

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 2014-15.

Parliamentary departments, 23 February 2015

Department of the Senate

- Consultation and advice to Senators by the President on new security arrangements (pp 3-7)
- Processes around implementation of new security arrangements (pp 4-7)
- Answers to former Senator Faulkner's questions on notice to the President from November 2014 (p. 7)
- President's response to the findings of the Senate Committee of Privileges 160th report on *The use of CCTV material in Parliament House* resulting in a change of policy to require every request to access CCTV footage to now come to the Presiding Officers for approval (p. 8)
- Outline by the Clerk of the Senate of the procedural processes following the release of the Senate Committee of Privileges 160th report, which noted that following the formal adoption by the Senate of the Privileges Committee's findings, the next stage is the President's consideration of response to the report's recommendations¹ (p. 8)
- Department of Parliamentary Services (DPS) consultation with the Senate on a proposal to extend paid parking to the Senate car park, including the provision of two consultants' reports commissioned by the DPS (pp 8-9)
- The Clerk's concerns regarding the proposal for paid parking in the Senate car park, including a fringe benefit tax liability on the Department of the Senate, the long hours staff work and the limited public transport options available (p. 9)
- Update provided by the Clerk on the filling of the vacancy created by the resignation of Senator Faulkner and the operation of section 15 of the Constitution which sets out the options for filling a casual vacancy in the Senate (pp 9-10)
- Update on the Department of the Senate's plans to commemorate the 800th anniversary of the 1215 Magna Carta (p. 11)

1 The President's response was subsequently tabled in the Senate on 2 March 2015, *Journals of the Senate No. 79*, 2 March 2015, p. 2191.

Parliamentary Budget Office (PBO)

- Engagement with government departments and agencies, in particular the timeliness of responses to requests from the PBO for information for preparation of costings (pp 11-15)
- Staffing (p. 15)
- Update by the Parliamentary Budget Officer on the views contained in the PBO Publication *Projections of Government spending over the medium term*, released in August 2014, which noted risks to the economic outlook over the medium term due to uncertainties in the international outlook and the transition of the Australian economy from the resources investment boom to broader based growth in non-resources sectors (pp 15-16)

Department of Parliamentary Services (DPS)

- Senate Committee of Privileges 160th report on *The use of CCTV material in Parliament House* (pp 17-24)
 - The Secretary of DPS provided an opening statement which referred to the tabling of the 160th report of the Privileges Committee. Members of the committee stopped the Secretary when her statement began to outline her concerns with the Privileges Committee processes. The Secretary later continued reading a modified statement after considering the concerns raised by the committee. (pp 17-19)
 - Australian Government Solicitor advice – authorisation of expenditure and costs to date (p. 20)
- Parliamentary Library Internship Program (pp 18-19)
- Paid parking in the public car park and the fees for motorcycle parking (pp 24-25)
- Feedback to DPS on pay parking in the public car park (pp 24-25)
- Incentive validation parking scheme to exempt parking fees if \$25 is spent at the Parliament Shop (pp 26-27)
- Update on proposed pay parking in staff car parks at Parliament House – processes undertaken by the President and DPS, including level of consultation with building occupants (pp 28-35)
- *Portfolio Additional Estimates 2014-15* for DPS – details on the amount of additional funding, amount spent to date and purpose (pp 35-36)
- Level of additional shifts required of security personnel when the threat level was raised in September 2014 (pp 36-37)
- Funding for redundancies in the current financial year (pp 38-39)
- Departmental staffing details (pp 39-40)
- Budget for the refurbishment of the executive area (p. 40)

Prime Minister and Cabinet Portfolio, 23 February 2015

Department of the Prime Minister and Cabinet (PM&C)

Outcome 1

- Recent changes to cabinet processes and the Cabinet Handbook, and backbench committee chairs attendance at cabinet meetings (pp 46-51)
- Full ministry meetings (p. 52)
- Changes to cabinet committees (p. 52)
- Recent changes to government staff appointment processes and the Government Staffing Committee (pp 53-55)
- Arrangements for authorisation of public service travel and recent changes where Cabinet Ministers are no longer required to consult with the Prime Minister on officials' overseas travel (pp 53-55)
- Processes for the appointment of His Royal Highness Prince Philip, Duke of Edinburgh, as a knight in the Order in Australia (pp 56-64)
- Prime Minister's decision to move the decision making process for the appointment of dame and knighthoods to the Council for the Order of Australia (pp 64-66)
- Alleged unauthorised disclosure of Expenditure Review Committee material (pp 67-70)
- Appointment process for the new departmental Secretary (pp 72-75)
- Coordination of the response to the downing of MH17 (pp 76-77)
- Late provision of answers to questions on notice and statement of compliance with the Senate Order of continuing effect for the production of documents relating to unanswered questions on notice from estimates hearings, agreed to on 25 June 2014 (pp 79-82)
- Process for preparing question time briefs, in particular the brief prepared for 12 February 2015 regarding the arrest of terror suspects (pp 83-85)
- Establishment of a taskforce to propose possible new post-2020 emissions targets for Australia to take to the Paris Conference of the United Nations Climate Change Conference in December 2015 (pp 86-87)
- Changes to the Administrative Arrangements Order issued in December 2014 (pp 88-89)
- Organisational structure, including role of the Project Office, executive staff in acting positions, Integration and Efficiency Taskforce, and integration of new functions from September 2013 (pp 91-92)
- Staffing, including spill and fill process, redundancies, and enterprise bargaining process (pp 93-96)
- PM&C role in the procurement process for the future submarine program (p. 105)

- Minister for Defence's announcement of 20 February 2015 on the future submarine program – PM&C interactions with Department of Defence (p. 106)
- Overseas travel by a PM&C officer and a staffer from the Prime Minister's Office to attend meetings concerning the future submarine program (pp 108-111)
- Visit by Mr Andrew Shearer, Senior Adviser in the Prime Minister's Office, to the United States in January 2015 and subsequent comments attributed to him in an *Australian Financial Review* article of 24 January 2015 (pp 112-113)
- Process for the appointment of the nomination panel for the Australian Broadcasting Corporation (ABC) and Special Broadcasting Service (SBS) boards, including whether a cabinet brief was prepared on the appointment of Mr Nihal Gupta to the Chair of the SBS board (pp 114-115)
- White paper on the reform of the Federation (p. 116)
- Timeframe for the release of the white paper for agricultural competitiveness (p. 117)
- Timeframe for the release of the white paper on developing Northern Australia and costs (pp 118-122)

Office for Women

- Priority areas to be considered by the Council of Australian Governments (COAG) to address violence against women in 2015 (pp 97-98)
- Second Action Plan 2013-2016 – funding for Australian National Research Organisation for Women's Safety to provide a national research program, and funding of sporting codes (pp 98-99)
- Level of funding to community legal services and the impact on the implementation of the Second Action Plan (p. 99)
- Restoration of the women's budget impact statement (p. 100)
- Review of gender pay gap reporting requirements (p. 100)
- Funding for the National Partnership Agreement on Homelessness (p. 101)
- Partnership with the Australian Institute of Company Directors regarding the National Diversity Scholarship program (p. 102)
- Delegates attending the 59th session of the United Nations Commission on the Status of Women (pp 102-103)
- Women's Leadership and Development Strategy grants (p. 103)

Independent National Security Legislation Monitor

- Appointment process and continued use of 'acting' title for the Monitor (pp 122-123)
- Current referrals before the Monitor:

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- Progress and conduct on the Monitor's review of any impact on journalists of section 35P provisions of the *National Security Legislation Amendment Act No. 1 2014* (p. 123)
 - Review of recommendations of the COAG Review of Counter-Terrorism Legislation report dealing with control orders (p. 123)
 - Monitoring the effect of amendments to legislation arising from the Counter-Terrorism Legislation Amendment (Foreign Fighters) Bill 2014 particularly in regard to detention powers and biometric powers affecting Customs and Immigration (p. 123)
 - Effectiveness of sunset clauses on national security legislation (p. 124)

Australian National Audit Office (ANAO)

- Process for appointment of a new Auditor-General (p. 125)
- Consideration of the higher education advertising campaign in the next periodic performance audit of government advertising campaigns (pp 125-126)
- ANAO consultation on the development of the *Guidelines on Information and Advertising Campaigns by Non-Corporate Commonwealth Entities* (p. 126)
- ANAO Audit Report No. 3 2013-14: *AIR 8000 Phase 2 — C-27J Spartan Battlefield Airlift Aircraft* and ANAO's view on procurement process for the future submarine program (pp 126-127)
- Whether the ANAO has a role to audit the operation of the caretaker conventions after each Federal election (pp 128-129)
- ANAO Audit Report No. 23 2014-15: *Administration of the Early Years Quality Fund* (pp 129-130)

Australian Public Service Commission

- Public Service pay rises over the last 10 years in comparison to the consumer price index and private sector pay rises over that time (pp 131-133)
- Process for selecting the new Public Service Commissioner (p. 133)
- Public Service Commissioner's former membership of the Liberal Party of Australia and membership of the HR Nicholls Society (p. 135)
- Consultation about any plans to relocate agencies outside of Canberra or to other locations in Canberra (p. 136)

Office of the Inspector-General of Intelligence and Security (IGIS)

- Whether the IGIS has initiated an investigation into allegations of illegality by the Australian Secret Intelligence Service concerning the covert recording of Timor Leste cabinet members as reported in *The Australian* newspaper on 29 May 2013 (pp 137-138)

Prime Minister and Cabinet Portfolio (continued), 24 February 2015

Office of the Official Secretary to the Governor-General

- Security arrangements for the Governor-General and former Governors-General (p. 3)
- Processes for the appointment of His Royal Highness Prince Philip, Duke of Edinburgh, as a knight in the Order in Australia (pp 3-6)
- Processes to change the constitution of the Order of Australia to move the decision making power on the appointments of dame and knighthoods from the Prime Minister to the Council for the Order (p. 3)
- Additional funding to the office in the Mid-Year Economic and Fiscal Outlook (MYEFO) 2014-15 of \$1.1 million (pp 6-7)
- Staffing, including redundancies (pp 7-8)
- Governor-General's receipt of the report of the Royal Commission into Trade Union Governance and Corruption (p. 8)
- Request for tender for kitchen equipment valued at approximately \$80,000 to \$100,000 (pp 8-9)
- Staff accompanying the Governor-General on overseas trips (pp 9-10)
- Processes for the termination of appointments and cancellation of awards under the Order of Australia (p. 10)

Finance Portfolio, 24 February 2015

ASC Pty Ltd

- Defence Minister's announcement of 20 February 2015 regarding the strategic direction of the future submarine program – notification of ASC and interaction with government, and approaches to the ASC by the potential international partners regarding the project (pp 14-19)
- Objectives set by the Minister for the ASC in terms of its role in respect to the future submarine project as required under the Commonwealth Government Business Enterprise Governance and Oversight Guidelines (p. 20)
- Future of ASC concerning job numbers over the next 10 years (p. 23)
- Application of the *Commonwealth Procurement Rules* to the future submarine program (pp 27-28)

Department of Finance

Outcome 1

- Asset recycling program – status of legislation and alternative plans for implementation of the scheme through the appropriation bills (pp 30-31)
- MYEFO 2014-15
 - drafting of the MYEFO document between Treasury and Finance (p. 33)

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- Smaller government reforms - staffing in the general government sector, absorbing the Australian Government Solicitor into the Attorney-General's Department, and questions about these reforms relating to the following portfolios – Defence Portfolio, Infrastructure and Regional Development Portfolio, Environment Portfolio (pp 34-36)
 - University fee deregulation (p. 37)
 - Increase in payments related to the family tax benefit statement reflecting the impact of lower than estimated wage growth (p. 38)
 - contingency reserve for paid parental leave (PPL) and arrangements for the PPL levy and company tax rate reduction following announcement not to proceed with the scheme (pp 39-40)
 - ABC and SBS additional efficiency savings (p. 43)
 - Establishment of NAPLAN online (p. 44)
 - Decisions taken by government but not yet announced (pp 41-42)
 - Strengthening the constitutional basis of Commonwealth spending – cessation of three programs (pp 65-66)
 - Scoping study into options for future management, operations and ownership of the Intra Government Communications Network (ICON) (pp 68-70)
 - Finance input into the Intergenerational Report (pp 40-41)
 - Future of Australian Hearing Services (AHS) and the continued support for hearing services if AHS is sold through community service obligations into the contestable part of the National Disability Insurance Scheme (pp 45-46, 51-53)
 - Ministerial paper - *Smaller government – towards a sustainable future* (pp 53-57)
 - Contestability program (pp 58-59)
 - Review into Australian government charging (pp 59-60)
 - Release of the Cost Recovery Guidelines, and feedback mechanisms (p 61)
 - Requirement for the use of payment cards as a preferred method to pay suppliers for procurement valued below \$10,000, potential savings of an additional \$3 million if the threshold was set at \$20,000 (pp 62-64)
 - Commonwealth procurement of paper (pp 64-65)

Government advertising

- *New Guidelines on Information and Advertising Campaigns by non-corporate Commonwealth entities* – outline of changes and new processes (pp 89-92)
- Higher education reforms advertising campaign and Finance's processes under the interim advertising guidelines (pp 93-97)

- 'By boat, no visa' advertising campaign under the previous government – cessation and re-commencement of the campaign during the caretaker period of the 2013 federal election and other instances where ministers have issued directions to secretaries to continue or reinstate advertising campaigns (pp 98-100)

Outcome 2

- Update on scoping studies into the future ownership options for the Royal Australian Mint, Australian Securities and Investments Commission Register, AHS, and Defence Housing Australia (pp 66-68)
- Consideration of further bodies for privatisation as recommended by the National Commission of Audit (p. 70)
- Update on the Open Technology Forum, current advice on procuring open source solutions (pp 72-73)
- Open Government Partnership (p. 73)
- Consideration of any changes to the current ICT outsourcing model across the whole-of-government (p. 74)
- Flexibility and scope to innovate in procurement approaches to ICT outsourcing, and contract models (pp 75-76)
- Progress on the Department of Immigration and Border Protection proposed consolidation of the office location and Finance's role in looking at the cost effectiveness (pp 77-78)
- Scoping study for the divestment of Commonwealth properties in the Parliamentary Triangle (pp 79-80)

Outcome 3

- Stationery and office supplier OfficeMax – availability of items and feedback from parliamentarians (pp 101-102)
- Details on the establishment of Minister Joyce's new office in Armidale (pp 102-103)
- Coalition Advisory Service staffing and resource allocation (pp 104-107)
- Negotiations for the new MOP(S) Act Employment Enterprise Agreement (p. 108)
- Finance involvement in recruitment advertising for staff of parliamentarians (pp 108-109)

ComSuper and Commonwealth Superannuation Corporation

- Update on proposed merger of ComSuper and the Commonwealth Superannuation Corporation with a scheduled commencement date of 1 July 2015, and the requirement for legislation which has not yet been introduced into the Parliament (pp 47-48, 51)

- MYEFO 2014-15 – policy decision to require members of the Public Sector Superannuation Accumulation Plan to pay the administration fee and the requirement for legislation (pp 48-50)

Future Fund Management Agency

- Update on fund's performance and progress (p. 81)
- Comparative size of Australia's sovereign wealth fund internationally (p. 81)
- Amount in each of the funds (p. 82)
- Progress on the establishment of the Medical Research Future Fund, and arrangements for uncommitted funds from the Health and Hospitals Fund and the saving and efficiencies in the Health Portfolio over the forward estimates (pp 82-84)
- Status of the proceeds from the sale of Medibank Private (pp 85-86)
- Global investment environment (pp 86-87)

Australian Electoral Commission (AEC)

- The conduct of protected action ballots by the AEC, liability of costs of ballots when conducted by a ballot agent other than the AEC (pp 111-114)
- Current executive staffing (pp 114-115)
- Update on the new electoral integrity unit (p. 116)
- Divergence of Commonwealth and states' rolls (pp 116-118)
- Funding and disclosure regime and whether there has been consideration of penalties for such things as late lodgement and misleading statements (pp 118-119)
- Multiple voting in the 2013 federal election – referrals to the AFP and status of prosecutions, and possible options being considered to address this issue (pp 120-123)
- AEC reliance on membership rolls provided by unions for the conduct of ballots (pp 123-124)

Cross Portfolio Indigenous Matters, 27 February 2015

Northern Land Council (NLC)

- Findings of the ANAO report no. 13 2014-15 *Audit of Financial Statements of Government Entities* regarding weaknesses in financial management processes and financial statements of the NLC (pp 4-8)
- Funding of the Ranger Program (pp 10-13)
- Township lease offer for the traditional owners at Gunbalanya (p. 11)
- Role of the NLC in development of Northern Australia (p. 11)
- Consultation regarding the possible reintroduction of regulations under the s28A of the *Aboriginal Land Rights (Northern Territory) Act 1976* (ALR

(NT) Act) and Aboriginal and Torres Strait Islander Amendment (A Stronger Land Account) Bill 2014 (pp 14-15)

- Staffing (p. 15)
- Arrangements for alternative funding for funeral assistance formerly provided under the Aboriginals Benefit Account (pp 12-13)
- COAG investigation into Indigenous land administration and use – consultation, and media release of the NLC of 20 February 2015 calling for experts on the ALR (NT) Act to be added to the working group (pp 17-19)

Office of Township Leasing

- Role of the Executive Director and capacity to sell land for development (pp 20-21)
- Purpose and operation of the consultative forums (pp 21-23)
- Township leases on the Tiwi Islands, including over the communities of Ranku and Milikapiti (pp 21-22)

Office of the Registrar of Indigenous Corporations

- Update on examination and investigations processes carried out under the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (pp 23-24)
- Examination of the Western Desert Lands Aboriginal Corporations (pp 24-25)
- Level of registrations following a requirement for Indigenous corporation compliance for funding over \$500,000 under the Indigenous Advancement Strategy (IAS) (p. 25)
- Support services provided to Aboriginal and Torres Strait Islander Corporations (pp 26-27)

Indigenous Business Australia (IBA)

- Appointment process for the new IBA Chair, Mr Edward Fry (pp 28-29)
- Latest home loan figures (p. 29)
- Consideration of Forrest Review recommendation regarding the selling of a portion of the home loan portfolio to raise capital (p. 30)
- Valuation processes (p. 32)
- Home loan program on Palm Island (pp 32-33)

Department of Prime Minister and Cabinet

Outcome 2- Indigenous

- Reasons for the late provision of answers to QONs from the previous round (pp 34-35)
- Update on funding round for IAS and processes (pp 35-44)
- Scope for engagement with a group of Indigenous mayors in the Cape York region of North Queensland (pp 40-41)

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- Remote Jobs and Communities Program – Youth Corps, latest job figures, and rollout of the new work for the dole scheme (p 44-48, 52-54)
 - Bloodwood Tree Association interim funding following the Aboriginal Hostels Limited's decision to cease funding through the community and corporate partnership program (pp 49-52)
 - Remote School Attendance Strategy - vacancies for school attendance officers, evaluation, and latest attendance figures (pp 54-57)
 - Consideration of buying back alcohol licences to reduce alcohol related violence (pp 57-58)
 - The number of applications received under the IAS for projects in the scope of safety and wellbeing, particularly related to protected behaviour initiatives (pp 59-60)

Department of Health

- \$10 million allocation of funding for renal services in central Australia (pp 57, 63)
- Strong Fathers, Strong Families program cessation (pp 60-61)
- Chronic disease-management program cessation (pp 61-62)
- Tackling Smoking and Healthy Lifestyle Program – future funding (p. 62)
- Indigenous and Remote Eye Health Service funding cessation and the delivery of services through the Rural Health Outreach Fund (pp 62-63)
- Abolition of the National Indigenous Drug and Alcohol Committee (pp 63-64)

Senator Cory Bernardi
Chair

