

OFFICE OF PARLIAMENTARY COUNSEL

Section 1: Overview, appropriations and budget measures summary

OVERVIEW

The Office of Parliamentary Counsel (OPC) was established by the *Parliamentary Counsel Act 1970*. The role of the Office is to assist the Government to carry out its legislative drafting capability and, subject to Government priorities, assist private members with their legislative requirements. The OPC does not interpret, nor does it provide advice on, the intention of any Commonwealth legislation.

The drafts Bills and amendments of Bills and arranges supply of bulk copies of Bills and amendments to the Parliament. The OPC has a role in arranging for Bills passed by both Houses of Parliament to be assented to by the Governor-General.

The OPC contributes to an effective statute book by maintaining a high standard of legislative drafting capability (in particular by providing substantial drafting training to employees of the OPC and by engaging in continuous improvement of drafting techniques). The OPC also maintains standardised drafting and formatting practices for Bills and amendments, to ensure consistency in both the contents and the form of the statute book. As well, the OPC encourages a high standard of legislative drafting proposals by providing advice to other agencies on legislative projects and by training staff of policy agencies who might be responsible for giving drafting instructions to the Office of Parliamentary Counsel.

APPROPRIATIONS AND RESOURCING

The total appropriation for the OPC in the 2004–05 Budget is \$6.670m. Table 2.1.1 shows appropriations (2004–05) and other revenue by outcome.

ADMINISTERED AND DEPARTMENTAL EQUITY INJECTIONS AND LOANS

The OPC does not have an appropriation for an equity injection or a loan.

OFFICE OF PARLIAMENTARY COUNSEL — APPROPRIATIONS 2004–05

Table 1.1: Appropriations and other revenue (\$'000)

Outcome	Departmental (price of outputs)					Administered				Total appropriations
	Revenue from Government (appropriations)			Revenue from other sources	Price of outputs	Annual appropriations		Special appropriations	Total administered appropriations	
	Bill No 1 (A)	Special approps (B)	Total (C = A+B)	(D)	(E = C+D)	Bill No 1 (F)	Bill No 2 (SPPs & NAOs) (G)	(H)	(I = F+G+H)	(J=C+I)
Outcome 1 – Parliamentary democracy and an effective statute book	6,670	-	6,670	110	6,780	-	-	-	-	6,670
Total	6,670	-	6,670	110	6,780	-	-	-	-	6,670
Departmental capital (equity injections, loans and previous years' outputs)										-
Administered assets and liabilities										-
Total appropriations										6,670

1. Columns C, E and I refer to information provided in Total Resources for Outcome tables.
2. Under the appropriation structure, Bill No 2 includes Specific Purpose Payments (SPPs), New Agency Outcomes (NAOs), administered capital and departmental capital via departmental injections and loans.
3. Refer to Budgeted Statement of Financial Performance for application of agency revenue.
4. Revenue from other sources includes sales of goods and services. Non-appropriated departmental and administered revenues detailed in Table 1.3.

REVENUE FROM INDEPENDENT SOURCES

Table 1.3: Revenue from independent sources

	Estimated Revenue 2003–04 \$'000	Estimated Revenue 2004–05 \$'000
DEPARTMENTAL REVENUE		
Sales of goods and services	70	70
Interest	-	-
Total sales of goods and service and interest	70	70
Other	-	-
Resources received free of charge	-	-
Other revenue	40	40
Total other	40	40
Total Estimated Departmental Revenue	110	110

SPECIAL ACCOUNTS

Table 1.6: Estimates of special account flows and balances

Special Accounts	Estimate – 2004–05, Heavy Figures				
	Opening Balance	Receipts	Payments	Adjustments	Closing Balance
	2004–05	2004–05	2004–05	2004–05	2004–05
	2003–04	2003–04	2003–04	2003–04	2003–04
	\$'000	\$'000	\$'000	\$'000	\$'000
Other Trust Moneys – s20 FMA Act (D)	-	-	-	-	-
Services on behalf of other governments and non-public bodies – s20 FMA Act (D)	-	24	24	-	-
Total Special Accounts	-	24	24	-	-
	-	-	-	-	-

D = Departmental A = Administered

Acts Glossary:

FMA Act = *Financial Management and Accountability Act 1997*

Notes

- Note 1. The Opening Balance for 2003–04 is the same as the closing balance for 2002–03.
 Note 2. Receipts from appropriations and other sources are further specified in the Total Resources for Outcome tables.

SECTION 2: OUTCOMES AND OUTPUTS INFORMATION

OUTCOMES AND OUTPUTS

The OPC works to achieving an outcome specified by Government. The following section provides a departmental overview, and then the outcome is discussed. The following map shows the relationship between the outcome and outputs.

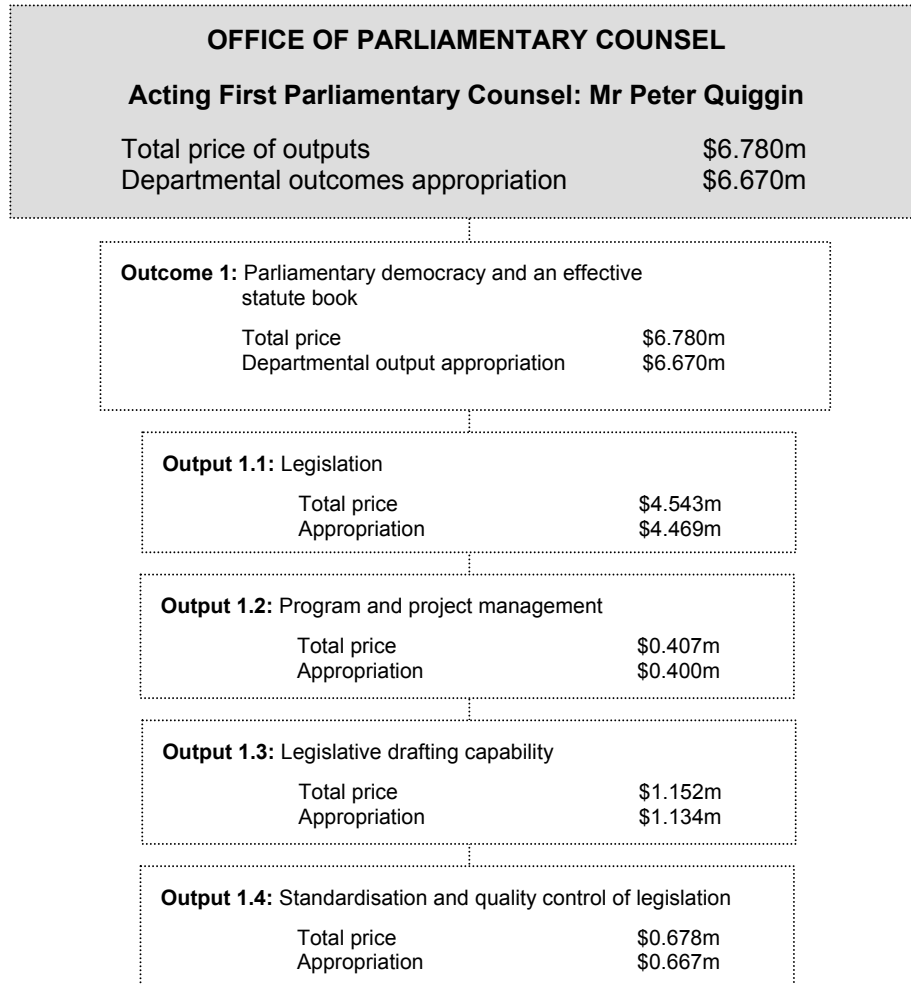
Output cost attribution

The cost of each output is calculated by the application of an estimated percentage of resources consumed by each output. The percentages were determined after an assessment of information provided by staff and a review of the nature of expenses.

CHANGES TO OUTCOMES AND OUTPUTS

A change to Office of Parliamentary Counsel's output structure will come into effect in the 2004–05 financial year and subsequent years. The change reduces the number of outputs from 13 to 4 after renaming the existing output groups as outputs. The change to Office of Parliamentary Counsel's output structure will not change the allocation of budget for each of the 4 areas of output or performance measures.

Outcomes and Outputs Map



OUTCOME 1 — DESCRIPTION

The OPC contributes to meeting the outcome *Parliamentary democracy and an effective statute book* by:

- providing draft legislation which represents the proposals of the Executive Government in a form that makes them available for scrutiny, and approval or rejection, by the Parliament
- providing draft legislation which is comprehensible, workable and legally effective
- providing draft legislation which is consistent in approach to matters such as layout, formatting and basic drafting issues, and
- training lawyers recruited to the Office in the substantial body of legislative drafting knowledge and expertise that has been developed.

Measures affecting Outcome 1

There are no new measures in the 2004–05 budget.

Other variations affecting Outcome 1

The Government will provide an increase in funding of \$0.029m to supplement OPC's increased Comcover premium for 2004–05.

OUTCOME 1 — RESOURCING

Table 2.1.1 shows how the 2004–05 Budget appropriations translate to total resourcing for outcome 1, including revenue from government (appropriation), revenue from other sources, and the total price of outputs.

Table 2.1.1: Total resources for Outcome 1 (\$'000)

	Estimated actual 2003–04 \$'000	Budget estimate 2004–05 \$'000
DEPARTMENTAL APPROPRIATIONS		
Output 1.1 - Legislation	4,525	4,469
Output 1.2 - Program and project management	405	400
Output 1.3 - Legislative drafting capability	1,148	1,134
Output 1.4 - Standardisation and quality control	676	667
Total revenue from government (appropriations) Contributing to price of departmental outputs	6,754	6,670
REVENUE FROM OTHER SOURCES		
Output 1.1 - Legislation	74	74
Output 1.2 - Program and project management	7	7
Output 1.3 - Legislative drafting capability	18	18
Output 1.4 - Standardisation and quality control	11	11
Total revenue from other sources	110	110
Total price from departmental outputs (Total revenue from government and from other sources)	6,864	6,780
from Special Accounts (estimated payments from Special Account balances)		
Other Trust monies - S20 FMA Act	-	-
Services on behalf of other government and non government bodies	24	-
Total Departmental Special Account outflows	24	-
Total estimated resourcing for Outcome 1 (Total price of outputs and administered appropriations)	6,864	6,780
Average staffing level (number)	45.1	45.6

PERFORMANCE INFORMATION FOR OUTCOME 1

Table 2.2.1 provides information on the strategies chosen to deliver outcome 1, and shows the links between the outputs and the outcome.

Table 2.2.1: Performance information for Outcome 1

Effectiveness – overall achievement of the outcome	
<i>Effectiveness indicators</i>	<i>Measures</i>
Availability of Bills for parliamentary consideration	Government Bills drafted in accordance with Government priorities
	Private member's Bills drafted where resources permit
	Bills reflect sponsor's policy intentions and are legally effective
Condition of statute book	Drafting standards and conventions applied consistently to all Bills
Performance information for departmental outputs	
<i>Output description</i>	<i>Performance measure</i>
Output 1.1: Legislation	<i>Quality:</i> Bills drafted in accordance with Government priorities, and supplied to Parliament in accordance with applicable deadlines. Bills reflect sponsor's policy intentions and are legally effective
Output 1.2: Program and project management	<i>Quality:</i> Drafting work is allocated, and legislative projects are managed, so as to make optimum use of drafting resources
Output 1.3: Legislative drafting capability	<i>Quality:</i> Lawyers recruited to the Office are trained in legislative drafting, to ensure the long term viability of drafting resources. Potential instructors are trained in policy development and preparation of instructions, to ensure efficient use of drafting resources and quality of Bills Legislative drafters maintain and improve drafting skills and knowledge
Output 1.4: Standardisation and quality control of legislation	<i>Quality:</i> Drafting standards and conventions applied consistently to Bills

Section 3: Budgeted financial statements

ANALYSIS OF BUDGETED FINANCIAL STATEMENTS

Departmental

Statement of Financial Performance

The OPC operates in a relatively stable environment and, as expected, there are no material changes from the 2003–04 year to the 2004–05 year.

The OPC is budgeting for a break even operating result for 2004–05. The estimated actual operating result for 2003–04 is also a break even operating result. There was a surplus in 2002–03 of \$0.306m.

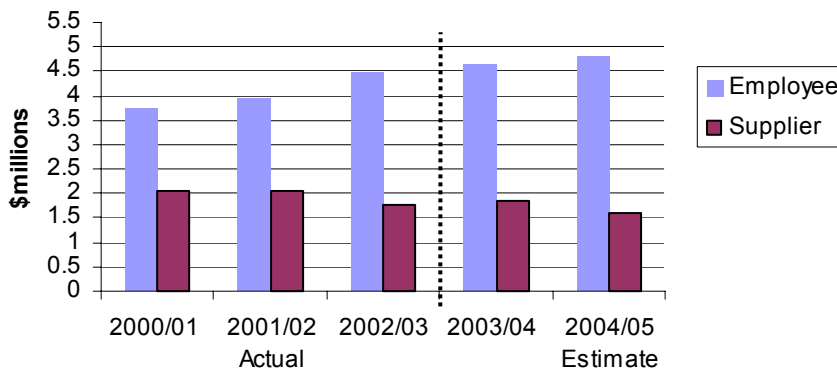
Total revenue in 2004–05 is estimated to be \$6.780m, a small decrease from the 2003–04 estimated actual. The decrease is partly due to one-off funding and supplementation for increased costs in CSS/PSS superannuation contributions that occurred in 2003–04 and not in 2004–05.

Total expenses in 2004–05 are estimated to be \$6.780m, a decrease of \$0.084m from the 2003–04 estimated actual. The is primarily due to:

- one-off fitout expenses for 2003–04, and
- one-off expenses in 2003–04 to enhance the quality and timeliness of Budgets.

Employee expenses are expected to continue to rise at a consistent rate, and is attributed primarily to salary movements under OPC’s Certified Agreement,

Comparison of employee and supplier expenses

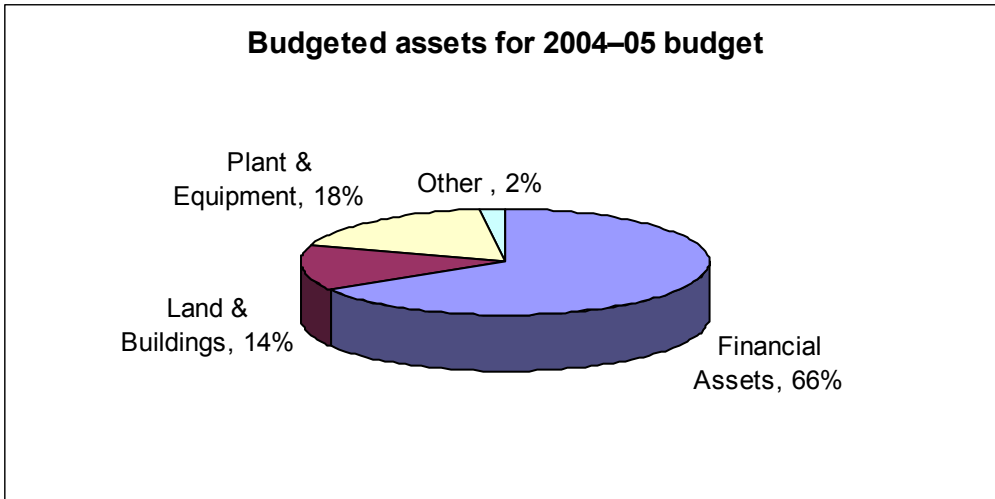


Remuneration Tribunal determinations and budgeted cessation payments. While employee expenses continue to rise at a consistent rate, the supplier expenses are not expected to be more than the 2003–04 level.

Statement of Financial Position

Material changes in the net asset position or liabilities are not expected in 2004–05.

The major assets include cash at bank and appropriation receivable. Financial assets represent 66% of total assets.



The Office of Parliamentary Counsel’s financial assets include funds accruing for future asset replacement and provision for employee liabilities. The primary liability is accrued employee entitlements, and this is expected to continue because of proportionally high employee expenses (see comparison of employee and supplier expenses in graph above).

Table 3.1: Budgeted Departmental Statement of Financial Performance for the period ended 30 June

	Estimated Actual 2003-04 \$'000	Budget Estimate 2004-05 \$'000	Forward Estimate 2005-06 \$'000	Forward Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000
REVENUE					
Revenues from ordinary activities					
Revenues from government	6,754	6,670	6,724	6,838	6,904
Goods and services	70	70	70	70	70
Interest	-	-	-	-	-
Other	40	40	40	40	40
Total	6,864	6,780	6,834	6,948	7,014
EXPENSE					
Expenses from ordinary activities (excluding borrowing costs expense)					
Employees	4,647	4,814	4,925	5,072	5,222
Suppliers	1,853	1,602	1,545	1,516	1,432
Depreciation and amortisation	364	364	364	360	360
Other	-	-	-	-	-
(Expenses from ordinary activities excluding borrowing costs expense)	6,864	6,780	6,834	6,948	7,014
Borrowing costs expense	-	-	-	-	-
Operating surplus or deficit from ordinary activities	-	-	-	-	-
Gain or loss on extraordinary items	-	-	-	-	-
Net surplus or deficit	-	-	-	-	-

**Table 3.2: Budgeted Departmental Statement of Financial Position
as at 30 June**

	Estimated Actual 2003–04 \$'000	Budget Estimate 2004–05 \$'000	Forward Estimate 2005–06 \$'000	Forward Estimate 2006–07 \$'000	Forward Estimate 2007–08 \$'000
ASSETS					
Financial assets					
Cash	437	470	509	552	605
Receivables	2,286	2,301	2,309	2,299	2,292
Other	-	-	-	-	-
Total financial assets	2,723	2,771	2,818	2,851	2,897
Non-financial assets					
Land and buildings	600	600	600	600	600
Infrastructure, plant and equipment	734	730	726	738	738
Intangibles	-	-	-	-	-
Other	94	94	94	94	94
Total non-financial assets	1,428	1,424	1,420	1,432	1,432
Total assets	4,151	4,195	4,238	4,283	4,329
LIABILITIES					
Provisions					
Employees	1,719	1,763	1,806	1,851	1,897
Other	-	-	-	-	-
Total provisions	1,719	1,763	1,806	1,851	1,897
Payables					
Suppliers	130	130	130	130	130
Other	-	-	-	-	-
Total payables	130	130	130	130	130
Total liabilities	1,849	1,893	1,936	1,981	2,027
EQUITY					
Parent entity interest					
Contributed equity	1,039	1,039	1,039	1,039	1,039
Reserves	792	792	792	792	792
Retained surpluses	471	471	471	471	471
Total parent entity interest	2,302	2,302	2,302	2,302	2,302
Outside equity interest	-	-	-	-	-
Total equity	2,302	2,302	2,302	2,302	2,302
TOTAL ASSETS AND LIABILITIES BY MATURITY					
Current assets	2,817	2,865	2,912	2,945	2,991
Non-current assets	1,334	1,330	1,326	1,338	1,338
Current liabilities	560	570	581	593	604
Non-current liabilities	1,289	1,321	1,354	1,388	1,423

**Table 3.3: Budgeted Departmental Statement of Cash Flows
for the period ended 30 June**

	Estimated Actual 2003-04 \$'000	Budget Estimate 2004-05 \$'000	Forward Estimate 2005-06 \$'000	Forward Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations for outputs	6,754	6,670	6,724	6,838	6,904
Sales of goods and services	74	63	69	88	84
Interest	-	-	-	-	-
Other	254	229	224	221	212
Total cash received	7,082	6,962	7,016	7,147	7,200
Cash used					
Employees	4,605	4,770	4,881	5,027	5,177
Suppliers	2,034	1,762	1,700	1,681	1,575
Interest	-	-	-	-	-
Other	-	-	-	-	-
Total cash used	6,639	6,532	6,581	6,708	6,752
Net cash from operating activities	443	430	435	439	448
INVESTING ACTIVITIES					
Cash Received					
Other	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Purchase of property, plant and equipment	396	396	396	396	396
Total cash used	396	396	396	396	396
Net cash from investing activities	(396)	(396)	(396)	(396)	(396)
FINANCING ACTIVITIES					
Cash received					
Cash from capital injections	13	-	-	-	-
Total cash received	13	-	-	-	-
Cash used					
Capital use and dividends paid	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from financing activities	13	-	-	-	-
Net increase (decrease) in cash held	60	34	39	43	52
Cash at the beginning of the reporting period	377	437	470	509	552
Cash at the end of the reporting period	437	470	509	552	605

Table 3.4: Departmental Capital Budget Statement for the period ended 30 June

	Estimated Actual 2003–04 \$'000	Budget Estimate 2004–05 \$'000	Forward Estimate 2005–06 \$'000	Forward Estimate 2006–07 \$'000	Forward Estimate 2007–08 \$'000
CAPITAL APPROPRIATIONS					
Total equity injections	13	-	-	-	-
Total loans	-	-	-	-	-
Appropriation for previous year's outputs	13	-	-	-	-
Represented by:					
Purchase of non-financial assets	13	-	-	-	-
Other	-	-	-	-	-
Total	13	-	-	-	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	13	-	-	-	-
Funded internally by departmental resources	383	396	396	396	396
Total	396	396	396	396	396

Table 3.5: Departmental Non-financial Assets — Summary of Movement (Budget year 2004–05)

	Land	Buildings	Specialist military equipment	Other infrastructure plant and equipment	Heritage and cultural assets	Computer software	Other intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the start of year	-	600	-	734	-	-	-	1,334
Additions	-	64	-	296	-	-	-	360
Disposals	-	-	-	-	-	-	-	-
Revaluation increments	-	-	-	-	-	-	-	-
Recoverable amount write-downs	-	-	-	-	-	-	-	-
Net transfers free of charge	-	-	-	-	-	-	-	-
Depreciation/amortisation expense	-	(64)	-	(300)	-	-	-	(364)
Write-off of assets	-	-	-	-	-	-	-	-
Carrying amount at the end of year	-	600	-	730	-	-	-	1,330
Total additions								
Self funded	-	64	-	296	-	-	-	360
Appropriations	-	-	-	-	-	-	-	-
Total	-	64	-	296	-	-	-	360

NOTES TO THE FINANCIAL STATEMENTS

The budgeted financial statements have been prepared on an accrual basis and in accordance with the Australian Accounting Standards.

A three year certified agreement is due to commence in May 2004. The expected pay increases included in the agreement have been included in the budgeted accounts.

Leasehold improvements were revalued to fair value on 1 July 2003 by an independent valuer.

Minor office refurbishment was undertaken during the 2003–04 year.

Section 4: Purchaser/Provider and Cost Recovery arrangements

PURCHASER/PROVIDER ARRANGEMENTS

This OPC does not participate in any purchaser/provider arrangements.

COST RECOVERY ARRANGEMENTS

The OPC has no cost recovery arrangements requiring a Cost Recovery Impact Statement.

