

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
SUPPLEMENTARY BUDGET ESTIMATES 2014-15

Finance Portfolio

Department/Agency: All
Outcome/Program: General
Topic: Legal Costs

Senator: Ludwig
Question reference number: F54
Type of question: Written
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Number of pages: 2

Question:

Since Budget Estimates in May 2014:

1. List all legal costs incurred by the department or agency.
2. List the total cost for these items, broken down by source of legal advice, hours retained or taken to prepare the advice and the level of counsel used in preparing the advice, whether the advice was internal or external.
3. List cost spent briefing Counsel, broken down by hours spent briefing, whether it was direct or indirect briefing, the gender ratio of Counsel, how each Counsel was engaged (departmental, Ministerial).
4. How was each piece of advice procured? Detail the method of identifying legal advice.

Answer:

Department/ Agency	Response
Finance	<p>1. – 3. The Department of Finance (Finance) reports annually on its legal service expenditure, as required under the <i>Legal Services Directions 2005</i>. Finance’s legal expenditure for the previous financial year is available at http://www.finance.gov.au/publications/. It would involve an unreasonable diversion of resources to compile data on Finance’s legal expenditure and costs spent briefing Counsel as and for the period requested, which does not align with the mandated annual reporting to the Office of Legal Services Coordination.</p> <p>4. In general, under the <i>Legal Services Directions 2005</i> Finance is required to obtain its legal services from legal services providers on the Legal Services Multi-Use List established by the Attorney-General’s Department. Finance procures legal services consistent with this requirement.</p>
Australian Electoral	<p>The Australian Electoral Commission (AEC) reports annually on its legal services expenditure as required under the <i>Legal Services Directions 2005</i>. The AEC’s legal</p>

Department/ Agency	Response
Commission	expenditure will be published on its website after the financial statements are completed for the 2014-15 financial year as per mandated annual reporting obligations.
ComSuper	<p>1. ComSuper estimates that total legal expenditure has been \$519,382.46 during the period 28 May 2014 to 31 October 2014 (the Specified Period). For privacy reasons, a list of legal services with respect to specific disputes with members and costs is not provided.</p> <p>2. – 3. Internally, ComSuper has spent \$658,138.00 on internal staff costs for its Legal and Reconsideration Services section. This structure of the legal section is fluid and staffing changes are ongoing as part of ComSuper’s organisational change process being undertaken to meet government policy objectives. ComSuper estimates that half of the costs of that section are attributable to legal services expenditure during the Specified Period, being approximately \$329,069.00. To provide the further detail sought would involve an unreasonable diversion of agency resources. ComSuper will properly and fully report legal services expenditure to the OLSC in accordance with the Legal Services Directions 2005 as and when required.</p> <p>Externally, ComSuper has spent \$17,656.73 on legal services during the Specified Period. There was a further \$172,342.11 spent on external services from the Administered Legal Expenditure from the Consolidated Revenue Fund. Accordingly, ComSuper has spent a total of \$190,313.46 on external legal services. However, to provide the further detail sought would involve an unreasonable diversion of agency resources.</p> <p>4. External legal services are required to be procured in accordance with the Legal Services Directions and the Legal Services Multi-Use List and ComSuper’s legal services procurement is consistent with these requirements. To provide further specific detail on each legal service procured, including on ‘the method of identifying legal advice’, would be an unreasonable diversion of agency resources.</p>
Commonwealth Superannuation Corporation	<p>1. For the period 28 May to 31 October 2014 the cost of legal advice was \$459,659.</p> <p>2. All advice was externally provided and for privacy reasons, sources of legal advice including level of Counsel used are not disclosed.</p> <p>3. No Counsel were briefed.</p> <p>4. All advice was sourced from CSC’s usual providers, based on expertise.</p>
Future Fund Management Agency	<p>1. – 4. Reports on legal services expenditure are provided on an annual basis as at 30 June of each year. Compiling this information separately would be an unreasonable diversion of resources.</p>