



PARLIAMENT OF AUSTRALIA

*Speaker of the House of Representatives*

*President of the Senate*



13 SEP 2011

Senator Helen Polley  
Chair  
Senate Finance and Public Administration Legislation Committee  
Parliament House  
Canberra ACT 2600

Dear Senator

**Inquiry into the performance of the Department of Parliamentary Services**

To assist the Committee in its deliberations, the Speaker and I have agreed that I should write to you about the ongoing challenges and priorities for the Department of Parliamentary Services (DPS). DPS was established in February 2004 following resolutions of the House of Representatives and the Senate, supported by the government and the opposition, to amalgamate the Joint House Department, the Department of the Parliamentary Reporting Staff and the Department of the Parliamentary Library, and to consolidate the security functions into one Department.

DPS is accountable to both Presiding Officers through the Secretary of DPS. The Presiding Officers exercise oversight of DPS in a manner akin to that of Ministers in their oversight of Departments of executive government.

The context for the work of DPS is defined by the very tight fiscal environment in which it operates. For the financial year 2011-12, DPS received an operational appropriation of \$103 million. This represents a modest increase of about \$1 million, or less than one per cent of its budget, since DPS commenced operations in 2003-04. The funding of DPS has not grown in line with the rising cost of doing business. Considering the rise in inflation of around 25 per cent over the past eight years, the operational funding of DPS has effectively decreased in real terms by more than \$20 million. Based upon the most recent budget papers, this steady decline in purchasing power will continue into the foreseeable future.

The ability of DPS to meet the evolving needs of the Parliament is compromised by the application of Government efficiency dividend funding reductions over many years. We have worked with DPS to find more efficient and alternative ways of delivering services. As a consequence, staffing levels have been reduced and, where necessary, particular services have ceased or have been modified. The continuation of this situation has the potential to adversely affect day-by-day service delivery for the Parliament, and could also compromise the long-term maintenance of this iconic building.

The Speaker and I are of the view that it is now time to consider other funding models for DPS, possibly related to levels of Parliamentary activity in each financial year.

The fundamental priority for DPS is to support the functions of the Parliament, including the two Houses and their committees. The Speaker and I have also tasked DPS to focus on:

- improving and broadening IT services for Senators and Members, their staff, and other building occupants; this includes strengthening the security of the Parliamentary Computing Network, integrating Electorate Office IT services with those provided by DPS, and facilitating the introduction of new technology into the building;
- maintaining and improving physical security and safety for building occupants and visitors;
- improve access to the Parliament for people with disability; and
- to finalise arrangements for heritage management of the building which recognises its role as the home for a working parliament, and its status as a national icon.

On each of these issues DPS has sought external expert advice and will continue to do so, as well as continuing consultation with relevant stakeholders.

We look forward to the findings of your Committee, including any views the Committee may have about the appropriate funding model for DPS.

Yours sincerely

JOHN HOGG  
President of the Senate