

**SENATE STANDING COMMITTEE ON LEGAL AND CONSTITUTIONAL AFFAIRS**  
**BUDGET ESTIMATES 2017**

**Attorney General's Department**

**Program: 1.3 Australian Government Solicitor**

**Question No. BE17-028**

**Senator Wong asked the following question on 24 May 2017:**

Senator WONG: All right. I have one other question, if I may, which is about your merger into AGD. Is that the best way to describe it? How would you like me to describe it?

Mr Kingston: It is a perfectly acceptable way to describe it.

Senator WONG: Is that effectively complete—systems are all integrated et cetera?

Mr Moraitis: Not completely integrated. The AGS is a separate group within the department and operates as a legal practice. They would not share information or issues of their clients with the department.

Senator WONG: Sorry. I just meant in terms of what you set out to do to ensure the merger was completed. Have all of those things been done? I understand there is a sort of functional separation for legal reasons.

Mr Moraitis: Yes. There was legislation passed and it has all been achieved.

Mr Kingston: Yes, 95 per cent. There are some small issues in terms of non-legal functions, about further fully integrating them with AGD, but the vast bulk of it—

Senator WONG: These are like the back office—

Mr Moraitis: In terms of property and back office, corporate-type things. That seems to be going pretty well as well.

Senator WONG: What was the change in ASL for AGS as a result of that—

CHAIR: Senator Wong, if you are going to do that, we will have to come back. I am sorry.

Senator WONG: I am happy to put them on notice.

CHAIR: Okay. Put them on notice.

Mr Moraitis: If I can assist—

CHAIR: No.

Senator WONG: There really are only two questions, Chair.

CHAIR: Mr Moraitis, the AGS is on at 10 o'clock and other programs before then. We agreed to have Mr Kingston come in on the basis of the undertaking from Senator Wong that it would only be for a couple of answers relating to the diary case. We have had those. Mr Kingston has taken them on notice. If we are going any further, I am afraid we will have to come back at 10.

Senator WONG: I had two questions. If you do not want me to do them, can I just put them on notice?

CHAIR: On notice, you said?

Senator WONG: I am happy to do them on notice. They are very quick questions.

CHAIR: Well, put them on notice.

Senator WONG: It was changes to the ASL in the AGS as a result of the merger and savings that you can attribute to the merger. Are they able to be answered?

Mr Moraitis: Yes, as best we can. On the second point, in particular, we will try our best. On the

first point—

CHAIR: Mr Moraitis, I do wish you would listen to the ruling I have made, and that is that they are taken on notice, not to be answered now. If they are to be answered now, we will stay until 10 o'clock.

Senator WONG: Neither of us were seeking to have them answered now. I just was wondering if the way in which I had expressed them was the way in which the department—

CHAIR: I apologise if I have got that wrong. You have taken them on notice?

Senator WONG: Yes. Thanks.

**The response to the honourable Senator's question is as follows:**

Prior to consolidation with AGD, AGS was not subject to an ASL. Since consolidation, AGS has been included in the department's ASL. For administrative purposes within the Department, AGS is separately allocated an ASL cap of 574 (2016-17) and 585 (2017-18).

AGS has worked very hard since 2012-13 in trying to reduce its corporate costs, so this resulted in a leaner AGS being consolidated with AGD. However, it is also the case that the number of staff required by AGS fluctuates according to the demand for its services in a contested legal market.

The table below identifies AGS's average FTE movements since 2012-13.

<b>Year</b>	<b>Average FTE</b>
2012-13	609.5
2013-14	599.4
2014-15	586.8
2015-16	575.2
2016-17	582.3

*Note: Changes to FTE during 2015-16 related to the introduction of a new practice management system in AGS rather than the consolidation with AGD*

The measurable savings that can be directly attributed to the consolidation of AGS into AGD are approximately \$1.8m per year based on reductions to corporate staff, leased space, insurance costs and IT licencing, as well as the abolition of some AGS governance bodies.