 2003-04, *Budget Paper No. 2*, p. 80.
- 6 *ibid.*, p. 209.

Warning:

This Digest was prepared for debate. It reflects the legislation as introduced and does not canvass subsequent amendments.

This Digest does not have any official legal status. Other sources should be consulted to determine the subsequent official status of the Bill.