



OVERVIEWS

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CLERK'S REVIEW

The financial year 2009–10 represented the culmination of work in the Forty-second Parliament. In the lead-up to the 2010–11 election, the department was busy supporting the House's legislative program, the Main Committee operated for extended hours and committee staff finalised reports to meet the election deadline. This level of activity flowed through to the whole department, involving Chamber and committee support, members' services, parliamentary relations, liaison and projects, information technology and publishing, finance and people strategies.

The parliamentary address by His Excellency Dr Susilo Bambang Yudhoyono, President of the Republic of Indonesia, on 10 March 2010 was a major event. It was the first address by an Indonesian president to the Australian Parliament.

Significant change took place in the composition of the department's Executive during the year. Mr Ian Harris AO retired on 4 December 2009. Many tributes were paid by members and others to his service and to his achievements. I was appointed as Clerk from 5 December. Other changes to the Executive were the appointment of David Elder as Deputy Clerk, Claressa Surtees as Serjeant-at-Arms and Joanne Towner as Clerk Assistant (Committees). With the Executive, I look forward to working with all colleagues to build on the department's strengths and to ensure that it is as well placed as possible to meet the challenges of the future.

Service

The department places a high priority on its standards of service to the House and the public, and service was the first priority area in the department's corporate plan for 2007–10. An important way the department monitors its service levels is through the members' survey, which was conducted in May and June this year. The results, which were similar to previous years, confirmed that the department



Bernard Wright, Clerk of the House of Representatives

provides a high level of service. Further details are in Appendix 12.

We were also able to assist with the review of parliamentary entitlements by making a formal submission to the review and providing further information. The department was pleased to contribute to the review, which provided an opportunity for us to share our significant experience in working with and supporting members and present our perspective on relevant issues.

Four committee reports tabled in the year may change the way the House and the department provide services to the public and others. The Committee of Privileges and Members' Interests presented a report that proposed the Register of Members' Interests be published online from the commencement of the Forty-third Parliament. In a separate report, the committee recommended the introduction of requirements designed to ensure procedural fairness when matters of privilege and contempt are investigated. These recommendations have been adopted by the House. The Committee on Petitions

recommended that the House adopt procedures to allow petitions to be received electronically. The Committee on Procedure made a large number of recommendations about the operations of House committees, including a recommendation intended to make it easier for them to meet via telephone and video conferences.

Even though parliaments are long-established institutions, these innovations and recommendations demonstrate that parliamentary practices and services can be very contemporary. For its part, the department has been pleased to advise on and support such developments, recognising as it does the necessity for the House to be willing to adapt and develop its procedures.

The department’s three other priority areas in the corporate plan are discussed below.

People

One of the main management tools in the department is the annual staff survey. This year’s survey was conducted in May and June. The various indexes derived from the survey either increased over last year’s results, or decreased only marginally. The leadership index is an important statistic from the survey and it remains at over 80 per cent. This index measures leadership at all levels of the organisation, which is an important factor in our success. Further details on the survey are at page 53.

Once again, the department held its annual planning day near the end of the financial year. The topic this year was the corporate plan for 2010–13. I appreciated the readiness of staff to contribute to discussions. Many of their ideas have been incorporated into the plan, which has now been adopted. The contributions by colleagues at the planning day changed the focus of the corporate plan, and some have become projects in their own right.

An innovation this year was to make clearer how proposals made at the planning day had led to changes in the corporate plan.

As an organisation that complies with the Investors in People standard, we realise that our future depends on attracting and retaining talent and motivating and increasing the skills of our people. I therefore strongly support the department’s comprehensive training program. One feature of the program that deserves special mention is our practice of spreading expertise within the department through briefings on matters of parliamentary interest, debriefs, shadowing and a ‘day in the life’ sessions. Learning through our experiences and sharing our knowledge have not only developed our expertise, but also improved our overall performance by ensuring a greater understanding of each other’s work.

Sustainability and flexibility

The key issue in this area is the department’s budget. The sustained application of the efficiency dividend and the requirement to pay competitive pay increases, without significant injections of additional funding, have moved the department towards a tighter financial position. In 2009–10, we implemented a number of initiatives across the department to manage expenditure, and these resulted in considerable savings. Actions included reducing the printing service offered to members, tightening expenditure on departmental travel and advertising, and reducing expenditure on incoming parliamentary delegations. Such measures have helped make the department’s financial position more secure for the immediate term. I am very grateful to those staff members who developed ideas for efficiencies or helped implement them. However, as noted later, the department’s longer-term budgetary position remains difficult.

The department has been involved in many activities with a view to improving our services as well as our sustainability and flexibility. For example, the Speaker's desk in the Chamber now has purpose-built computer facilities. Our staff are also involved in the redevelopment of the Parliament of Australia website, through serving on the project board, participating in consultations and assisting in other ways. The internet has become a major means through which the parliament communicates with the Australian and international communities, and I look forward to the department being able to build on the innovations that we have developed with the current website. We have also been working with the other parliamentary departments on developing alternative sitting arrangements if the chambers were to be rendered inoperable. A significant achievement for the longer term was the conclusion of the basement archives storage project. The official records of proceedings of the House of Representatives from 1901 onwards had previously been stored in non-specialised conditions. This project has meant that these documents are now stored in an environment with stable temperature and humidity. This project was particularly important, given that many of these documents are of national significance.

Relationships

One area in which the department made significant progress was in its relationship with other parliamentary departments. The agreement by the department to become part of a shared services function and to provide and manage payroll services on behalf of the Department of Parliamentary Services was a major development. It was a pleasure to welcome the new payroll staff to the department, and I am grateful to all staff of the People Strategies Office for their hard work and commitment in ensuring that the project was managed effectively and in a timely manner.

I look forward to further cooperation with the other parliamentary departments in the coming years. I expect that a key requirement for new arrangements will be to deliver both efficiencies and improved effectiveness to the parliament overall. Of course, we will manage changes in a way that ensures that the department's identity and history of success in supporting the House and its committees and members are recognised and maintained. The success of the payroll project gives confidence that other such proposals will be managed successfully.

We also continue to build our relationships outside the parliament. In November, the department supported a conference on benchmarking parliamentary performance. The conference was organised in conjunction with the Parliamentary Studies Centre of the Australian National University. Attendees included academics and representatives of non-government organisations, as well as parliamentary colleagues from across Australia and New Zealand. The department also supported the Australian Parliament's first committee delegation to the Asia-Pacific region, with the House Standing Committee on Health and Ageing visiting Papua New Guinea and Solomon Islands in October.

Outlook

The Blueprint for Reform of Australian Government Administration (the Moran report), released in March 2010, is likely to be a key reference document in the Australian public sector. Its recommendations include proposals designed to achieve better services for citizens, more open government and improved agency efficiency. In the pursuit of similar aims, the department is already doing many of the things recommended in the Moran report. We have a comprehensive website that is critical in allowing significant engagement with the community; links with academia and other parliaments; extensive training and development programs; and practical experience in the provision of shared services. The themes in the Moran report have been carefully considered and are reflected where appropriate in our new corporate plan. I am confident we can take these ideas further.

The department’s most significant longer-term risk remains its funding base, although the reduction to overall departmental expenditure made in 2009–10 appears to have eased the immediate pressure. Budgetary limitations in 2010–11 are expected to be manageable because of the reduced activity during the election period. On current projections, however, the department may face difficult choices in later years in order to remain within budget. In its report on committee effectiveness, the Committee on Procedure emphasised the importance of House committees being adequately funded. Discussions have been held with government about our finances and I expect that these discussions will continue.

Despite the longer-term pressures the department will face, I am optimistic about the future because of the professional expertise of departmental staff, and because I believe this expertise is recognised well beyond the department. We look forward to the challenges ahead.



The then Deputy Clerk of the House of Representatives, Mr Bernard Wright, and the then Clerk Assistant (Committees) for the Senate, Mr Cleaver Elliott, with Mr Khemphone Anothay of the Laos National Assembly during an attachment with the Parliament in October 2009.

DEPARTMENTAL OVERVIEW

PURPOSE

The department's purpose is:

To support the House of Representatives to fulfil its role as a representative and legislative body by providing effective advice and services of the highest possible standard.

ROLE AND FUNCTIONS

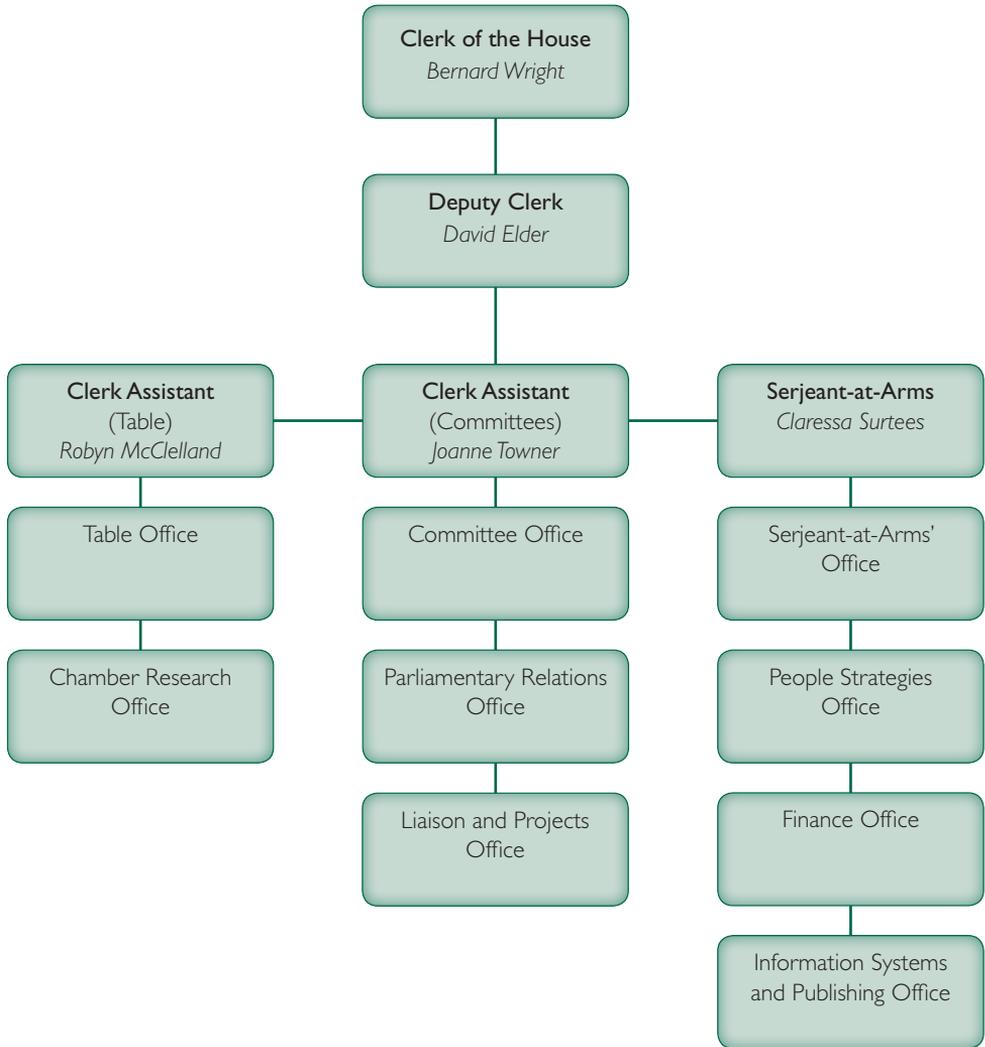
The *Parliamentary Service Act 1999* provides the legal framework for a nonpartisan Parliamentary Service to serve the Australian Parliament. The Act establishes this department and the other two parliamentary departments—the Department of the Senate and the Department of Parliamentary Services. It provides for the management, leadership and responsibilities of Parliamentary Service employees as well as the functions of the Parliamentary Service Commissioner and the Parliamentary Service Merit Protection Commissioner. The other parliamentary departments report separately to the parliament.

During 2009–10, the department continued its role as a service department for the parliament, supporting the work of the House of Representatives, including its members in their parliamentary work, its committees, and some joint committees comprising members of both Houses. The department also maintained its focus on assistance to the House and the parliament in their relations within Australia and internationally.

ORGANISATIONAL STRUCTURE

The department is managed by its Executive, comprising the Clerk, Deputy Clerk, Clerk Assistant (Committees), Clerk Assistant (Table) and Serjeant-at-Arms. Their work is carried out through nine offices. The department's organisational structure at 30 June 2010 is depicted in Figure 1, and did not change in 2009–10.

Figure 1 Organisational structure at 30 June 2010



OUTCOME AND PROGRAM STRUCTURE

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, which are broken down into program components as follows:

- Program 1.1: *Parliamentarians' remuneration and entitlements* has one component:
 - Payment of members' salaries and allowances*

Program 1.2: *Other departmental* has five components:

- Chamber and Main Committee*
- Community awareness*
- Committee services*
- Interparliamentary relations*
- Services and advice to members in Parliament House*

Figure 2 shows the outcome and program structure of the department and Figure 3 shows the organisational contribution to the outcome.

Figure 2 Outcome and program structure at 30 June 2010

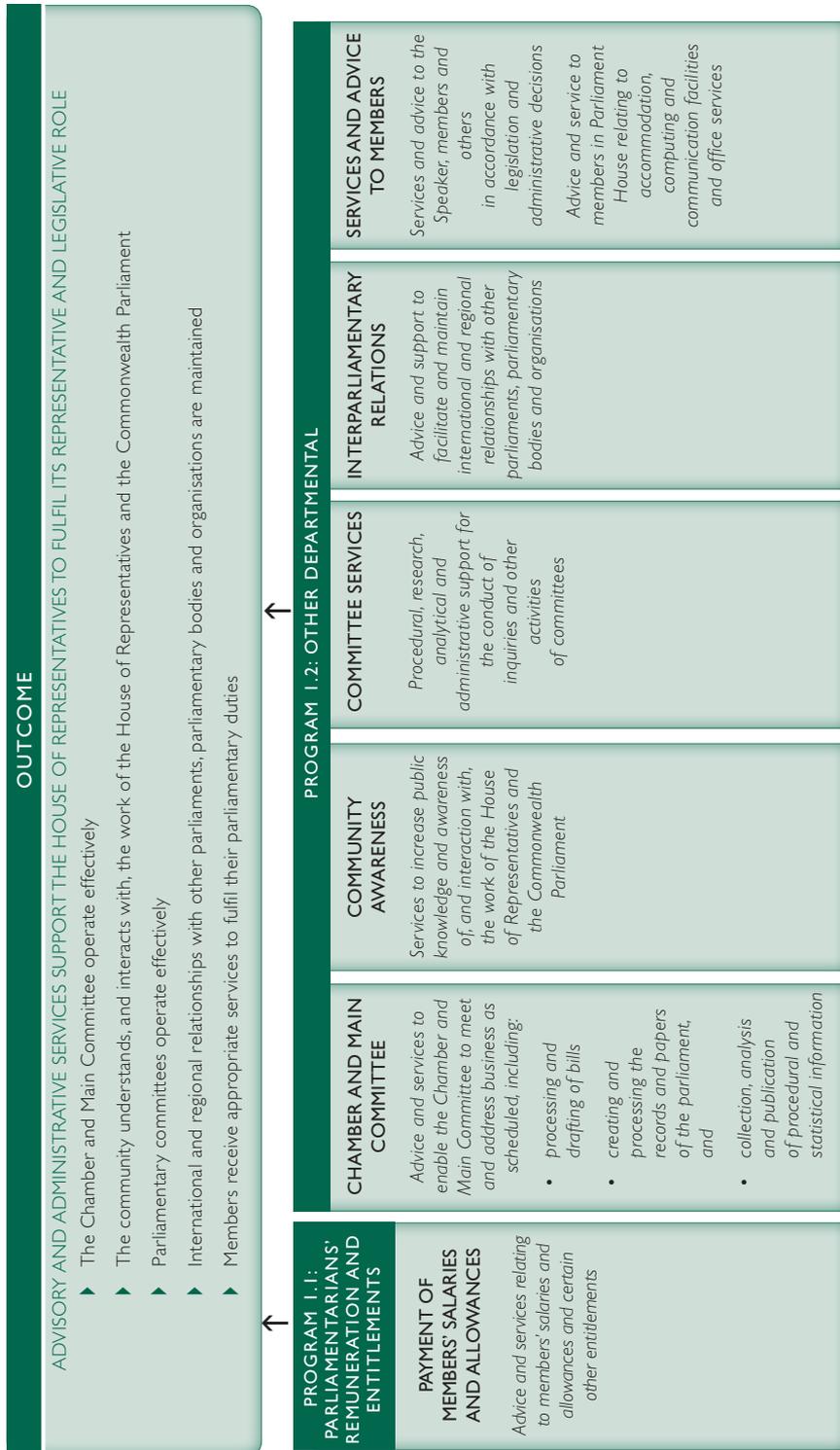
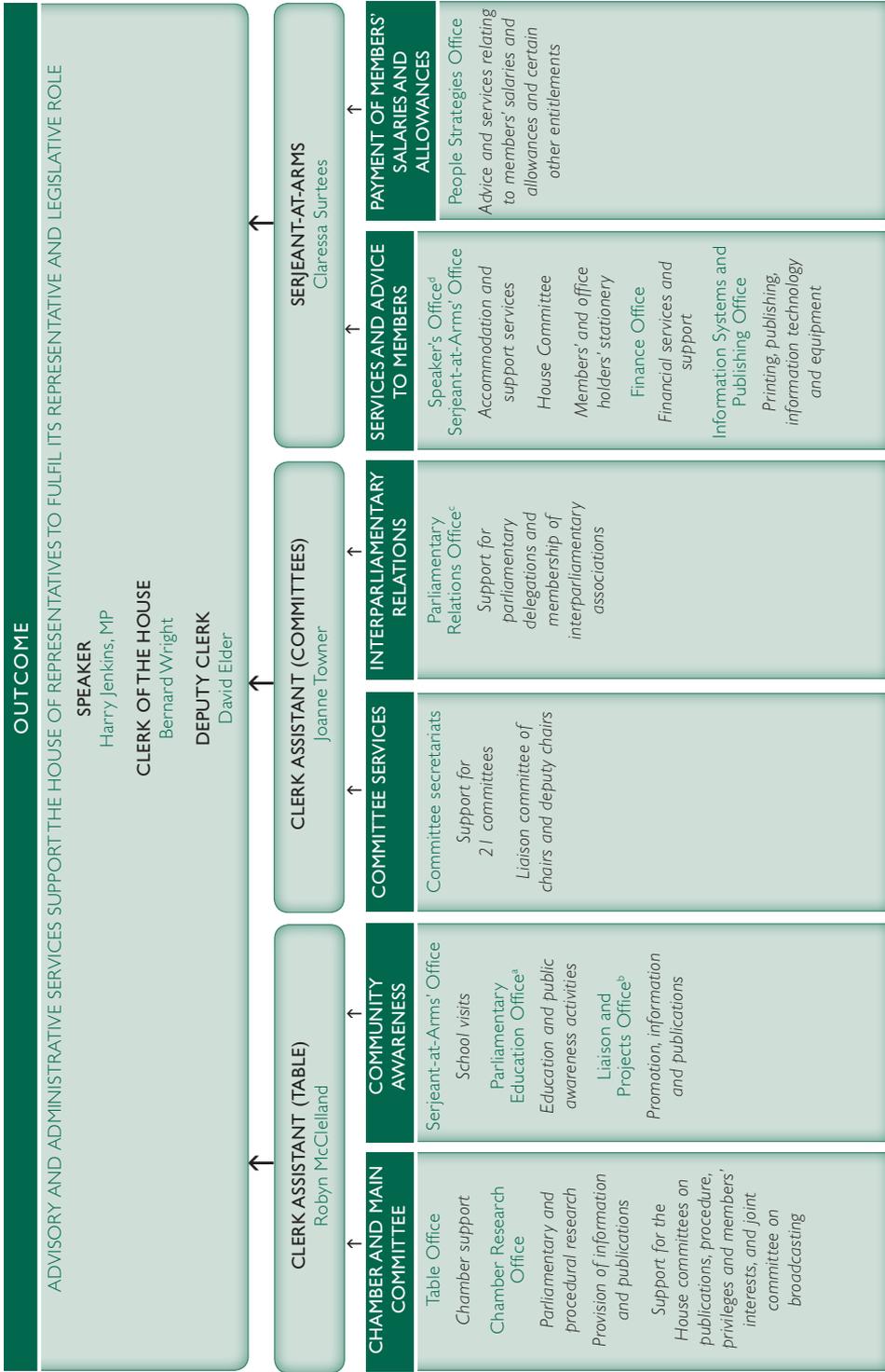


Figure 3 Organisational contribution to the outcome at 30 June 2010



a Jointly funded by the department and the Department of the Senate and administered by the Department of the Senate.
 b The Liaison and Projects Office reports to the Clerk Assistant (Committees).
 c Jointly funded by the department and the Department of the Senate.
 d Included in this program component for budgetary purposes.

FINANCIAL PERFORMANCE

The department ended the 2009–10 financial year reporting a reasonable operating surplus of \$1.8 million. The surplus has resulted from a combination of the effects of the initiatives taken to reduce costs and lower than expected levels of activity leading up to the general election.

Under the Operation Sunlight reforms, changes were introduced to the way in which government agencies will be funded in 2010–11 and forward years. Capital expenditure will be funded through a departmental capital budget and funding for depreciation will cease. The amount reported in the department’s financial statements for 2008–09 for accumulated depreciation was \$3.633 million. This amount was returned to Treasury before 30 June 2010.

This has been reported in the 2009–10 financial statements as a reduction in equity. Following on from this, the department’s balance sheet has remained in a healthy position with adequate retained earnings. This will ensure that the department continues to be financially sustainable in the short term (1–2 years).

The outlook for the longer term, however, is tight. Increasing input costs will place pressure on the financial resources available to the department. It is anticipated that the department will face difficult choices to remain within budget, as the funding pressures will intensify significantly in the forward years.

Departmental revenue from government increased by 1 per cent and own-source revenue increased by 69 per cent. Revenue from the provision of payroll services represented 66 per cent of this increase. This revenue has been fully offset with expenses associated with the implementation and ongoing costs of payroll service delivery.

Departmental expenses decreased by 17 per cent from the previous year. This decrease reflects in part a reduction in the activity levels associated with the final year of the parliamentary cycle and also the realisation of targeted savings initiatives identified at the beginning of 2009–10.

Figure 4 provides a picture of the department’s financial performance over the five-year period since 2005–06.

Figure 4 Financial performance, 2005–06 to 2009–10

