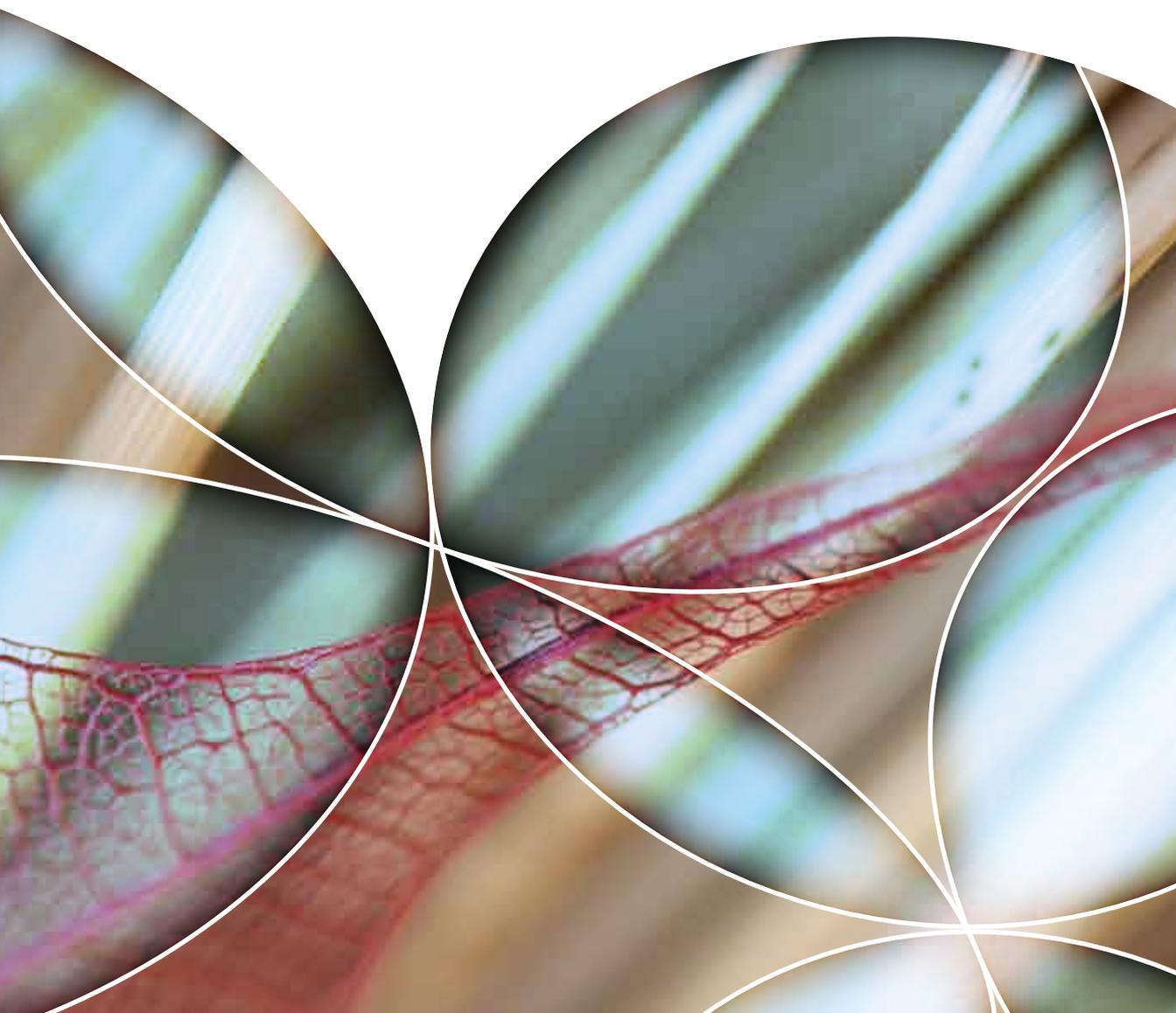


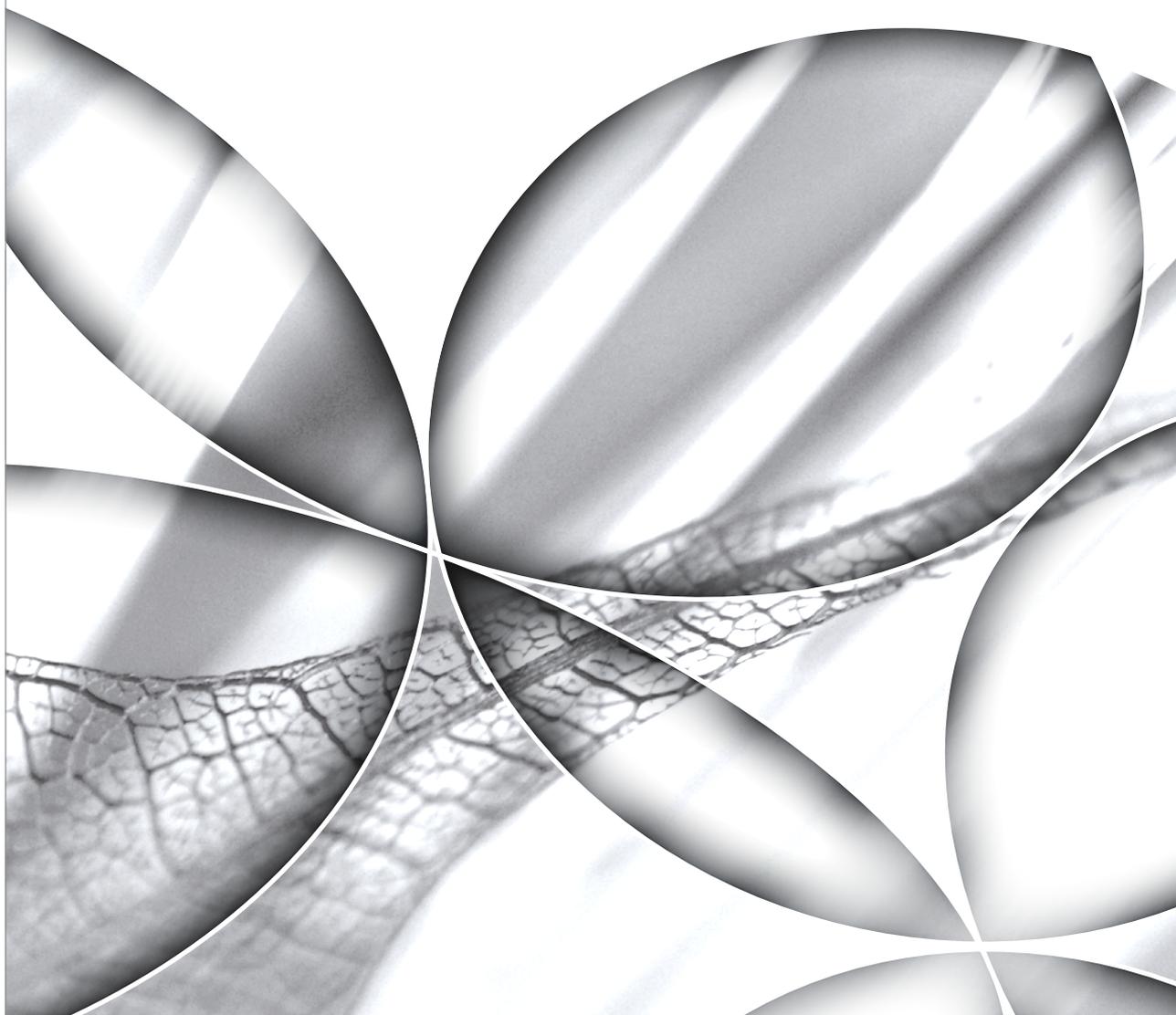


Parliamentary Service Commissioner  
**annual report** 2011–12





Parliamentary Service Commissioner  
**annual report 2011–12**





## PARLIAMENTARY SERVICE COMMISSIONER

Stephen Sedgwick

President

Speaker

### **Letter of transmittal**

I have pleasure in presenting to you the Parliamentary Service Commissioner's annual report for the year ended 30 June 2012. Section 42(1) of the *Parliamentary Service Act 1999* requires that, after the end of each financial year, the Commissioner must give a report to the Presiding Officers on the activities of the Commissioner during the year.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Stephen Sedgwick', written in a cursive style.

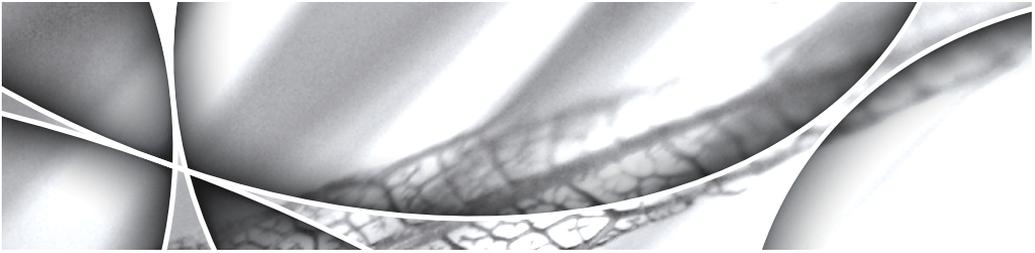
Stephen Sedgwick

October 2012

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## COMMISSIONER'S OVERVIEW

In my report last year I noted the Australian Public Service initiatives flowing from the report *Ahead of the game: Blueprint for the reform of Australian Government administration* (the *Blueprint*) and my discussions with the heads of the parliamentary departments about how these might translate into or flow on to the Parliamentary Service.

One of the significant reforms arising from the *Blueprint* was a series of proposed amendments to the *Public Service Act 1999* (the Public Service Act). These amendments have been embodied in the Public Service Amendment Bill 2012 (the Public Service bill) which was introduced into the House of Representatives on 1 March 2012.

Many of the Public Service Act amendments are relevant to the *Parliamentary Service Act 1999* (the Parliamentary Service Act). A bill to amend the Parliamentary Service Act to adopt relevant changes in the Public Service bill has been prepared for introduction. The primary amendments include more concise Parliamentary Service Values that will be complemented in the legislation by a set of employment principles, expanded roles and responsibilities of secretaries and power for the Parliamentary Service Commissioner (the Commissioner) to investigate whistleblower complaints.

I provided advice to the Presiding Officers about candidates for the recently-established office of Parliamentary Budget Officer and the Secretary of the Department of Parliamentary Services (DPS). The Presiding Officers subsequently appointed Mr Phil Bowen as Parliamentary Budget Officer and Ms Carol Mills as Secretary, DPS.

This report presents information covering the four parliamentary departments collectively. Detailed information about the individual departments can be found in their respective annual reports.

A handwritten signature in black ink, appearing to read 'Stephen Sedgwick', written in a cursive style.

Stephen Sedgwick AO  
Parliamentary Service Commissioner

## INTRODUCTION

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The Parliamentary Service was established with the commencement of the Parliamentary Service Act on 5 December 1999.

The President of the Senate, Senator the Hon John Hogg and the Speaker of the House of Representatives, the Hon Peter Slipper MP, as at 30 June 2012, were the Presiding Officers of the Parliament. Mr Slipper was appointed Speaker on 24 November 2011, replacing Mr Harry Jenkins MP.

In addition to their procedural roles in the chambers, the Presiding Officers are responsible for the operation and administration of the four parliamentary departments which comprise the Parliamentary Service. They have individual responsibility, respectively, for the Department of the Senate and the Department of the House of Representatives and joint responsibility for the Department of the Parliamentary Budget Office (PBO) and DPS.

The role of the Presiding Officers in relation to the parliamentary departments is somewhat similar to the role of a Minister in relation to a department of state.

Mr Stephen Sedgwick AO is the Commissioner. Mr Sedgwick's appointment is to 13 December 2014. He also holds the office of Australian Public Service Commissioner until that date.

Ms Annwyn Godwin is the Parliamentary Service Merit Protection Commissioner (Merit Protection Commissioner). Her appointment is to 24 January 2013. Ms Godwin also holds the office of Public Service Merit Protection Commissioner concurrently.

The Presiding Officers have in place a standing acting arrangement that applies when the Commissioner or the Merit Protection Commissioner are absent or there are vacancies in their offices or they are, for any reason, unable to perform the duties of their offices. These circumstances will usually occur in conjunction with similar circumstances in the respective Public Service offices. Under the standing arrangement, a person acting in either of the Public Service offices is also appointed to act in the relevant Parliamentary Service office.

There are no appropriations for the offices of the Commissioner or the Merit Protection Commissioner.

## ADMINISTRATION OF THE PARLIAMENTARY SERVICE

### Review of the Parliamentary Service Act

The Commissioner's annual report 2010–11 referred to the report *Ahead of the game: Blueprint for the reform of Australian Government administration* (the *Blueprint*). One of the significant initiatives arising from the *Blueprint* is the Public Service bill which was introduced into the House of Representatives on 1 March 2012.

Many of the changes proposed in the Parliamentary Service bill are relevant to the Parliamentary Service and the parliamentary departments have agreed on legislation to implement a series of changes modelled on relevant items in the Public Service bill. A bill to amend the Parliamentary Service Act has been prepared for introduction.

Significant among the proposed amendments are:

- more concise Parliamentary Service Values that will be complemented in the legislation by a set of employment principles
- revised provisions for receiving and dealing with whistleblower reports
- revised roles of the Senior Executive Service
- expanded roles and responsibilities of secretaries
- revised arrangements for the provision and use of confidential information
- a power for the Merit Protection Commissioner to delegate his or her powers to Parliamentary Service or Australian Public Service employees.

### Freedom of information

On 9 May 2012, the Australian Information Commissioner amended the guidelines issued under s. 93A of the *Freedom of Information Act 1982* (the FOI Act) to state that the Department of the House of Representatives, the Department of the Senate and DPS were subject to the FOI Act. Prior to this, the guidelines stated that the FOI Act did not apply to the departments of the Parliament. This stated change did not result from an amendment to the FOI Act or any other legislation.

The three parliamentary departments mentioned have sought to comply with the spirit of the FOI Act in responding to requests for documents on a case by case basis, and they are continuing to respond to requests as they are received. In relation to other obligations arising under the FOI Act, the three departments are developing an appropriate framework to deal with them.

The PBO is expressly exempted from the application of the FOI Act, under s. 7(1) and Division 1 of Part 1 of Schedule 2 of the FOI Act.

## Parliamentary Budget Office

Following the recommendations of the Joint Select Committee on the Parliamentary Budget Office, the government introduced legislation in August 2011 to amend the Parliamentary Service Act to establish the PBO as a Department of the Parliament. The legislation was enacted and was proclaimed on 15 February 2012.

The Presiding Officers requested the Commissioner to advise them on candidates suitable for appointment as Parliamentary Budget Officer. The Commissioner conducted a selection process and provided advice to the Presiding Officers. The Presiding Officers subsequently appointed Mr Phil Bowen as Parliamentary Budget Officer after obtaining the approval of the Joint Committee of Public Accounts and Audit, as required by the Parliamentary Service Act. Mr Bowen's appointment is for a four-year term from 23 July 2012. Prior to this appointment Mr Bowen was a Director of the Asian Development Bank. He was formerly a senior official with the then Department of Finance and Administration.

Mr Mathew Fox, a Senior Executive Service employee of the Department of Finance and Deregulation, was engaged as interim executive officer for a period of six months from 19 April 2012 to begin work to establish the PBO. The PBO commenced operations from the date of Mr Bowen's appointment.

## New Secretary, Department of Parliamentary Services

The Secretary, DPS, Mr Alan Thompson retired on 24 May 2012. After receiving a report on the vacancy from the Commissioner, as required by the Parliamentary Service Act, the Presiding Officers appointed Ms Carol Mills as Secretary, DPS, from 28 May 2012 for a period of five years. Ms Mills has held a number of senior public service positions with the New South Wales (NSW) government.

Mr Russell D Grove, PSM, former Clerk of the NSW Legislative Assembly, acted as Secretary from 10 March 2012 until Ms Mills' commencement.

## Inquiries

Section 40(1)(b) of the Parliamentary Service Act enables the Commissioner 'to inquire into and report on matters relating to the Parliamentary Service' if requested by the Presiding Officers. The Commissioner provided reports on two such matters during the year. Both involved allegations about senior departmental officials and neither resulted in action being taken in relation to the officials.

## Other allegations

Consistent with the Parliamentary Service Act and Parliamentary Service Determination 2003/2, allegations about another official were referred to the Presiding Officers and allegations about two employees were referred in early July 2012 to the Merit Protection Commissioner. The Presiding Officers have asked the Commissioner for advice on the matter that was referred to them.

## Information and communications technology review

The Presiding Officers requested the Commissioner to undertake a review of information and communications technology (ICT) for the Parliament. Mr Michael Roche was commissioned to undertake the review. The review was overseen by a senior steering committee, with representatives of the Department of the Senate, the Department of the House of Representatives and DPS. The draft report was nearing completion at year end.

## Common service arrangements

Previous annual reports of the Commissioner have referred to work by the parliamentary departments addressing common service arrangements across the departments. The main related development during the year was the ICT review mentioned above. In addition, DPS will provide most of the corporate support services for the PBO. The Department of the House of Representatives will provide the payroll function for the PBO.

## Liaison between the Australian Public Service Commission and the Parliamentary Service

Senior Parliamentary Service and Commission employees have continued to liaise on current issues and the development of changes to the Public Service Act and the Parliamentary Service Act arising from the *Blueprint*. They met on 19 June 2012 to discuss the proposed Parliamentary Service Amendment Bill.

## ADMINISTRATIVE ARRANGEMENTS

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### Commissioner's role

The Parliamentary Service Act provides for an independent Commissioner appointed by the Presiding Officers. The Commissioner's role is to advise the Presiding Officers on the management policies and practices of the Parliamentary Service and, if requested by the Presiding Officers, to inquire into and report on Parliamentary Service matters. The Commissioner is not subject to direction by or on behalf of the executive government in the performance of his functions.

The Parliamentary Service Act empowers the Presiding Officers to make determinations on a range of matters affecting the Parliamentary Service. The Parliamentary Service Act also requires the Presiding Officers to consult the Commissioner before making these determinations.

Section 42 of the Parliamentary Service Act requires the Commissioner to give a report to the Presiding Officers for presentation to the Parliament on the activities of the Commissioner during the year.

### Merit Protection Commissioner's role

The role of the Merit Protection Commissioner includes inquiring into whistleblower reports and alleged breaches of the Code of Conduct; functions prescribed in determinations made for

the purposes of section 33 of the Parliamentary Service Act (review of actions) and inquiring into actions at the request of the Presiding Officers.

Section 49 of the Parliamentary Service Act requires the Merit Protection Commissioner to give a report to the Commissioner for inclusion in the Commissioner's report under section 42.

The Merit Protection Commissioner's report is at Appendix A.

## Roles and responsibilities of the individual departments

Four parliamentary departments are established under the Parliamentary Service Act.

The Department of the Senate and the Department of the House of Representatives (the chamber departments) provide advice and support to the Senate and the House of Representatives, respectively, and to committees and Senators and Members.

The PBO was established as a Department of the Parliament by amendments to the Parliamentary Service Act proclaimed on 15 February 2012. The Office is established to inform the Parliament by providing independent advice and non-partisan analysis of the budget cycle, fiscal policy and the financial impact of proposals. Mr Phil Bowen's appointment as Parliamentary Budget Officer from 23 July 2012 will mark the effective commencement of the Office.

DPS provides a range of support services for the Parliament and for Parliament House. Its services include information services to the Parliament, security, facilities, visitor services, building management and maintenance, landscaping, ICT, telecommunications management, broadcasting and records services.

Under the Parliamentary Service Act, the secretaries of the parliamentary departments have roles and responsibilities similar to those of Australian Public Service agency heads. The secretaries of the chamber departments are Dr Rosemary Laing, Clerk of the Senate, and Mr Bernard Wright, Clerk of the House of Representatives. Dr Laing and Mr Wright were appointed by the Presiding Officers for non-renewable terms of ten years from 5 December 2009. As mentioned, Mr Phil Bowen is Secretary of the Department of the Parliamentary Budget Office and Ms Carol Mills is Secretary, DPS. Their respective terms are mentioned above.

## STAFFING SUMMARY

The following tables present a summary of Parliamentary Service staffing as at 30 June 2012.

Numbers are actual staff numbers at 30 June 2012.

Category	Department				Total
	Senate	House of Representatives	Parliamentary Budget Office	Parliamentary Services	

### Categories of employment

Ongoing	144	140		726	1,010
Non-ongoing	19	34	1	122	176
<b>Total</b>	<b>163</b>	<b>174</b>	<b>1</b>	<b>848</b>	<b>1,186</b>

### Full-time and part-time employment (includes casual)

Full-time	130	141	1	635	907
Part-time	33	33		213	279
<b>Total</b>	<b>163</b>	<b>174</b>	<b>1</b>	<b>848</b>	<b>1,186</b>

### Employment by work group

Secretary/SES	6	5	1	10	22
Executive	46	65		164	275
Other	111	104		674	889
<b>Total</b>	<b>163</b>	<b>174</b>	<b>1</b>	<b>848</b>	<b>1,186</b>

\* Groups 7 and 8 of the Classification Rules

### Total staff numbers at 30 June

Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Number	1313	1259	1311	1286	1193	1181	1256	1223	1181	1179

### Staff turnover (ongoing employees)

There were 137 separations of ongoing employees during the year, representing 11.6% of ongoing staff.

## Staff numbers by classification and gender at 30 June

Year No/%	2007		2008		2009		2010		2011		2012	
	No	%										
<b>SES/Secretary –</b>												
Male	10	42	11	50	13	54	9	47	8	36	8	36
Female	14	58	11	50	11	46	10	53	14	64	14	64
<b>Executive –</b>												
Male	167	59	175	57	166	55	152	54	155	56	148	54
Female	118	41	134	43	138	45	128	46	124	44	127	46
<b>Other –</b>												
Male	491	56	523	57	511	57	498	56	502	57	516	58
Female	381	44	402	43	384	43	384	44	376	43	373	42
<b>Total –</b>												
Male	668	57	709	56	690	56	659	56	665	56	672	57
Female	513	43	547	44	533	44	522	44	514	44	514	43

## Workplace Diversity

Department	Senate	House of Representatives	Parliamentary Budget Office	Parliamentary Services	Total
<b>Gender –</b>					
Male	70	75	1	526	672
Female	93	99		322	514
English not first language spoken*	4	9	-	74	87
ATSI origin*	-	-	-	5	5
Staff who have identified a disability*	-	4	-	2**	6

\*Information provided on a voluntary basis.

\*\* This figure is likely to be under-reported due to a loss of disability data in a transfer of DPS HR information processing from DPS to the Department of the House of Representatives. A diversity census will be conducted during 2012–13 to update this information.

## Ongoing staff – age distribution

Age	Under 25	25-34	35-44	45-54	55 and over
Number	35	166	277	276	256
%	3.5	16.4	27.4	27.3	25.4

## FINANCIAL SUMMARY

The following table presents a summary of the parliamentary departments' total revenue, 2011–12.

The Department of the Senate and the Department of the House of Representatives are not responsible for preparing the administered schedules and notes relating to the special appropriations from which they draw down various monies to pay for Senators' and Members' remuneration and entitlements. The legislation establishing these appropriations is administered by the Department of Finance and Deregulation and the Australian Public Service Commission. These agencies are responsible for reporting these administered special appropriation items and they are not included in the table below.

Parliamentary departments	Total revenue				Equity injection	
	Revenue from government	Resources received free of charge	Sale of goods and services etc	Total	Departmental capital budget	Administered
Senate	20,424	2,882	548	23,854	815	*
House of Representatives	21,848	3,190	1,132	26,170	1,405	*
Parliamentary Services	103,641	166	6,381	110,188	20,133	12,279
<b>Total</b>	145,913	6,238	8,061	160,212	22,353	12,279

\* Not reported; see note above.

An appropriation of \$6 million for the Parliamentary Budget Office made under the Parliamentary Service Act in 2011–12 has been carried over into 2012–13.

## APPENDIX A

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### Parliamentary Service Merit Protection Commissioner's review of 2011–12

#### Introduction

The Parliamentary Service Merit Protection Commissioner (the Merit Protection Commissioner) is Ms Annwyn Godwin. Ms Godwin was appointed by the Presiding Officers on 12 March 2008 and her appointment extends to 24 January 2013.

The Parliamentary Service Values set out in section 10 of the *Parliamentary Service Act 1999* (the Act) provide the context for the performance of the Merit Protection Commissioner's functions. One of these values is that 'the Parliamentary Service provides a fair system of review of decisions taken in respect of Parliamentary Service employees'.

Those functions include the review of certain actions affecting Parliamentary Service employees in their employment, such as the review of promotion decisions and inquiries into Parliamentary Service actions, including certain breaches of the Parliamentary Service Code of Conduct.

#### Outlook for 2012–13

The work of the Merit Protection Commissioner is largely demand-led. Levels of casework are expected to be small.

#### Overview

##### Role

The Merit Protection Commissioner is an independent statutory office established by section 47 of the Act. Under the Act, the Merit Protection Commissioner fulfils an ombudsman-like role for employment-related complaints, with powers to make recommendations and provide reports to the secretaries of the parliamentary departments.

##### Functions

The Merit Protection Commissioner's functions under the Act are set out in subsection 48(1) and include:

- (a) to inquire into whistleblowing reports made to the Merit Protection Commissioner by employees alleging breaches of the Code of Conduct
- (b) to inquire into alleged breaches of the Code of Conduct by the Parliamentary Service Commissioner and report to the Presiding Officers on the results of such inquiries including, where relevant, recommendations for sanctions
- (c) to inquire into a Parliamentary Service action at the request of the Presiding Officers and to report to the Presiding Officers on the results of the inquiry
- (d) such functions as are prescribed by determinations made for the purposes of section 33 (reviews of employment actions)
- (e) such other functions as are prescribed by the determinations.

The review system, established under section 33 of the Act and by Parliamentary Service determinations made under the Act, gives Parliamentary Service employees the capacity to seek review of employment actions taken by secretaries of parliamentary departments or Parliamentary Service employees. The system allows for external review by the Merit Protection Commissioner or, in relation to promotion decisions, by a Promotion Review Committee established by the Merit Protection Commissioner.

### **Implementation of the review framework**

Parliamentary Service employees have access to the Act and determinations describing the functions of the Merit Protection Commissioner on the Parliament House website.

### **Organisation structure**

The Merit Protection Commissioner's casework is undertaken through the review team provided by the Australian Public Service Commissioner. The majority of these staff are located in Sydney.

The Merit Protection Commissioner receives some assistance from the Parliamentary Service Liaison Officer who is an employee of the Department of Parliamentary Services.

Readers with enquiries about the Merit Protection Commissioner's Annual Report should contact:

Office of the Parliamentary Service Merit Protection Commissioner

Australian Public Service Commission

16 Furzer Street

Phillip ACT 2606

Tel: (02) 6202 3505

Fax: (02) 6202 3534

Email: [review@apsc.gov.au](mailto:review@apsc.gov.au)

## REVIEW OF PERFORMANCE

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### Casework under the Act

#### Applications for reviews of actions including promotion review

No applications for review were received by the Merit Protection Commissioner in 2011–12. One review matter carried over from 2010–11 was finalised in 2011–12. The review was not accepted as it was over 12 months old when received and there were no exceptional circumstances explaining why the application had not been lodged within the year.

#### Whistleblowing

In 2011–12, the Merit Protection Commissioner received one whistleblower report from an employee of the Department of Parliamentary Services. One report was carried over from 2010–11. Both reports are still under consideration and are expected to be finalised shortly.

#### Other matters

Discussions were held between staff supporting the Merit Protection Commissioner and the Parliamentary Service Liaison Officer through the year about the policy framework supporting the functions of the Merit Protection Commissioner. The Merit Protection Commissioner also met with senior officials within the parliamentary departments including the Parliamentary Librarian.

Some preliminary work was undertaken on amending the *Parliamentary Service Act 1999* and the Parliamentary Service Determination 2003/2 to extend the delegation arrangements for the Merit Protection Commissioner and to ensure consistency with proposed changes to the Merit Protection Commissioner's functions in the Australian Public Service. Further work on this will occur in 2012–13.

## MANAGEMENT AND ACCOUNTABILITY

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The Public Service Commissioner, under subsection 49(2) of the *Public Service Act 1999*, makes available the services of employees of the Australian Public Service Commission to assist the Merit Protection Commissioner in the performance of her functions including her functions as Parliamentary Service Merit Protection Commissioner. In this role, they are accountable to the Parliamentary Service Merit Protection Commissioner.

The contact for this report is:

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Email: david.bolitho@aph.gov.au

The report is available on the Internet at:

[http://www.aph.gov.au/About\\_Parliament/Parliamentary\\_Departments/  
Parliamentary\\_Service\\_Legislation](http://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Service/Legislation)

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