

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
BUDGET ESTIMATES 2014-15

Finance Portfolio

Department/Agency: All
Outcome/Program: General
Topic: Legal Costs

Senator: Ludwig
Question reference number: F160
Type of question: Written
Date set by the committee for the return of answer: Friday, 11 July 2014

Number of pages: 2

Question:

List all legal costs incurred by the department or agency since Additional Estimates in February, 2014.

- a) List the total cost for these items, broken down by source of legal advice, hours retained or taken to prepare the advice and the level of counsel used in preparing the advice, whether the advice was internal or external
- b) List cost spend briefing Counsel, broken down by hours spend briefing, whether it was direct or indirect briefing, the gender ratio of Counsel, how each Counsel was engaged (departmental, ministerial)
- c) How was each piece of advice procured? Detail the method of identifying legal advice.

Answer:

Department/ Agency	Response
Finance	<p>a) The Department of Finance (Finance) reports annually on its legal service expenditure, as required under the <i>Legal Services Directions 2005</i>. Finance's legal expenditure for the previous financial year is available at http://www.finance.gov.au/publications/.</p> <p>b) It would involve an unreasonable diversion of resources to compile data on Finance's legal expenditure and costs spent briefing Counsel for the period 25 February to 31 May 2014 ahead of the mandated annual reporting to the Office of Legal Services Coordination.</p> <p>c) In general, under the <i>Legal Services Directions 2005</i> Finance is required to obtain its legal services from legal service providers on the Legal Services Multi- Use List established by the Attorney-General's Department. Finance procures legal services consistent with this requirement.</p>
Australian Electoral Commission	<p>The Australian Electoral Commission (AEC) reports annually on its legal services expenditure as required under the <i>Legal Services Directions 2005</i>. The AEC's legal expenditure will be published on its website after the financial statements are completed for the 2013-14 financial year as per mandated annual reporting obligations.</p>

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ComSuper	<p>a) ComSuper estimates that total legal expenditure has been \$275,065.90 during the period 25 February 2014 – 31 May 2014 (the Specified Period). For privacy reasons, a list of legal services with respect to specific disputes with members and costs is not provided.</p> <p>b) Internally, ComSuper has spent \$256,332.54 on internal staff costs for its Legal and Reconsideration Services section. This structure of the legal section is fluid and staffing changes are ongoing as part of ComSuper’s organisational change process being undertaken to meet government policy objectives. ComSuper estimates that half of the costs of that section are attributable to legal services expenditure during the Specified Period, being approximately \$128,166.27. To provide the further detail sought would involve an unreasonable diversion of agency resources. ComSuper will properly and fully report legal services expenditure to the OLSC in accordance with the <i>Legal Services Directions 2005</i> as and when required.</p> <p>Externally, ComSuper has spent \$21,858.73 on legal services during the Specified Period. There was a further \$125,040.90 spent on external services from the Administered Legal Expenditure from the Consolidated Revenue Fund. Accordingly, ComSuper has spent a total of \$146,899.63 on external legal services. However, to provide the further detail sought would involve an unreasonable diversion of agency resources.</p> <p>c) External legal services are required to be procured in accordance with the <i>Legal Services Directions</i> and the <i>Legal Services Multi-Use List</i> and ComSuper’s legal services procurement is consistent with these requirements. To provide further specific detail on each legal service procured, including on ‘the method of identifying legal advice’, would be an unreasonable diversion of agency resources.</p>												
Commonwealth Superannuation Corporation	<p>For the period 25 February to 31 May 2014, \$47,480.13. CSC does not track hours taken to prepare advice. All advice was externally provided. No counsel were briefed. All advice sourced from CSC’s usual providers, based on expertise.</p> <table border="1" data-bbox="611 1223 1219 1435"> <thead> <tr> <th data-bbox="611 1223 1015 1261">Legal Service Provider</th> <th data-bbox="1015 1223 1219 1261">Cost</th> </tr> </thead> <tbody> <tr> <td data-bbox="611 1261 1015 1294">Australian Government Solicitor</td> <td data-bbox="1015 1261 1219 1294">\$ 13,212.49</td> </tr> <tr> <td data-bbox="611 1294 1015 1328">K&L Gates</td> <td data-bbox="1015 1294 1219 1328">\$ 3,997.75</td> </tr> <tr> <td data-bbox="611 1328 1015 1361">King & Wood Mallesons</td> <td data-bbox="1015 1328 1219 1361">\$ 29,973.21</td> </tr> <tr> <td data-bbox="611 1361 1015 1395">McArdle Legal</td> <td data-bbox="1015 1361 1219 1395">\$ 296.68</td> </tr> <tr> <td data-bbox="611 1395 1015 1435"></td> <td data-bbox="1015 1395 1219 1435">\$ 47,480.13</td> </tr> </tbody> </table>	Legal Service Provider	Cost	Australian Government Solicitor	\$ 13,212.49	K&L Gates	\$ 3,997.75	King & Wood Mallesons	\$ 29,973.21	McArdle Legal	\$ 296.68		\$ 47,480.13
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Future Fund Management Agency	<p>Reports on legal services expenditure are provided on an annual basis as at 30 June of each year. Compiling this information separately would be an unreasonable diversion of resources.</p>												