

## Chapter 2

### Parliamentary departments and portfolio issues

2.1 This chapter lists some of the key issues raised for each department and agency examined during the committee's hearings on the Additional Estimates 2013–14.

#### Parliamentary departments, 24 February 2014

##### *Department of the Senate*

- Impact of the increased efficiency dividend, particularly in the area of staffing costs (p. 3)
- The case for an independent Parliamentary budget process (p. 3)
- Staffing – ongoing/non-ongoing, rotations, recruitment, special placement programs (pp 4-5)
- Occasional Lecture Series program – selection of topics and speakers, attendance figures, payment to speakers (pp 6-7)
- Senate Committee inquiries running in parallel to government inquiries (pp 6-7)
- Senate Select Committee quorum requirements contained in the inquiry terms of reference (p. 8)
- The Clerk's response to the Hansard Trial on removing editors from the chambers (p. 9)
- The practice of Senate daily prayers (pp 10-11)
- Senate committee inquiries and activity levels (p. 11)

##### *Parliamentary Budget Office*

- Parliamentary Budget Office (PBO) workplan (pp 13, 18)
- Updated protocols governing the engagement between Commonwealth bodies and the Parliamentary Budget Officer (p. 14)
- The PBO's media release of 29 August 2013 stating the PBO will not prepare costing of policies attributed to an individual parliamentarian or political party without the knowledge and active participation of that parliamentarian or political party in the costing process (pp14-15)
- PBO's engagement/involvement in the Commission of Audit process (pp 15-16)
- Costing requests (pp 17-18)
- Staffing and recruitment (p. 18)

***Department of Parliamentary Services***

- Catering contracts and allegations of fraudulent actions under a previous catering contract (pp 21-22)
- Proposed changes to security arrangements, in particular new screening processes for entry to the building and perimeter security (pp 22-26)
- Status of the temporary relocation of the switchboard/telephones services staff (pp 26-27)
- Date when the Australian-made crockery donated by Senators Madigan and Xenophon will be used in the Members' Guests Dining Room (pp 27-28)
- Tender process for the provision of the Australian flag flown above Parliament House (pp 28-30)
- Provision of equipment and data plan for the Coalition Advisory Service (pp 31-35)
- Monitoring of the Parliament House email system and establishment of email accounts for new staff (pp 36-37)
- Department of Parliamentary Services branded chocolates (p. 37, 39-40)
- Availability of the after hours IT help desk for Senators' staff (pp 37-38)
- Purchase of leather and upholstery fabric (p. 39)
- Details of refurbishment work in the Prime Minister's suite and other special suites (pp 42-49)
- Commission of official portraits of former Prime Ministers Rudd and Gillard, former Speaker Burke and outgoing Governor-General Bryce (pp 49-50)
- Update on the Hansard Trial to remove editors from the chambers (pp 50-54)
- New bookcases for the Attorney-General (pp 54-56)

**Prime Minister and Cabinet Portfolio, 24 February 2014*****Office of the Official Secretary to the Governor-General***

- Processes for the announcement of Victoria Cross Award (pp 63-64)
- Staffing and staff turnover (pp 64, 66-67)
- The Governor-General's offer to resign on the basis of a perception of a conflict of interest (p. 65)
- The Governor-General's participation in the Boyer Lectures (pp 65-66)
- Processes for awarding the Cross of Valour (p. 66)
- Consultancies (pp 67-68)

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## ***Department of the Prime Minister and Cabinet***

### ***Outcome 1***

- Royal Commission into the Home Insulation Program summons to the Commonwealth for the provision of documents, including Cabinet documents (pp 68-83)
- Review of the Renewable Energy Target, including processes for selection of review panel (pp 83-91)
- Government Staffing Committee processes, particularly in relation to the appointment of Mr Alastair Furnival (pp 91-105)
- Update on the White Paper on Northern Australia (pp 105-107)
- COAG communiqués in relation to environment policy initiatives (pp 108-109)
- Enforcement of the Code of Conduct for Lobbyists (pp 109-110)
- Process for the commencement of the termination of secretaries after the federal election and during the caretaker period (pp 110-111)
- Grant provided to the Australian Council of Trade Unions to attend the L20 meeting (p. 112)
- Office for Women – staffing and funding, delegation to the Committee on the Elimination of Discrimination Against Women meeting, Women’s Workplace Equity Agency, consultation processes with other departments since moving portfolios, interdepartmental committee on second action plan to reduce violence against women and children (pp 113-118)

### ***Australian National Audit Office***

- Follow-up on the implementation of recommendations of the performance audit on CMAX Communications Contract for the 2020 Summit from 2009 (pp 118-119)
- Processes for the determination of the audit program (p. 119)
- Findings from the performance audit on the Administration of the Strengthening Basin Communities (pp 119-120)
- Consultations with the Department of Finance on the development of the rules under the *Public Governance, Performance and Accountability Act 2013* (pp 120-121)

### ***Australian Public Service Commission***

- Modelling undertaken looking at the relationship between the cost of jobs and pay rises in the Australian Public Service (pp 121-123)
- Application of section 32 of the *Australian Public Service Act 1999*, concerning public servants who contest an election and their capacity to return to their job if unsuccessful, to Commonwealth employees not employed under that Act (pp 123-124)

- Changed hiring arrangements in the Australian Public Service (pp 124-126)

#### ***Office of the Inspector-General of Intelligence and Security***

- Inspector-General of Intelligence and Security consideration of the warrant documentation for the raid on the office of Mr Bernard Collaery by the Australian Security Intelligence Organisation (pp 127-128)

### **Finance Portfolio, 25 February 2014**

#### ***Medibank Private/Department of Finance***

- Sale of Medibank Private – scoping study, sale task force within the Department of Finance, premium increase, impact of a special dividend payment before a possible sale, Newgate Communications contract to provide input to the scoping study (pp 4-12, 17-18)
- Benefit leakage and fraud in the private health insurance sector and Medibank Private’s response (pp 12-13)
- Market share of Medibank Private and growth outlook (pp 13-14)
- AHM brand (pp 15-16)
- Board appointments and directorship term of Ms Jane Harvey (pp 16-17)

#### ***Department of Finance***

##### ***Outcome 1***

- Public service job reductions as announced in the 2013-14 budget and 2013 economic statement (pp 18-19)
- Mid Year Economic and Fiscal Outlook – fiscal rules (pp 19-29), details of measures (pp 52-55)
- Estimates variations, particularly in relation to unauthorised maritime arrivals and family tax benefit parts A and B (pp 29-33)
- Processes for limited tenders, particularly in relation to the engagement of Mr Tony Shepherd as Chairman of the Commission of Audit, and Mr Peter Crone as head of the secretariat (pp 34-38)
- Efficiency dividend exemptions (pp 38-39)
- Caretaker period – appointments to boards, grants, contract for the new post-entry quarantine facility in Melbourne (pp 39-40)
- Progress on the Australian Public Service Commission capability review (p. 41)
- Possible release of the Commission of Audit report on phase 1 (pp 51-52)
- Processes for the decision on the Freedom of Information request no. 13/97 for the incoming government brief, different process from the release of the previous incoming government brief (pp 57-60)

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- Establishment of a deregulation unit in the department and internal and external processes for dealing with deregulation and reducing 'red tape' (pp 60-64)
  - Shared outcomes trial concerning regional development (pp 64-65)
  - Update on the private health insurance rebate expenditure model (p. 66)
  - Closure of four onshore detention facilities with savings of \$89.7 million over the forward estimates (p. 66)
  - Savings over the forward estimates from coordinated procurement arrangements (p. 67)
  - Interim guidelines on advertising released in November 2013 (p. 67)
  - Completion of the grants review (pp 68-69)
  - Central process for consideration of campaign information and advertising (pp 70)
  - Decision to increase the minimum contract value for publication on AusTender from \$10,000 to \$20,000 (p. 71)
  - Job reductions in the department over the forward estimates, in particular, areas of capability or prioritisation criteria for allocating redundancies or other forms of job reductions (pp 72-73)

#### *Outcome 2*

- New profile for equity investments in the National Broadband Network over the forward estimates (p. 75)
- Remediation work at The Lodge and John Gorton House (p. 76)
- Determination of dividend levels for Government Business Enterprises (p. 77)
- Mangles Bay Marina project at Cape Peron in Western Australia (pp 79-81)
- Update on Australian Security Intelligence Organisation building project (p. 81)
- Update on the Kenbi land claim (pp 81-82)
- Process for proposal and approval of refurbishment works to be undertaken to official establishments – The Lodge and Kirribilli House (p. 83)

#### *Outcome 3*

- Coalition Advisory Service – staffing (p. 84)
- Government Staffing Committee and processes for appointment of ministerial staff, particularly in relation to the appointment of Senator Nash's former Chief of Staff, Mr Alastair Furnival (pp 85-92, 95-108)
- Number of vacancies and staff for Opposition members (p. 93)
- Location of staff in the Prime Minister's office and the Leader of the Opposition's office (pp 93-94)

- Lease negotiation processes for Senators' and Members' offices (pp 93-94)
- Processes for raising allegations of bullying or harassment for MoPS Staff (pp 108-110)
- Number of staff that received redundancy payouts after the change of Prime Ministership to The Hon Kevin Rudd (p. 110)
- Comcar entitlement and usage (p. 110)

#### ***ComSuper/Department of Finance***

- Reporting of Commonwealth superannuation in the budget papers – accounting treatment (pp 42-49)

#### ***Future Fund Management Agency/Department of Finance***

- Selection process for filling the Managing Director position which will be become vacant after the departure of Mr Mark Burgess (pp 115-119)
- Salary level of the Managing Director (pp115-116)
- Management of the DisabilityCare Australia Fund by the Future Fund Management Agency (p. 120)
- Emerging markets strategies (p. 120)

#### ***Australian Electoral Commission***

- The Acting Electoral Commissioner noted in his opening statement the resignation of Mr Killesteyn as Electoral Commissioner and Mr Kramer as the State Manager for Western Australia (p. 123)
- Changes to processes by the Australian Electoral Commission (AEC) to be implemented at the forthcoming Western Australia half Senate election (p. 122)
- Statistics on multiple voting in the last Federal election (pp 122-124)
- Lodgement of financial disclosure returns to AEC – different return periods for different entities and consideration of aligning return periods (p. 124)
- Staff training processes (p. 125)
- Issues with vote counting in the seats of Fairfax and Indi (pp 125-126)
- Cost of Griffith by-election of \$1.194 million (p.126)
- Estimated cost of \$20 million for the new Western Australia half Senate election (p. 127)

#### ***ASC Pty Ltd***

- Air Warfare Destroyer project budget overspends (p. 129)
- Appointment of Mrs Sophie Mirabella to the ASC Pty Ltd board (p. 130)

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## **Cross Portfolio Indigenous Matters, 28 February 2014**

### ***Department of the Prime Minister and Cabinet***

#### *Outcome 2*

- Justice target (pp 4-5)
- Impact of budget cuts to Aboriginal legal services funding (pp 6-7)
- Alcohol management plans (pp 7-8)
- Status of National Partnership Agreements – NPA on Remote Service Delivery, NPA on Early Childhood Development, and NPA on an Indigenous Clearinghouse (pp 8-9)
- Aboriginal Benefits Account – balance, current policy guidelines, applications approved, decision to overturn grant funding of \$10 million to the MJD Foundation (pp 10-11, 13-15)
- Stronger futures package funding for Northern Australia Aboriginal Justice Agency (pp 11-12)
- National Congress of Australia's First Peoples – capital injection of \$29 million and \$15 million in forward estimates, reserves, sitting fees for members, board meetings, board remuneration, staffing (pp 12-13)
- Township leasing (pp 15-16)
- Discontinuation of the Coordinator-General for Remote Indigenous Services (p. 16)
- Education – impact of teacher cuts in remote schools, school attendance officer program, early childhood education (pp 43-53)
- Employment – job losses as a result of the closure of the Gove Refinery (pp 53-54)
- Housing – tenancy agreements, Machinery of Government changes related to Indigenous housing, NPA on Remote Indigenous Housing, Indigenous Housing Infrastructure Program (pp 55-59)
- Funding announcement for the completion of the Seawalls project in the Torres Strait (pp 59-60)

#### ***Department of Health***

- Decision not to renew the National Partnership on Closing the Gap in Indigenous Health Outcomes in December 2013, future arrangements (pp 17-21)
- National Aboriginal and Torres Strait Islander Health Plan (pp 18-19)
- Additional health expenditure for MJD (p. 22)
- Renal services (pp 22-24)

***Indigenous Land Corporation/PM&C***

- Ayers Rock Resort purchase – McGrathNicol Component 2 Report findings, review by Aegis Consulting Group (pp 25-30)
- Transfer of the Koori Job Ready program to the National Centre for Indigenous Excellence (pp 30-32)
- Ernst & Young Review of Indigenous Land Corporation and Indigenous Business Australia (pp 33-36)

***Indigenous Business Australia/PM&C***

- Ernst & Young Review of Indigenous Land Corporation and Indigenous Business Australia (p. 37)
- Home Loan Program (pp 37-38)
- Financial statements – cash and term deposit holdings (p. 38)
- Expenditure on taxis (pp 38-39)
- Tjakpukai Aboriginal Cultural Centre – redevelopment, concerns by local community about direction of the centre, allegations of harassment by management of local employees (pp 40-41)
- Business loan with an entity of the Lhere Artepe Aboriginal Corporation (pp 42-43)

**Senator Cory Bernardi**  
**Chair**