



Australian Government

Office of Parliamentary Counsel

Annual Report 2010-2011

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Australian Government
Office of Parliamentary Counsel

First Parliamentary Counsel

The Hon. Robert McClelland MP
Attorney-General
Parliament House
CANBERRA ACT 2600

Dear Attorney-General

I have pleasure in submitting the Annual Report and Financial Statements of the Office of Parliamentary Counsel for the year 1 July 2010 to 30 June 2011.

The report has been prepared under section 16A of the *Parliamentary Counsel Act 1970*. Subsection 63(1) of the *Public Service Act 1999* requires the report to be given to you to present to the Parliament.

This year, OPC has continued to meet high levels of demand for drafting services. OPC is well positioned to meet the challenges of future years.

I would like to record my appreciation of the work and support of all OPC staff during the year.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Peter Quiggin', written over a horizontal line.

Peter Quiggin PSM
First Parliamentary Counsel

21 September 2011

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First Parliamentary Counsel's Review



1 The year has been very busy for the Office of Parliamentary Counsel (**OPC**) with a number of major projects being completed. The continued success of OPC has been built on the professional and enthusiastic approach of all staff to their work.

Reappointment as FPC

2 In May 2011, I was reappointed for a second 7-year term as First Parliamentary Counsel. I am looking forward to continuing to work with OPC staff, our clients and stakeholders to deliver high quality legislation for the Australian Government.

Legislation

3 Over the year, 192 Bills totalling 6,885 pages were introduced.

4 Major legislation was produced in the areas of parliamentary scrutiny of human rights, the national broadband network, carbon credits, national vocational education and training, business names, tertiary education, tobacco packaging and offshore petroleum and greenhouse gas storage.

5 A major overhaul of the *Acts Interpretation Act 1901* was also introduced and passed during the year. The Bill, which was developed as a joint project with the Attorney-General's Department, made major structural improvements to the Acts Interpretation Act as well as updating numerous provisions.

6 A Statute Law Revision Bill and a Statute Stocktake Bill were introduced as part of OPC's ongoing commitment to maintaining the statute book.

7 Taxation and superannuation legislation

continues to be an area of substantial demand. In 2010-2011, 29 Bills containing 65 tax and superannuation measures were introduced into Parliament. These included legislation bringing certain alternative fuels used for transport purposes into the fuel taxation regime, removing minors' eligibility for the Low Income Tax Offset on unearned income, phasing out the Dependent Spouse Tax Offset, and making changes to the statutory formula method used to value car fringe benefits.

8 In addition, exposure drafts were prepared for a number of major taxation projects. As in previous years, OPC has maintained close links with the Revenue Group in Treasury.

9 There also continued to be an expansion in the practice of having exposure drafts of legislation across portfolios. The volume of exposure drafts is such that OPC is considering how they impact on the delivery of the Government's legislative program.

Drafting resources

10 The number of drafters has stabilised at a level that will ensure

that OPC has sufficient senior drafters in future years to maintain an effective drafting office.

11 OPC's turnover of drafters continued to be very low although 2 assistant drafters left during the year. One moved to Perth and took up employment with the Western Australian Parliamentary Counsel's Office. The other transferred to the Attorney-General's Department.

12 Our turnover rate for drafters for the last 5 years has been about 3%.

Documentation and training

13 OPC continued to update the Drafting Directions that guide drafters in aspects of their work. During the year, 19 Drafting Directions were updated and reissued.

14 OPC continued to have an active program of training, both for drafters and for our instructors from other agencies. Seminars were conducted for drafters on matters including:

- the effectiveness of plain language legislation, and the causes of complexity in legislation;

- secrecy, privacy and freedom of information;
- double dissolutions of the Parliament;
- legislative drafting in other countries; and
- a range of more technical drafting issues.

15 As part of our closer relations with the Office of Legislative Drafting and Publishing, drafters from that office were invited to training sessions in OPC. Drafters from the Australian Capital Territory Parliamentary Counsel's Office were also invited to attend some sessions.

16 We also continued to run the highly successful Legislation Process courses which assist instructors to understand the intricacies of the drafting process. In order to ensure that people who are likely to instruct attend the courses, we have had to limit nominations to those who expect to give instructions in the near future.

Financial performance

17 Financially, OPC is in a good position. OPC had a small surplus for the year and expects to have a small surplus in 2011-2012.

Liaison outside OPC

18 Over the year, OPC has continued to work on building closer relations with a number of key stakeholders. These have been in Treasury, in the Attorney-General's Department and in the Department of the Prime Minister and Cabinet.

19 The liaison officer system introduced over the past few years has continued and expanded. This provides for a senior OPC drafter and a senior staff member in the relevant part of the Attorney-General's Department to be initial contacts for systemic issues that arise. This system has worked well in ensuring better communication and resolving a number of issues that have arisen.

20 OPC has also developed closer ties with a range of areas within the Attorney-General's Department on matters of mutual interest.

21 During the year, OPC hosted Mrs Therese Perera PC, the Legal Draftsman for Sri Lanka.

22 Through my membership of the Board of Taxation, I continued to maintain a close involvement in developments in taxation law and the implementation of that law.

23 OPC's Information Technology staff also provided assistance to the Northern Territory Office of the Parliamentary Counsel in the upgrade of their drafting system which is based on modified versions of the templates that we use for producing Bills.

Closer ties with OLDP

24 OPC has always worked cooperatively with the other Commonwealth drafting office: the Office of Legislative Drafting and Publishing (**OLDP**) in the Attorney-General's Department.

25 After a review of OLDP, OPC has begun to work even more closely with OLDP. A senior OPC drafter, John Leahy SC PSM, is currently acting as head of OLDP.

26 We have been working to bring the styles and practices of the two drafting offices closer and to work more closely on particular drafting projects.

Election projects

27 During the caretaker period for the 2010 election, OPC staff undertook a range of projects to assist OPC to be more effective in the long term. These were mostly projects that were unable to be

completed during normal parliamentary sittings due to drafters being fully occupied working on Bills.

Drafting conferences

28 A delegation from OPC attended a drafting conference in India during the year.

29 The conference was the regular conference for the Commonwealth Association of Legislative Counsel (**CALC**). This is the preeminent meeting of drafters from around the world and is held every 3 years. A number of papers were presented by the OPC drafters. These were received very favourably.

30 At this conference, I was elected President of CALC.

Exchanges with UK and Hong Kong

31 This year OPC had two very successful exchanges with overseas drafting offices.

32 Ms Louise Finucane, a senior OPC drafter, worked in the United Kingdom office for 6 months. At the same time, Mr Douglas Hall from the UK office worked as a drafter in OPC.

33 In addition, Ms Sally Beasley, an assistant drafter in OPC, worked in the Hong Kong office for 3 months. Ms Elaine Ng from the Hong Kong office worked as a drafter in OPC during that period.

34 Both exchanges were valuable to the drafters directly involved and to both offices. Exchanges provide an opportunity to consider the approaches and working methods of different drafting offices and to select the best approaches to be used.

Corporate Services support

35 OPC's Corporate Services area has continued to provide outstanding support to the whole of OPC. Due to the small size of our Corporate Services area, many staff have duties covering a wide range of disparate areas. All of the Corporate Services staff have worked well in the small team environment to ensure that the drafters, the senior management team and the other members of Corporate Services received all the support that they needed.

36 In addition to the ongoing administrative work of OPC,

significant administrative activity during the year was devoted to:

- reviewing and updating the Chief Executive Instructions, the Risk Management Policy and Plan, the Fraud Control Plan, the Business Continuity Management Plan, the Workplace Diversity Program, the Procurement policies and procedures, and the Travel policies and procedures;
- implementing aspects of OPC's Reconciliation Action Plan;
- analysing the results of OPC's employee survey which was based on the APS State of the Service Employee Survey;
- negotiation and finalisation of Enterprise Agreements; and
- upgrading OPC's records management system (TRIM) and work on implementing an electronic records management system.

Survey of OPC staff

37 At the end of the previous financial year, OPC conducted a survey of all staff using the same survey used for the APS State of the Service survey. Nearly all staff responded to the survey ensuring that the results that we obtained were representative.

38 This year we obtained the comparative APS-wide results.

39 As with the previous surveys, OPC's results were substantially better than those for the APS as a whole.

40 In particular, 100% of staff agreed that OPC was a good place to work, they were proud to work at OPC, the leadership is of a high quality, and OPC provides access to effective learning and development.

41 The Australian Public Service Commission is running a pilot of a similar survey for very small agencies and OPC will be participating in that.

Survey of users of legislation

42 We released the results of the survey that OPC conducted of selected users of legislation to test a range of innovations that OPC has been using since the mid-1990s.

43 The results were very favourable for most of the innovations.

44 The results of the survey were released and put on OPC's website in September 2010.

Breastfeeding Friendly accreditation

45 OPC was very pleased to be accredited as a Breastfeeding Friendly Workplace. Many staff have had babies over the past few years and this is an important initiative to assist their return to work.

Outlook for coming year

46 I believe that the next year will see a continuation of the very high level of demand for OPC's drafting resources. At the same time, OPC will need to continue to concentrate on the need to train and retain the highest quality staff in order to meet the demands of the future.

Peter Quiggin PSM
First Parliamentary Counsel

Chapter 1—Overview of OPC

Role and functions of OPC

47 The Office of Parliamentary Counsel (**OPC**) was established under the *Parliamentary Counsel Act 1970*. Its functions are set out in section 3 of the Act. They are:

- the drafting of proposed laws for introduction into either House of the Parliament;
- the drafting of amendments of proposed laws that are being considered by either House of the Parliament; and
- functions incidental to those 2 functions.

48 Before each parliamentary sittings, the Government formulates the program of Bills that it requires to be drafted for the sittings. Since it may not be possible for all Bills on the program to be drafted, a drafting priority is given to each Bill.

49 On the basis of this program, departments or other agencies instruct drafters in OPC on the policy to be effected by the proposed Bills.

50 In consultation with instructing officers, the drafters consider the constitutional and legal

background against which the legislation is to be framed, analyse the policy and determine the structure of the legislation. Then they draft the legislation in terms intended to give effect to the policy in as precise and clear a manner as possible.

51 When a Bill is completed, OPC arranges for the Bill to be printed in sufficient numbers for consideration by the Parliament.

52 If the Government decides to amend Bills during their passage through the Parliament, drafters in OPC prepare the necessary amendments and provide copies to the Parliament.

Organisational structure

53 Drafting is carried out in teams consisting of drafters (who are all lawyers) supported by administrative staff. Most of the teams involve only 2 drafters (a senior drafter and an assistant drafter) but some involve more drafters working together in a variety of arrangements.

54 In some cases, 2 or more drafting teams draft a single Bill or a group of related Bills.

55 The First Parliamentary Counsel (**FPC**), the Second Parliamentary Counsel and all SES drafters are senior drafters. They each head a drafting team and report to the First Parliamentary Counsel. The other drafters are called assistant drafters and are supervised by the senior drafter who heads their team.

56 OPC has a Corporate Services group consisting of:

- the General Manager, who is responsible for managing corporate and financial services for OPC;
- an Information Technology (**IT**) section that manages, maintains and supports OPC's IT environment;
- a legislation section that is responsible for editorial checking, arranging for Bills to be printed and similar tasks;
- staff providing administrative, human resource, financial and security services; and

- service centres that provide proofreading and editorial services and administrative support for drafters.

Outcome and program structure

57 For 2010-2011, the outcome for OPC is "Laws that give legal effect to the intended policy and form a coherent and readable body of Commonwealth legislation through the drafting of Bills and amendments for passage by the Commonwealth Parliament".

58 OPC has one program, legislative drafting, and 4 program components contributing to meeting the outcome. The program components are:

- Legislation;
- Program and project management;
- Legislative drafting capability; and
- Standardisation and quality control of legislation.

Chapter 2—Report on performance

Progress towards outcome

59 OPC's outcome is "Laws that give legal effect to the intended policy and form a coherent and readable body of Commonwealth legislation through the drafting of Bills and amendments for passage by the Commonwealth Parliament".

Giving legal effect to the intended policy

60 An important aspect of parliamentary democracy is that an elected government should be able to implement its policies through legally effective statutes. If the Parliament approves a law proposed by the Government, the law should not fail because it is legally ineffective (subject of course to constitutional limitations on the power of the Parliament). OPC contributes to this by its work in clarifying government policies and proposals, and then drafting laws that are legally effective to implement those policies and proposals.

Forming a coherent and readable body of Commonwealth laws

61 The first part of OPC's outcome is that the laws "form a coherent and readable body of Commonwealth legislation".

62 This requires individual statutes to be comprehensible and workable, and to be effective to implement the policies of the Government. However, "coherent and readable body of Commonwealth legislation" is intended to cover more than would be covered by "effective statutes". As well as contributing to the quality of individual statutes, OPC contributes to a coherent and readable body of Commonwealth legislation in the following ways:

- By adopting strictly consistent approaches to matters such as the layout and formatting of legislation. This benefits users of multiple statutes (especially, but not only, members of Parliament and government administrators), and also

contributes to the physical accessibility of the text of the laws.

- By adopting largely consistent approaches to basic drafting issues, so that there is a fair degree of consistency in the style of legislation drafted by different drafters. This also benefits users of multiple statutes.
- By ensuring a high degree of liaison between drafters within OPC, so as to guard against overlaps and inconsistencies in

the operation of different statutes, especially those sponsored by different agencies.

- By undertaking the preparation of a Statute Law Revision Bill each year to correct technical errors and to remove Acts that no longer have any operation.
- By training lawyers recruited to OPC in the substantial body of legislative drafting knowledge and expertise that has been developed since the 19th century.

Actual results against outcome and program components

Effectiveness—Overall achievement of the outcome

Availability of Bills for parliamentary consideration

Summary of Performance

Indicator	Performance
Government Bills drafted in accordance with government priorities	Government Bills were drafted in accordance with government priorities.
Private members' Bills drafted where resources permit	No requests to draft private members' Bills were received.
Bills reflect sponsors' policy intentions and are legally effective	Client feedback surveys indicate that all Bills reflected their sponsors' policy intentions. Minor technical flaws have been detected in a small number of Bills. These have been, or will be, corrected through the Statute Law Revision process.

63 Details of performance are included under the program component relevant to each indicator.

Condition of statute book

Summary of Performance

Indicator	Performance
Drafting standards and conventions applied consistently to all Bills	Editorial checking ensured that drafting standards and conventions were applied consistently to all Bills.

64 Details of performance are included under Program component 1.4—Standardisation and quality control of legislation.

Performance information for program components

Program component 1.1—Legislation

Summary of Performance

Indicator	Performance
<p><i>Quality:</i> Bills drafted in accordance with government priorities and supplied to Parliament in accordance with applicable deadlines</p>	<p>Government Bills were drafted in accordance with government priorities.</p> <p>Government Bills were supplied to Parliament in accordance with applicable deadlines.</p>
<p><i>Quality:</i> Bills reflect sponsors' policy intentions and are legally effective</p>	<p>Client feedback surveys indicate that all Bills reflected their sponsors' policy intentions. Minor technical flaws have been detected in a small number of Bills. These have been, or will be, corrected through the Statute Law Revision process.</p> <p>An average rating of 4.8 (where 5 is the highest rating) was received on client survey forms for overall satisfaction with the drafting process and draft Bills.</p>

Bills

65 During the year, 192 Bills, totalling 6,855 pages, drafted in OPC were introduced into the Parliament. These figures include Bills introduced in the last week of the 2011 Winter sittings even though it was in July 2011. This is to ensure that the figures are properly comparable with other years.

66 The following table gives more detailed figures for those Bills,

broken down by parliamentary sittings periods.

67 It should be noted that the Spring 2010 sittings was much shorter than usual due to the election.

68 The figures in the table also indicate:

- the total number of Bills on the original program for each sittings that is set by the Parliamentary Business Committee of the Cabinet

(*PBC*) at the end of the preceding sittings (note that the original program is subject to variations during the sittings concerned);

- the number of Bills on the Government's legislation program for which OPC received no instructions; and
- the number of Bills that OPC was not able to complete despite having received timely instructions.

69 There are various circumstances in which a Bill would not fall into any of the categories covered by a column in the table. A Bill would not fall into any of those categories if:

- instructions were received during the sittings concerned, but too late for the Bill to be introduced even if drafting resources had been available;
- instructions were received in good time, and drafting was started, but the Bill was too big to be finished during the sittings concerned;
- instructions were received, and drafting was started, but outstanding policy issues were not resolved in time for the Bill to be finished during the sittings concerned;

- the Bill was completed but was not approved by the Minister in time for introduction during the sittings concerned; or
- the Bill was overtaken by events, and abandoned, after drafting started (or after it finished).

70 An understanding of the programming approach used by PBC is necessary to make sense of the tables. This involves dividing the legislation planned for a parliamentary sittings into 4 categories:

- **Category T (“time critical”):** These Bills are intended to be introduced and passed in a single sittings.
- **Category A:** Most important after category T. Generally intended for introduction, but not passage, during the sittings.
- **Category B:** Next most important. Generally intended for introduction, but not passage, during the sittings.
- **Category C:** Less important, or less likely to be ready for introduction (e.g. because final policy is dependent on the findings of a review that will not be completed until late in the sittings).

71 Some Bills in categories A, B and C may not be intended for introduction in the sittings concerned. These are Bills that are very large, or are required for

consultation purposes before introduction. Drafting of such Bills needs to be started well before the sittings proposed for introduction.

	Bills on original PBC program	Bills introduced	Bills for which no instructions were received	Bills which were not able to be finished even though timely instructions were received
Spring 2010 (October—December 2010)				
T	45	32	7	0
A	91	38	12	0
B	5	2	4	2
C	0	1	0	0
Total	141	73	23	2
Autumn 2011 (February—March 2011)				
T	40	26	5	0
A	68	25	23	4
B	46	6	22	2
C	5	0	3	1
Total	159	57	53	7
Winter 2011 (May—July 2011)				
T	36	35	7	2
A	63	23	30	1
B	41	3	27	3
C	9	1	8	0
Total	149	62	72	6

72 Apart from the numbers of Bills introduced, totalling the numbers shown for the year may be misleading as there is some overlap from sittings to sittings (e.g. the same Bill may be included in the PBC program, or may be covered by the heading “Bills for which no instructions were received” for 2 or even all sittings during the year).

73 OPC surveys its direct clients (agency instructors) about all Bills drafted. Among other things, clients are asked whether the Bills as introduced reflect their policy intentions. Survey responses indicate that all Bills reflect their sponsors’ policy intentions. However, since Bills are not introduced without clearance from those sponsors, it would be surprising if sponsors did not believe that Bills reflected the sponsors’ policy intentions when they are introduced.

74 The target in the Portfolio Budget Statements for the average response to “overall satisfaction” was 4.0 out of 5 (where 5 is the highest rating). The result for this year was 4.8 out of 5.

75 Comments included in responses to the client surveys reinforce this very high degree of

satisfaction with services provided by OPC. Comments in response to the question “*What did you like most about this experience with the Office?*” include:

Professionalism, assistance beyond the call of duty.

The speed at which drafts were turned around for our consideration was greatly appreciated (noting policy and legal accuracy wasn’t lost due to the speed, either).

The high level of efficiency and accuracy in drafting and the fast appreciation of legal and policy issues in the drafting process.

The level of cooperation and assistance from the drafters and from OPC as a whole was excellent.

The responsiveness, and the skill of the drafter to quickly appreciate issues and produce different drafts.

I found OPC to be extremely responsive in dealing with our concerns and happy to assist and answer any queries that we had. We also appreciated the efforts of the drafters in preparing the Bill in an extremely short period of time.

The drafting team was very approachable and willing to adapt

to the unusual requirements of this process.

The drafting team was prompt to respond to queries, approachable, open to our views and able to deal with issues professionally. I believe that the relationship formed with the drafters made a very positive contribution to the process of developing the Bill and amendments.

76 OPC also asked instructors “How easy is the Bill to understand, having regard to the inherent complexity of the subject matter?”. The average response for this was 4.5 out of 5 (where 1 is impossible and 5 is very easy).

77 Many instructors also included comments to the effect that the drafters had assisted in making the provisions as easy to read as possible. For example:

The Bill was structured in a way that was easy to explain to others and made drafting of supporting information relatively simple.

Very happy with the readability of the new sections.

An exposure draft of the Bill was circulated to industry associations, maritime unions and the States/NT.

There were no comments from anybody that the Bill was difficult to understand.

[The drafters] have endeavoured to make amendments to a very complex piece of legislation as clear as possible and have achieved a reasonably clear outcome, particularly in the context of the Act’s wider complexity.

Survey of users of legislation

Background

78 During the 1990s, OPC experimented with a range of innovations to our drafting style. These were all intended to improve the usability of legislation.

79 Some are quite visible (such as outlines) whereas others are less obvious to the reader (such as the use of shorter provisions).

80 First Parliamentary Counsel received feedback at conferences and Board of Tax meetings that indicated that some of these features are appreciated by users whereas others are disliked by users.

81 Consequently, OPC thought that it would be useful to run a survey of a range of users of Commonwealth legislation to see

how different innovations are viewed by users.

The range of users

82 There is of course a wide range of users of legislation. While the general public is potentially a user of legislation, it was considered that it would be too difficult to contact an appropriate sample.

83 The groups surveyed were:

- Federal Court Judges;
- associates/research staff for Federal Court Judges;
- Family Court Judges;
- associates/research staff for Family Court Judges;
- Federal Magistrates;
- associates/research staff for Federal Magistrates;
- AAT members;
- associates/research staff for AAT members;
- solicitors (with groups drawn from Sydney, Melbourne and Brisbane);
- barristers (with groups drawn from Sydney and Melbourne and from junior and senior counsel);
- Commonwealth Public Servants from instructing areas

and advising areas in Departments;

- Australian Government Solicitor (AGS) employees;
- employees of the Director of Public Prosecutions (DPP); and
- parliamentary Table Office staff.

84 For the purposes of analysing results, a number of groups were combined. For example, all of the judges, magistrates and AAT members were combined into one group.

Structure of survey

85 The survey asked respondents to comment on how useful they consider a range of innovations to be and to provide comments on the different innovations.

86 Examples showing the innovations were provided to the respondents.

87 In some cases, respondents were given the same provisions drafted in two different ways (e.g. using formulas compared to method statements and comparing different commencement provisions).

88 The aim was to make the survey fairly easy to respond to while ensuring that respondents understood what they were being asked about.

89 Respondents were given space to add additional comments. The quantity and quality of these comments was high.

Conduct of the survey

90 The survey was conducted by ORIMA research who are a professional survey company.

91 OPC contacted the organisations from which we were seeking respondents asking for volunteers. The list of volunteers was passed on to ORIMA who contacted the respondents directly. OPC did not see the individual responses: ORIMA provided OPC with consolidated data from the responses.

92 The survey document was put together by ORIMA based on material provided by OPC.

Innovations tested

93 The following innovations were included in the survey:

- commencement provisions;
- overviews;

- guides;
- decentralised tables of contents;
- object provisions;
- examples;
- notes;
- using asterisks to identify words that have been defined;
- the use of tagging of concepts;
- section headings in the form of questions;
- subsection headings;
- using tables to organise large amounts of information;
- diagrams;
- method statements;
- drafting legislation in the second person;
- the new format for legislation including indenting conventions.

94 Some other innovations were not included as it was considered that it would be too difficult to explain them in a way that would ensure that people understood the issue. Having seen the high quality of responses on this survey, it may be possible to run a subsequent survey covering some of these matters and other matters related to the drafting of Bills. Alternatively, these matters may be better tested in focus

groups or some other testing environment. The innovations that were not tested were:

- organising many amending Bills by topic; and
- provisions stating “this section/Division applies if...”.

Results

95 Generally the innovations that were tested received very favourable feedback from across the groups that were surveyed.

96 Those that rated particularly well were:

- the new format for legislation;
- the new form of commencement provisions;
- the use of notes;
- the use of tagging of concepts;
- the use of tables; and
- the use of subsection headings.

97 Only one feature rated very poorly. This was the use of the second person (i.e. drafting in the form “You are liable for tax if...”). More respondents in the AGS/DPP group, the judges/magistrates group and the private sector lawyers group were dissatisfied with this feature than were satisfied.

98 Other innovations that did not rate particularly well were:

- the use of asterisks to identify defined terms;
- the use of diagrams; and
- the use of method statements.

99 Detailed results for all of the innovations are available in the final report. This is published on OPC’s website at www.opc.gov.au/plain/docs.htm.

Conclusions and future action

100 The results of the survey provide strong support for OPC to continue the use of most of the innovations that were tested. Therefore, OPC will continue to use those features. OPC will look to incorporate some innovations, such as outlines, that are currently only used in some Acts into a broader range of Acts.

101 Of course, as was noted by some respondents, all of the features need to be used judiciously. For example, while notes were considered useful, the overuse of notes can disrupt the flow of the text.

102 The hostility generated by the use of drafting in the second person (which was described in numerous comments as “patronising”) and the low level of support for this feature indicate that

it is one that should not continue to be used. There are some Acts that are currently drafted in this style and generally it will be necessary to continue to use the style within those Acts. However, it should not be used in any new principal legislation.

103 Similarly, the use of asterisks does not seem to have sufficient support to suggest that its use should be expanded.

104 Diagrams and method statements are also features that we will use in more limited circumstances than previously.

105 The survey has also provided OPC with access to a

group of respondents who may be able to help us with future research into drafting techniques.

106 The survey asked respondents whether they had any suggestions for additional innovations to our drafting style that OPC could implement.

Respondents suggested a number of potential innovations, and also topics to be covered in future research. The high quality of these suggestions will help inform the preparation of any future research into drafting techniques.

107 OPC would like to thank all of the participants who took the time to complete the survey.

Parliamentary amendments

108 OPC keeps records of the numbers of parliamentary amendments drafted and the proportion of those amendments required to correct drafting errors in the Bills concerned. Those figures are set out in the following table.

109 The table also shows figures for reporting years since 2003-2004, to enable trends to be identified. The table relates to the numbers of amendments drafted in OPC, not all of which were moved in the Parliament.

Parliamentary amendment statistics**Number of amendments drafted (% of total)**

Year	Government policy change	Government new policy	Government correction of drafting errors	Non-government amendments	Total
2010-2011	529 (79.4)	58 (8.7)	3 (0.5)	76 (11.4)	666
2009-2010	1,110 (81.6)	97 (7.1)	61 (4.5)	92 (6.8)	1,360
2008-2009	812 (67.4)	340 (28.2)	14 (1.2)	38 (3.2)	1,204
2007-2008	191 (79.3)	26 (10.8)	18 (7.7)	6 (2.5)	241
2006-2007	735 (84.9)	80 (9.2)	51 (5.9)	0 (0.0)	866
2005-2006	721 (86.6)	58 (7.0)	38 (4.6)	16 (1.9)	833
2004-2005	309 (81.7)	53 (14.0)	14 (3.7)	2 (0.5)	378
2003-2004	960 (74.5)	110 (8.5)	97 (7.5)	121 (9.4)	1,288

110 The number of amendments dropped back somewhat from the last couple of

years. This may have been the result of the 2010 election which

meant that the Spring 2010 sittings was much shorter than usual.

111 Amendments described as “government policy change” make changes to policy positions already dealt with in the Bill concerned.

Amendments described as “government new policy” add new material, dealing with new policy, to the Bill. Generally, these represent cases in which a Bill already in the Parliament is seen as a convenient vehicle for additional but urgent legislative provisions.

112 Amendments described as “non-government amendments” are very rarely drafted by OPC on instructions from the non-government members concerned. Usually they are prepared on instructions from departmental or ministerial staff for use in negotiations with non-government members.

Program component 1.2—Program and project management

Indicator	Performance
<p><i>Quality:</i> Drafting work is allocated, and legislative projects are managed, so as to make optimum use of drafting resources</p>	<p>Drafting work was allocated in accordance with the priorities set by the Parliamentary Business Committee, having regard to efficiencies available from a flexible application of those priorities.</p>
<p>113 In managing OPC's drafting resources, FPC applied the programming categories described above. Generally, Bills are allocated for drafting, and are drafted, in order of priority. That is, category T Bills are drafted in preference to category A Bills, which are drafted in preference to category B Bills, and so on.</p>	<p>while the drafting team finishes the category T Bill.</p>
<p>114 Occasionally, however, there are efficiencies to be gained from a slightly more flexible approach to the categories. For instance, it may be sensible to delay allocation of a particular high category Bill until a drafting team with relevant expertise becomes available. In another case, it may be efficient for a drafting team to do some work on a category A Bill before finishing a category T Bill, if the work on the category A Bill will then allow the category A instructors to make further progress on policy refinement or consultation</p>	<p>115 The allocation of drafting resources according to the categories is borne out by the figures in the tables in the section on Program component 1.1—Legislation. These show that the higher a Bill's category, the more likely it is that drafting resources will be found to enable it to be introduced, and conversely, that the lower a Bill's category, the more likely it is to miss out on introduction in a particular sittings even if timely drafting instructions are given to OPC.</p> <p>116 Drafting teams are usually responsible for several Bills of different categories at any one time. This means that some work may be done on lower category Bills during lulls in a drafter's higher category work (e.g. while clients are considering a first draft of a higher</p>

category Bill or awaiting Ministerial approval of detailed policy proposals). This explains why some lower category Bills are introduced each sittings while other higher category Bills are unable to be finished; a drafter might be able to finish a small category C Bill in the intervals between work on category T and A Bills, but might not have enough “spare” time to be able to make useful progress with a more substantial category B Bill.

117 Government Bills were supplied to the Parliament in accordance with applicable deadlines. However, most

deadlines for the introduction of Bills are not immutable, and may change to reflect progress in policy development and drafting, consultation requirements, clearance processes or other matters affecting the availability of draft Bills for introduction.

118 For most drafting projects, the drafters advised instructors on aspects of the management of the project. For some projects (especially large projects or ones being handled by inexperienced instructors), the drafters had to play a major role in project management.

Program component 1.3—Legislative drafting capability

Indicator	Performance
<i>Quality:</i> Lawyers recruited to the Office are trained in legislative drafting, to ensure the long-term viability of drafting resources	All assistant drafters worked closely, in an apprenticeship relationship, with a senior drafter. The primary purpose of this arrangement is to develop the drafting skills of the assistant drafters.
<i>Quality:</i> Potential instructors are trained in policy development and preparation of instructions, to ensure efficient use of drafting resources and quality of Bills	11 Legislation Process courses for instructors and potential instructors were conducted during the year. This exceeded the target to run at least 10 courses each year.
<i>Quality:</i> Legislative drafters maintain and improve drafting skills and knowledge	Legislative drafters maintained and improved their drafting skills and knowledge through working in teams in a range of subject areas and through participating in various OPC professional development activities. The Director of Drafter Training has implemented an extensive program of training sessions for drafters.
119 OPC completed a recruitment process for new assistant drafters at the end of 2010. One assistant drafter was recruited.	leave without pay working in another drafting office.
120 OPC's turnover of drafting staff has been extremely low over the past 5 years. During this period, only 5 drafters have left OPC. Of the drafters who have left, 2 retired, and 1 resigned after long periods of	121 This very low turnover (about 3% per annum) has enabled OPC to build up a strong group of assistant drafters. It also means that OPC does not need to recruit to the same extent that it has in previous years.
	122 All assistant drafters work closely, in an apprenticeship

relationship, with a senior drafter (SES or Statutory Office holder).

The primary purpose of this arrangement is to develop the drafting skills of the assistant drafters, while allowing the assistant drafters to make a significant contribution to the output of each drafting team. The level of supervision and training provided to the assistant drafters varies depending on their individual skills and experience.

123 Legislative drafters have maintained and improved their drafting skills and knowledge through working in teams in a range of subject areas and through participating in various OPC professional development activities. See Chapter 4 (Management of human resources) for more details about this.

124 The Director of Drafter Training coordinates a program of formal training activities. A key component of this is the program of in-house seminars for drafters. The seminars cover emerging issues that drafters need to be aware of, as well as reminder sessions on topics that continue to be of relevance. The in-house seminars have been running for a number of years now and play an important

role in the training and development of drafters.

125 A delegation from OPC attended the 10th Commonwealth Association of Legislative Counsel conference and general meeting, which was held in conjunction with the Commonwealth Law Conference in Hyderabad, India, in February 2011. A number of papers were presented by OPC drafters. These were received very favourably. The conference was a valuable development opportunity for the drafters who attended.

126 At the conference, Peter Quiggin was elected as President of the Commonwealth Association of Legislative Counsel.

127 OPC conducted 11 Legislation Process courses during the year, with a total of 161 participants. A total of 204 Legislation Process courses have been run since they commenced in 1994.

128 Course evaluations indicated that the courses provide valuable training in policy development and preparation of instructions. Comments include:

“Very good course, I will be recommending it to others.”

“Fantastic. Overall, one of the best courses I have been to. I learnt a lot about the legislation process. Presenters were very approachable.”

“Great course. Insightful and invaluable!”

“Very professional and well pitched presentations.”

“Great overview of the legislation process, you have definitely demystified the process for me!”

“The presenters were excellent! Found this course very interesting and useful!”

“Good blend of theory and hands on exercises.”

“I have been impressed with OPC’s professionalism in the organisation and presentation of this course.”

“Very informative course presented in an engaging manner, with just enough challenging interactions

and exercises to keep us on our toes.”

129 The importance that OPC attaches to Legislation Process courses is shown by the inclusion of the courses as a performance measure for 2010-2011. The target is to run at least 10 courses each year. This year, we exceeded that target.

130 OPC is currently considering ways of making the courses more efficient while still training the same number of instructors. This may lead to a change in the number and structure of the courses.

131 A survey of instructors on recent drafting projects indicates that a substantial proportion of instructors have been on a Legislation Process course. Some drafting instructions received by OPC showed evidence of skills gained through attendance at a Legislation Process course.

Program component 1.4—Standardisation and quality control of legislation

Indicator	Performance
<p><i>Quality:</i> Drafting standards and conventions applied consistently to Bills</p>	<p>Editorial checking ensured that drafting standards and conventions were applied consistently to all Bills.</p> <p>OPC rules, standards and conventions were documented and promulgated.</p> <p>Discussions were held amongst drafters on the desirability of greater consistency in the drafting of provisions and ways in which such consistency could be achieved.</p>
<p>132 Editorial checking ensured that drafting standards and conventions and the normal rules of grammar were applied consistently to all Bills. Editorial checking involves a range of automated checks (including spelling and grammar checking built into our word-processing software, and customised checks to identify such things as departures from OPC’s basic formatting requirements), and “manual” checks by an Editorial Team. This “manual” checking detects errors of various kinds, including:</p> <ul style="list-style-type: none"> • words missing from sentences; • inconsistencies of expression; • punctuation errors; • grammatical errors (e.g. inconsistencies of tense or lack 	<p>of agreement between subject and verb); and</p> <ul style="list-style-type: none"> • misdescribed amendments. <p>133 The editorial checking work is carried out by an Editorial Team consisting of the Editorial Officer and Designated Checkers. During the year, OPC recruited 1 new administrative employee to work, as part of their duties, as a Designated Checker. This staff member undertook intensive in-house training in the editorial work of OPC. The increase in the number of staff who are trained in editorial checking has given OPC greater flexibility and also made OPC less vulnerable to skills shortages if particular staff leave.</p> <p>134 It should be noted that apart from such things as basic</p>

grammar and formatting requirements and standard amending forms, there are different drafting styles and some will be more or less appropriate than others for particular Bills. This means that while all OPC Bills should (and do) look basically the same, different Bills might make different use of aids such as outlines and notes, and use more or less technical or colloquial language, depending on such things as the subject matter of the Bill and its intended audience.

135 OPC has a Drafting Manual that gives an overview of drafting matters and then refers the reader to particular Drafting Directions for greater detail.

136 The Drafting Directions are organised on a subject-matter basis. This arrangement makes the Drafting Directions easy to use.

137 The Drafting Manual and all current Drafting Directions are available from the OPC Documents menu on OPC's website: www.opc.gov.au.

138 Over the past few years, discussions have taken place amongst drafters on the desirability of even greater consistency in the drafting of provisions and ways in

which such consistency could be achieved. This has led to a noticeable increase in consultation between drafting teams about the best drafting approach to adopt in particular cases.

139 For example, as part of the Paid Parental Leave project, a manual was developed setting out particular approaches to be adopted for that Bill.

140 Work has also commenced on a project with the Office of Legislative Drafting and Publishing to harmonise the Drafting Directions of the two offices. It is hoped that this project will be completed in 2011-2012. The project may also lead to a generic set of Drafting Directions that could be used by others who draft legislative instruments for the Commonwealth.

141 OPC has monthly meetings of all drafters. These have been used to discuss drafting issues that are of general interest as well as reports from the liaison officers. The meetings have been very productive and have been the subject of positive feedback from drafters. We will continue to review the meetings to see how they can be improved.

142 OPC prepared amendments to correct a number of minor errors in Acts, most of which had been identified by the Attorney-General's Department in the course of preparing consolidated versions of Acts. The amendments were included in the *Statute Law Revision Act 2011*. That Act also included amendments to amend references to Ministers and Departments across the statute book to ensure that the references would be correct after a change in title of the Minister or Department.

143 That Act, along with the Statute Stocktake Bill (No. 1) 2011, repealed a large number of redundant Acts. Doing this on an ongoing basis unclutters the statute book.

144 A major project that was undertaken together with the Attorney-General's Department was the *Acts Interpretation Amendment Act 2011*. This Act was the first major update of the *Acts Interpretation Act 1901* in many years and implemented recommendations for change that had been made in various reports over the last two decades.

145 The overhaul of the Acts Interpretation Act included major structural improvements to the Act as well as updating numerous provisions.

146 The Acts Interpretation Act is an important piece of legislation for all people who are working with Commonwealth legislation and the amendments should make it substantially easier to work with.

Performance information—analysis

Drafting resources applied according to government priorities

147 The tables in the section on performance indicators for Program component 1.1 show that, as required by those performance indicators, drafting resources were applied, and Bills were drafted, in accordance with government priorities.

148 Most category T Bills were drafted and introduced. Several Bills retained category T status to ensure access to drafting resources throughout the sittings concerned. Many category A Bills, 11 Category B Bills and 2 category C Bills were drafted and introduced. For a significant number of Bills, no instructions were received.

Instructions for lower category Bills

149 OPC received no instructions for around half of the Category B and C Bills on the original legislation program.

150 The preponderance of lower category Bills in the “no instructions received” column of each table suggests either or both of the following:

- that PBC’s pre-sittings assessment of the relative importance and urgency of different legislative proposals (as indicated by the categories assigned) is fairly accurate;
- that some sponsoring Ministers or agencies abandon or cut back their efforts in relation to Bills that are given a lower category.

151 Such a reduction of effort may be an understandable reaction, but it is not a sensible one if a project is worth pursuing at all. An absence of drafting instructions for a Bill in itself can lead to PBC allocating a lower category to the Bill for subsequent sittings. Furthermore, there are usually a few lower category Bills drafted, or started, among the higher priority projects, at least in the longer Spring sittings. However, a lower category Bill will never get access to small chunks of drafting resources if OPC has not received instructions.

Influences on OPC's performance

The 2010 election

152 The timing of the 2010 election meant that the Spring 2010 sittings was much shorter than in a normal year.

153 A consequence of this was that the number of Bills introduced in that sittings was below the number for corresponding sittings in recent years.

154 OPC used the caretaker period to undertake a wide range of projects that assist OPC to be more effective in the long term.

155 These included reviewing a range of drafting related documents such as the Amending Forms Manual and the Guide for Clients.

Maternity leave

156 OPC is very supportive of staff taking maternity and paternity leave. Our new enterprise agreement provides for an additional 4 weeks of paid leave above the entitlement provided for under the *Maternity Leave (Commonwealth Employees) Act 1976*.

157 However, having a large number of staff on maternity leave at the one time has an impact on OPC.

158 During the year 4 staff, including 3 drafters, were on maternity leave at some stage. This is approximately 9% of all drafters.

Demand for legislation from particular portfolios

159 There continued to be a substantial demand for the drafting of tax legislation and legislation for the Attorney-General's portfolio.

160 Other major projects that required substantial resources were Bills related to climate change, the Bills related to the taxation of mining and Bills to implement COAG reforms.

161 The demands for drafting from other agencies also seemed to have increased.

Exposure drafts

162 Our performance measures are also affected by an increasing preference among many of our clients for exposing draft legislation for public comment before introduction into Parliament. Following the previous Government's adoption in 2002 of

the Board of Taxation's recommendations on consultation in the tax area, much of the tax legislation drafted by OPC is exposed for comment, either widely or in targeted consultations, before being finalised for introduction.

163 The Government has also given in-principle agreement to the recommendations of the Tax Design Review Panel. One of these recommendations is that there should generally be public consultation on draft tax legislation. This is likely to increase the number of matters for which exposure drafts are prepared.

164 There is also an increasing trend towards the release of exposure drafts in other areas.

165 Sometimes, these exposure drafts are public exposure drafts. For example, this year exposure drafts of the following Bills were released for public comment:

- Acts Interpretation Amendment Bill 2011
- Banking Amendment (Covered Bonds) Bill 2011
- Broadcasting Legislation Amendment (Digital Dividend and Other Measures) Bill 2011
- Business Names Registration Bill 2011
- Business Names Registration (Fees) Bill 2011
- Business Names Registration (Transitional and Consequential Provisions) Bill 2011
- Carbon Credits (Carbon Farming Initiative) Bill 2011
- Combating the Financing of People Smuggling and Other Measures Bill 2011
- Competition and Consumer Amendment Bill (No. 1) 2011
- Corporate Offences (Derivative Liability) Amendment Bill 2011
- Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Bill 2011
- Corporations and Other Legislation Amendment (Trustee Companies and Other Measures) Bill 2011
- Customs Amendment (Export Controls and Other Measures) Bill 2011
- Customs Tariff Amendment (Taxation of Alternative Fuels) Bill 2011
- Defence Trade Controls Bill 2011
- Ethanol Production Grants Bill 2011

- Excise Tariff Amendment (Taxation of Alternative Fuels) Bill 2011
- Extradition and Mutual Assistance in Criminal Matters Legislation Amendment Bill 2011
- Financial Sector Legislation Amendment (Close-out Netting Contracts) Bill 2011
- Illegal Logging Prohibition Bill 2011
- Intellectual Property Laws Amendment (Raising the Bar) Bill 2011
- Minerals Resource Rent Tax Bill 2011
- National Health Reform Amendment (Independent Hospital Pricing Authority) Bill 2011
- Navigation Amendment Bill 2011
- Paid Parental Leave and Other Legislation Amendment (Consolidation) Bill 2011
- Personal Property Securities (Corporations and Other Amendments) Bill 2011
- Superannuation (Self Managed Superannuation Funds) Supervisory Levy Imposition Amendment Bill 2011
- Taxation of Alternative Fuels Legislation Amendment Bill 2011
- Telecommunications Legislation Amendment (Fibre Deployment) Bill 2011
- Tobacco Plain Packaging Bill 2011
- Work Health and Safety Bill 2011

166 At other times, there are exposure drafts that are shown to a limited group with a particular interest in the area covered by the Bill.

167 Usually, exposure of a draft Bill generates proposals for change, and OPC receives drafting instructions to revise the Bill before introduction.

168 Sometimes, exposure reveals flaws in the draft Bill. Exposing a Bill for comment also provides an opportunity to improve the drafting of the Bill before introduction. However, the exposure process does absorb extra drafting resources and extends the elapsed time taken for the drafting project. This means that, increasingly, the Bills introduced in a particular year may reflect substantial work actually done by OPC in previous years,

while work done during the reporting year is less visible.

OPC's funding position

169 OPC has been provided with additional funding over 4 years, commencing this financial year, for the increased legislative drafting requirements arising from the government's taxation reform agenda. These funds are being used to provide additional drafting resources and support drafting capacity to meet the government's commitments for timely consultation on all substantive tax changes.

OPC's financial performance

170 The surplus attributable to the Australian Government for OPC for the 2010-2011 financial year was \$0.345 million. As a result of the new net cash reporting framework that commenced this financial year, the operating surplus for 2010-2011 cannot be compared to the operating surplus for 2009-2010.

171 The total expenses increased by \$0.460 million to \$10.451 million in 2010-2011, compared to \$9.991 million in 2009-2010.

172 Employee expenses increased by \$0.775 million to \$8.166 million in 2010-2011, compared to \$7.391 million in 2009-2010.

173 Supplier expenses decreased by \$0.318 million to \$1.902 million in 2010-2011, compared to \$2.220 million in 2009-2010.

174 At 30 June 2011, OPC had net assets (assets less liabilities) of \$2.878 million compared to \$2.376 million for the previous year.

175 At 30 June 2011, OPC had financial assets of \$5.064 million. This includes \$4.905 million of undrawn appropriations that are held in the Official Public Account under the Government's just-in-time drawdown arrangements, and cash at bank of \$0.102 million.

176 No significant events have occurred after balance date that would have an effect on the ongoing structure and financial activities of OPC.

177 The agency resource statement and resources for outcome are set out in Appendix A.

Chapter 3—Management and accountability

Corporate governance

Accountability

178 First Parliamentary Counsel (**FPC**) is accountable to the Parliamentary Business Committee of the Cabinet (**PBC**) for the allocation of drafting resources according to the legislation program determined by that Committee. FPC attends PBC meetings (usually held on the Monday of each parliamentary sitting week) to answer questions and provide advice about how the drafting of Bills is progressing.

Senior management team

179 FPC takes responsibility for most of the decision-making within OPC on strategic and high-level management issues. FPC is assisted in this by the other members of the senior management team.

180 The senior management team consists of:

- First Parliamentary Counsel (Mr Peter Quiggin);
- the two Second Parliamentary Counsel (Ms Marina Farnan and Mr Iain McMillan); and

- the General Manager, who is also the Chief Finance Officer (Ms Susan McNeilly).

181 The senior management team meets regularly. Issues that the team considered during the year included:

- corporate governance;
- risk management and fraud control;
- financial management;
- recruitment policies and strategies;
- workforce planning;
- training and development of drafters;
- health promotion;
- security;
- asset and property management;
- records management;
- performance management, reporting and review;
- OPC's Enterprise Agreements; and
- internal policies, practices and processes.

Workplace Consultative Committee

182 OPC places importance on the involvement of staff in the decision-making process. This is achieved through the Workplace Consultative Committee (**WCC**). The WCC consists of the members of the senior management team and 5 employee representatives—one representing each of 2 drafter work groups, 2 representing the corporate services workgroup, and 1 general employee representative.

183 The WCC is the primary method for consultation with staff on matters other than drafting-related matters. The WCC meets every 6 weeks and is chaired by a staff representative. The WCC has proved to be an effective method of ensuring staff can contribute to decision-making within OPC in an efficient manner.

Audit Committee

184 OPC's Audit Committee consists of Mr Kevin Patchell, who is the Chair and external to OPC, together with two SES drafters who hold office for 2 years at a time. In addition, there is a standing invitation to the ANAO to participate in the Audit Committee meetings.

The General Manager and Accountant also attend meetings.

185 During the year, the activities of the Audit Committee included:

- providing advice to FPC and the General Manager on the preparation and review of OPC's Financial Statements;
- review of OPC's Internal Audit Plan; and
- review of internal audit reports.

Other committees

186 Since the establishment of the WCC, the need for other office committees has diminished.

Meetings of all drafters

187 Monthly meetings with all drafters are focused on issues that are of interest to all drafters. These include reports by the various liaison officers and issues of general interest that arise from that work. Drafting issues are also discussed. While the meetings have been very successful, a modified approach will be trialled during the coming year of having meetings of all drafters one month and meetings of senior drafters in the alternate month.

Staff meetings

188 A general staff meeting is held monthly except in January and July. This is primarily an information meeting, and the agenda provides for FPC and other members of OPC to report on specified aspects of OPC operations, such as the progress of the legislation program, staff movements and IT issues.

Risk management and fraud control

189 During the year, OPC conducted its annual review of the Risk Management Policy and Plan.

190 OPC has in place a Fraud Control Policy and Plan and appropriate fraud control mechanisms that meet the needs of OPC, and comply with the Commonwealth Fraud Control Guidelines for the 2010-2011 financial year, including reporting requirements. OPC has reviewed the Fraud Control Policy and Plan during the year. The review included an assessment of risks. No additional fraud control initiatives were undertaken as a result of the review.

191 OPC has in place appropriate fraud prevention, detection, investigation, reporting

and data collection procedures and processes that meet OPC's specific needs and comply with the Commonwealth Fraud Control Guidelines.

192 A number of internal policies and procedures have been developed and updated to support and complement our Chief Executive Instructions, Risk Management Policy and Plan, and Fraud Control Policy and Plan.

193 An integral element of OPC's risk management framework is business continuity management.

Operational risks

194 The major areas of operational risk are:

- matters affecting the availability of drafting resources; and
- matters affecting the availability of OPC's information technology (*IT*) system.

Drafting resources

195 To ensure the availability of drafting resources, OPC has adopted measures to address both short-term and long-term operational risks.

196 To address short-term risks, steps are taken to ensure that

OPC's operations are not seriously affected by the absence of individual drafters. The allocation of drafting projects to teams of 2 or more drafters provides some insurance against resource problems caused by unexpected absences of drafters. The team arrangements ensure that current projects can continue in the absence of a team member. Management monitors the leave plans of all drafting staff to ensure that there are no unacceptable shortages of drafting resources caused by planned leave.

197 Addressing long-term risks of the availability of drafting resources is a substantially more complex issue. It takes approximately 5 to 6 years to train a legislative drafter to the point at which they can take sole responsibility for the drafting of Bills. Consequently, ensuring the availability of suitable drafting resources requires all of the following:

- a recruitment program to ensure that high quality lawyers are recruited;
- an approach to training that ensures that recruits are given the opportunity to develop high-level drafting skills in the shortest possible time; and

- the retention of trained drafters through the provision of interesting work, good career opportunities, attractive working conditions and appropriate remuneration.

198 The retention of drafters in recent years has been very high with a very low turnover of about 3% per annum of drafting staff in the past 5 years. This puts OPC in an excellent position for the future.

Information technology systems

199 OPC is very dependent upon its IT systems. These systems provide substantial efficiencies and are integral to the work of all OPC staff. Therefore, any interruption to the availability of the IT systems would have a major effect upon OPC.

200 Comprehensive risk management and contingency plans have been developed for OPC's IT system. This has resulted in there being very few interruptions to the availability of OPC's IT systems. In addition, OPC is prepared for the possibility of major damage to our IT systems.

201 OPC maintains an off-site server facility. This provides OPC

with a high level of protection against loss of IT services and plays a key role in OPC's Business Continuity Management Plan.

202 OPC has reviewed the risk management and contingency plans as part of the work on business continuity management for the whole of OPC.

203 OPC continued to provide secure remote access to OPC's IT system for staff who requested it. This both enables staff to perform some work from home and when travelling and provides a contingency arrangement if OPC's building is unavailable.

Maintenance of ethical standards

204 OPC has taken steps to ensure that staff are aware of their rights and obligations under the *Public Service Act 1999*. These include training courses for all staff run by senior management and the circulation of materials throughout the office.

205 Formal procedures have been established for determining breaches of the Code of Conduct, and for dealing with whistleblowers' reports.

206 The APS Values, Code of Conduct, Chief Executive Instructions and other material relevant to ethical conduct are incorporated, as appropriate, into OPC policies and guidelines. All new employees are given a copy of the relevant material during their induction program including information about the Australian Public Service Commission's Ethics Advisory Service. In addition, new employees are provided with the APS online induction program.

207 OPC sets very high ethical standards. OPC's policy on the acceptance of gifts and hospitality appears to be more restrictive than that of most other Commonwealth Government agencies. This policy applies equally to members of the senior management team and to other staff.

208 During the year the results of OPC's employee survey, that was conducted at the end of 2009-2010, were analysed. 95% to 98% of OPC staff who responded agreed that their work colleagues, supervisors and senior leaders acted in accordance with the APS Values.

SES remuneration

209 During the year, remuneration for all SES staff

members was determined under existing AWAs.

210 Under the AWAs, SES staff are entitled to the same increases in their base salary as are payable to non-SES staff. In addition, the allowances previously paid to SES staff were rolled into their base salary. On top of their base salary and in recognition of the value to OPC of retaining trained and experienced senior drafters, SES drafters are entitled to a loading that depends on the particular staff member's drafting experience. The experience loading is subject to the staff member concerned being appraised as at least "fully effective" each year.

External scrutiny

Decisions of judicial or administrative tribunals

211 There have been no decisions of judicial or administrative tribunals that have had, or may have, a significant direct impact on the operations of OPC.

212 There have been no reports on the operations of OPC by the Auditor-General (other than the report on financial statements), a parliamentary committee or the Commonwealth Ombudsman.

Chapter 4—Management of human resources

Survey of OPC staff

213 OPC conducted a survey of all staff using the same survey used by the Australian Public Service Commission for the 2010 State of the Service Employee Survey. Nearly all staff responded to the survey ensuring that the results that we obtained were representative. We received a report that showed OPC's results and a report that compared those results to the APS-wide results.

214 Overall OPC's results were excellent, both absolutely and in comparison to the rest of the APS.

Areas in which OPC performed particularly well

215 There were a number of areas where the results in OPC were at least 20 percentage points higher than the APS generally. (Where percentages are set out below, the percentage in bold is the OPC percentage and the percentage in italics is the overall APS percentage.)

Working environment

216 **100%** of OPC staff agreed that OPC is a good place to work; they were proud to work at OPC;

and OPC provides access to effective learning and development. This was an excellent result, and it compared favourably with the results for the APS (75%; 68%; and 62% respectively).

Quality of leadership and communication

217 For leadership being of the highest quality (**100%**; 43%); the agency being well-managed (**100%**; 41%); effective communication between senior leaders and staff (**93%**; 33%); senior leaders being receptive to ideas put forward by other employees (**95%**; 35%); senior leaders discussing with staff how to respond to future challenges (**85%**; 40%); and our most senior leaders being sufficiently visible (**95%**; 39%), OPC's results were very positive.

Support for work groups

218 Another area where the results were very pleasing was in the relationships within and between work groups. This is very important in a small agency such as OPC where there are major interdependencies.

219 For the questions in this category, OPC rated between **80%**

and **98%** (compared to 50% and 85% for the APS).

Recruitment and selection

220 Recruitment and selection of staff is very important from 2 perspectives. From the perspective of OPC as an organisation, it is important that we get and retain the best people. From the perspective of individual staff, it is important that the system is fair and works well.

221 OPC's results were very positive, with **76%** of OPC staff believing recruitment and promotion decisions are fair (39% for the APS).

222 **80%** of staff also agreed that OPC routinely applied merit in decisions regarding engagement and promotion resulting from a competitive selection process (compared to 44% for the APS).

Performance of supervisors

223 There were consistently positive results for staff impressions of their supervisors. OPC's results were in the range of **73% to 95%** compared to the APS range of 56% to 78%.

Attributes of leaders

224 The survey asked staff to choose up to 5 attributes that they felt were important for senior leaders and then asked how they rated OPC's SES leaders on those attributes. Overall, OPC staff indicated higher levels of satisfaction with all workplace attributes in comparison to the APS results.

225 The following table sets out the 5 attributes identified as most important for senior leaders by OPC staff and how OPC and the APS rated on those attributes:

R a n k	Workplace attribute	% satisfied	
		OPC	APS
1	Communicate effectively with staff	96	42
2	Show judgement, intelligence and common sense	100	50
3	Demonstrate honesty and integrity	100	62
3	Demonstrate sound judgement and are prepared to make decisions	100	47
4	Demonstrate competence and the ability to value-add	100	43

Job satisfaction

226 The survey asked staff to choose the 5 most important workplace attributes that impact on job satisfaction and then asked how they rated OPC on those attributes. Overall, OPC staff indicated higher levels of satisfaction with all workplace attributes in comparison to the APS results.

227 The following table sets out the most important workplace attributes identified by OPC staff and how OPC and the APS rated on these attributes:

R a n k	Workplace attribute	% satisfied	
		OPC	APS
1	Interesting work provided	93	68
2	Good working relationships	100	82
3	Good manager	100	70
3	Opportunities to utilise my skills	93	68
4	Seeing tangible results from my work	95	69
4	Flexible working arrangements	95	81

Conclusion

228 Conducting the survey is a very useful exercise as the results are directly comparable to those of the APS as a whole. As with the previous surveys, the results were very positive and reflect that OPC is operating effectively and with high staff morale.

229 There are, of course, areas in which we can improve and OPC is already working to address the relevant issues.

230 In 2011-2012, the Australian Public Service Commission is running a pilot of a similar survey for micro-agencies (small agencies with less than 100 staff). OPC will be participating in this survey, which is a streamlined version of the 2011 State of the Service Employee Survey, and will provide results against other micro-agencies and the rest of the APS.

Management and development of human resources

Training and development

231 OPC sees training and development as contributing significantly to the consolidation and improvement of its legislative

drafting capability. OPC undertakes its training and development activities in order to:

- make the best use of human resources available to OPC; and
- enhance career and development opportunities for all staff.

Staff development arrangements

232 OPC's Staff Development Plan establishes the following institutional arrangements for OPC's staff development activities:

- a senior drafter is designated Director of Drafter Training;
- the Director of Drafter Training and the General Manager have joint responsibility for staff development matters generally (including monitoring expenditure on staff development activities);
- staff development decisions in relation to particular staff are, by and large, made by supervisors jointly with either the Director of Drafter Training for staff who are drafters or the General Manager for other staff;
- staff development decisions are made by reference to the

development needs of staff as identified in the individual development plans for staff that are settled as part of the performance management programs;

- the Director of Drafter Training and the General Manager have the function of reviewing the Staff Development Plan to make sure it is up-to-date and properly focused on OPC's needs; and
- the Director of Drafter Training has the function of developing and implementing a rolling program of internally provided training for drafters.

233 These arrangements have the advantages of:

- involving supervisors in all aspects of staff development decision-making (including resource implications);
- linking staff development closely to the performance management programs;
- ensuring a high level of consistency in staff development decisions;
- ensuring there is proper equity and balance in the resources devoted to training staff who are drafters and those devoted to training other staff; and

- ensuring that the program of internally provided training for drafters is properly focused, well planned and regular.

Program of internally provided training for drafters

234 In consultation with drafters in OPC, a program of internally provided training for drafters has been developed. The program involves a mix of presentations by senior drafters within OPC and external presenters (with an emphasis on the areas of law with special interest and importance for drafters).

235 During the year, the program included presentations on:

- the effectiveness of plain language legislation, and the causes of complexity in legislation;
- secrecy, privacy and freedom of information;
- double dissolutions of the Parliament;
- legislative drafting in the United Kingdom and Hong Kong;
- headings in legislation;
- licensing schemes;
- simplified outlines; and
- various other technical drafting issues.

236 OPC drafters presented papers at the Commonwealth Association of Legislative Counsel conference and general meeting, which was held in conjunction with the Commonwealth Law Conference in Hyderabad, India, in February 2011.

237 OPC drafters also participated in a range of external conferences and seminars on a variety of topics of importance to drafters.

Staff undertaking higher studies under Studies Assistance arrangements

238 During the year, 2 OPC staff members have accessed OPC's Studies Assistance arrangements to pursue higher studies relevant to their current work and career development.

Information technology training

239 OPC's legislative drafting capability relies heavily on our staff's proficiency with IT to undertake research and to prepare Bills and amendments for introduction into the Parliament.

240 During the year, OPC provided substantial training in IT.

Most of that training was provided in-house, enabling it to be both cost-effective and responsive to the particular needs of staff.

241 The feedback provided by staff attending the various training sessions was resoundingly positive in terms of the content and presentation of the training and its relevance to current work.

242 OPC's professional IT staff also undertook external training during the year to ensure that their skills were maintained.

Productivity gains

243 Productivity gains have been achieved through:

- the documentation and continued updating of finance and other Corporate Services processes;
- improved liaison with key stakeholders;
- continued improvements through the application of IT; and
- cooperative agency procurement of property and services.

Staffing statistics

244 The staffing statistics for OPC at 30 June 2011 are in Appendix B.

245 All staff employed by OPC are located in the ACT.

Coverage of workplace agreements

246 OPC's Certified Agreement 2004-2007 nominally expired on 19 April 2007.

247 During the 2010-2011 financial year, the majority of employees were covered by AWAs. Fifteen employees were covered by determinations made under section 24(1) of the *Public Service Act 1999*.

248 During the second half of the year, OPC successfully negotiated new Enterprise Agreements with staff. The Enterprise Agreements, which will run for 3 years, commence in July 2011.

Salary ranges

249 The full range of salaries available under OPC's AWAs as at 30 June 2011 is set out in Appendix B.

Non-salary benefits for APS employees

250 SES staff have the option of a fully maintained, privately plated vehicle or an allowance in lieu, and are provided with free on-site parking.

251 Staff occupying designated positions closely involved with the legislation process receive a telephone allowance to cover the cost of any work-related calls. SES staff have had an amount included in their salary to replace this entitlement, on condition that they maintain a home phone and allow the number to be circulated to any person who may need it in the course of business.

252 To support the legislative drafting and associated work of OPC, staff can obtain remote access to OPC's IT system. Recognising that staff need to have internet access to use remote access, OPC pays an allowance to remote access users.

253 Other non-salary benefits available to staff were:

- employer-sponsored superannuation;
- the cost of prescription spectacles or other eyewear up to the value of \$310 every 2

years or each time a new prescription is issued if that happens sooner; and

- dependant care costs arising from working arrangements that are required in specific circumstances.

Performance pay

254 There is no provision for performance pay for APS employees in OPC's Performance Management Programs.

255 However, OPC has comprehensive Performance Management Programs covering all staff under which salary advancement is dependent on staff being rated as at least "fully effective". An experience loading for SES drafters is also dependent on those drafters being rated as at least "fully effective".

Staff changes and recruitment

256 During the year:

- Mr Daniel Lovric was promoted to First Assistant Parliamentary Counsel (SES 2);
- Mr John Leahy SC PSM was engaged as First Assistant Parliamentary Counsel (SES 2);

- Ms Angela Theodorelos was promoted to Senior Assistant Parliamentary Counsel (SES 1); and
- the following staff were recruited/promoted:
 - two Assistant Parliamentary Counsel, Grade 2;
 - one Assistant Parliamentary Counsel, Grade 3;
 - one Senior IT Officer; and
 - one Editorial and Administrative Assistant.
- support provided for the Director of Drafter Training to coordinate the training and development of drafters;
- regularly advertising drafting positions, particularly focusing on recruitment at the Assistant Parliamentary Counsel, Grade 1 level;
- giving assistant drafters intensive on-the-job training in legislative drafting as well as formal training in other relevant areas (such as IT);
- supporting each assistant drafter appointed to act as a senior drafter by providing access to another senior drafter as mentor;
- recognising that the contribution individual drafters make to achieving OPC's outcome increases as their level of drafting experience increases; and
- giving staff who do not have access to flex-time access to flexible working hours.

Workforce planning

257 During the year, workforce planning for Information and Communications Technology staff was incorporated into OPC's workforce planning document. This document is an integral part of our broader planning processes and ensures that we have a workforce capable of delivering on the objectives of OPC now and into the future.

258 OPC's strategies for ensuring that it has sufficient human resources to maintain its legislative drafting capability include:

Effect of workplace agreements on staff retention

259 Retention of drafting staff has been aided by:

- providing more flexible leave arrangements, including annual

- leave and personal/carers leave;
- recognising the value of experienced senior drafters by providing for payment of an experience loading;
- allowing some time off in recognition of the excess hours often worked by drafters (without providing a full flex-time scheme for drafters);
- providing flexible working hours arrangements that allow drafters to better manage their work and personal commitments; and
- permitting part-time arrangements for drafters (and other staff) to allow them to balance their work and personal commitments (these arrangements are available not only to staff with caring responsibilities, but also to any staff member whose wish to work part-time can be accommodated by operational requirements).

Workplace diversity

OPC's workplace diversity program

260 The objectives of OPC's Workplace Diversity Program are:

- to raise the awareness of workplace diversity and the value of a diverse workforce to OPC;
- to ensure that workplace structures, conditions, systems and procedures foster diversity and allow employees to manage work and personal life;
- to ensure equity in employment is promoted and upheld;
- to continue to provide opportunities for employees to participate and contribute to the work of OPC; and
- to prevent and eliminate bullying, harassment and unlawful discrimination in the workplace.

261 During the year the results of OPC's employee survey, that was conducted at the end of 2009-2010, were analysed. The survey was based on the Australian Public Service Commission's 2010 State of the Service Employee Survey.

262 OPC's results were extremely positive and indicated that overall OPC is meeting the objectives of the Workplace Diversity Program.

263 The following table shows OPC's results against the

performance indicators for each objective:

	Objectives and Performance Indicators (PI)	% Agreed	
		OPC	PI
1	OPC values and manages diversity in the workplace.	78	75
	OPC is committed to creating a diverse workforce.	73	75
2	Employees are satisfied with their work-life balance in OPC.	95	75
	OPC supports employees to achieve a good work-life balance.	95	75
3	Recruitment and promotion decisions are fair.	76	75
	OPC routinely applies merit in decisions regarding engagement and promotion.	80	75
4	Communication between senior leaders and staff is effective.	93	75
	Senior leaders are receptive to ideas put forward by other	95	75

Objectives and Performance Indicators (PI)	% Agreed	
	OPC	PI
employees.		
Employees are satisfied with the most important workplace attributes that impact on job satisfaction.	96	75
5 OPC is a good place to work.	100	75
Employees indicate that they have not been subjected to bullying or harassment.	93	90

OPC's Reconciliation Action Plan

264 OPC is committed to the process of reconciliation between Indigenous and other Australians and recognises the importance of reconciliation to Australia's future.

265 OPC's Reconciliation Action Plan (**RAP**) was developed in consultation with staff to promote reconciliation both within OPC and across the broader Australian community. OPC's RAP includes strategies for the recruitment and employment of Indigenous Australians and the promotion of an understanding of Indigenous culture and issues among all our staff.

266 During the year, the activities undertaken as part of the RAP included:

- review and refresh of our RAP in collaboration with Reconciliation Australia;
- OPC's reconciliation display featured in the Attorney-General's Department atrium, during NAIDOC Week 2010;
- revising the diversity statement that is included in job advertisements to encourage Aboriginal and Torres Strait Islander peoples to apply for positions;
- attending the Attorney-General's Portfolio Reconciliation Committee meetings and participating in relevant working groups;
- Indigenous Australian art displayed in public areas of OPC; and
- information on OPC's RAP provided to all new employees as part of their induction program.

Breastfeeding Friendly Workplace accreditation

267 OPC has undertaken a commitment to provide a supportive environment for breastfeeding women.

268 In July 2010, OPC received accreditation as a 'Breastfeeding Friendly Workplace' from the Australian Breastfeeding Association. OPC has achieved and will maintain accreditation by providing:

- guidance to staff about our workplace facilities and practices that support women to meet both their work and family commitments;
- appropriate facilities that double as a parenting room; and
- information to staff about our breastfeeding policies in our induction program and a "comeback pack" for staff commencing maternity leave.

Changes to disability reporting in annual reports

269 Since 1994, Commonwealth departments and agencies have reported on their performance as policy adviser, purchaser, employer, regulator and provider under the Commonwealth Disability Strategy. In 2007-2008, reporting on the employer role was transferred to the Australian Public Service Commission's *State of the Service Report* and the *APS Statistical Bulletin*. These reports are available at www.apsc.gov.au. From 2010-2011, departments and

agencies are no longer required to report on these functions.

270 The Commonwealth Disability Strategy has been overtaken by a new National Disability Strategy which sets out a ten-year national policy framework for improving the life for Australians with disability, their families and carers. A high level report to track progress for people with disability at a national level will be produced by the Standing Council on Community, Housing and Disability Services to the Council of Australian Governments and will be available at www.fahcsia.gov.au.

271 The Social Inclusion Measurement and Reporting Strategy agreed by the Government in December 2009 will also include some reporting on disability matters in its regular *How Australia is Faring* report and, if appropriate, in strategic change indicators in agency Annual Reports. More detail on social inclusion matters can be found at www.socialinclusion.gov.au.

Occupational health and safety

Policy

272 OPC commits itself to taking, at all times, reasonably practicable steps to ensure the health and safety of its staff. In ensuring the health and safety of its staff, OPC will:

- provide and maintain a healthy and safe work environment;
- consult and cooperate with its staff to achieve a healthy and safe workplace;
- comply with the *Occupational Health and Safety Act 1991 (OH&S Act)* as a minimum standard, and implement in full the requirements of the OH&S Act and its Regulations;
- ensure that appropriate organisational arrangements are in place to facilitate the implementation of the OH&S Act;
- provide appropriate resources to ensure that necessary health and safety programs and activities are established and maintained;
- inform all staff about relevant occupational health and safety matters and provide that information in languages other

than English where this might be necessary; and

- include compliance with this policy in the OPC's Corporate Plan.

Occupational Health and Safety Committee

273 The OH&S Act allows for the establishment of a Health and Safety Committee, at the request of a majority of employees, in a workplace with normally not less than 50 employees.

274 In OPC, the WCC fulfils the requirements of the OH&S Act with respect to the requirement to consult with workgroups on health and safety management arrangements. In addition, the WCC has incorporated the functions of a Health and Safety Committee as a standing agenda item.

Other measures taken during the year

275 A physiotherapist visited OPC regularly during the year to check whether furniture and equipment were ergonomically sound and to discuss any problems with members of staff. To encourage more staff to make use of the service, OPC has established

a small panel of physiotherapists, and each member of staff is able to choose which of those physiotherapists will visit that member of staff.

276 During the year, OPC paid for influenza vaccinations for interested staff. OPC considers this good value for money, given the potential lost work time annually due to the effects of influenza and the relatively small cost of the vaccine.

277 In August 2010, a health promotion week was conducted on OPC premises to allow interested staff to attend seminars and workshops related to health and wellbeing. The sessions were well attended with the mental health seminar and back care presentation rated as the most worthwhile by staff.

278 OPC also paid for interested staff to take a health and fitness assessment in 2010-2011. OPC believes enhanced health and wellbeing of employees has a significant positive impact on productivity and absenteeism. The health and fitness assessments are seen as valuable for staff in monitoring their health.

279 The induction program for new members of staff includes a session specifically aimed at enhancing their awareness of the importance of health and safety issues in the workplace and emphasising the responsibilities of both staff and management in that regard.

280 OPC maintains an appropriate collection of publications relating to occupational health and safety in our library.

Accidents and dangerous occurrences

281 There were no accidents or dangerous occurrences during the year requiring notification under section 68 of the OH&S Act.

Investigations

282 OPC has not been the subject of any investigation by the Commission for the Safety, Rehabilitation and Compensation of Commonwealth Employees.

Chapter 5—Purchasing and tendering

Purchasing

283 Generally, during the year, OPC's purchasing was confined to simple procurement processes. Given the nature and extent of OPC's procurement activity, there is no current need to establish an accredited procurement unit within OPC.

284 OPC continues to consider cooperative agency procurement as an option when procuring property and services. A number of contracts are in place where a cooperative arrangement has been used, with OPC benefiting from support and savings, and reduced procurement costs by accessing contracts from larger portfolio agencies.

285 OPC has complied with the core policies and practices as identified in the Commonwealth Procurement Guidelines, OPC's Chief Executive Instructions and Office Procedural Circulars. During the year, OPC has reviewed and updated the Chief Executive Instructions and relevant Office Procedural Circulars to take account of updates to the Commonwealth Procurement Guidelines.

286 OPC's Annual Procurement Plan for the 2011-2012 financial year was published on AusTender in June 2011.

Consultants

287 OPC's policy is that consultants will be engaged if in-house expertise, or time, is not available for particular projects.

288 During 2010-2011, 1 new consultancy contract was entered into, involving total actual expenditure of \$2,310 (including GST). In addition, 1 ongoing consultancy contract was active during the 2010-2011 year, involving total actual expenditure of \$8,258.80 (including GST).

289 Annual reports contain information about the actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website www.tenders.gov.au or from the OPC Documents menu on OPC's website: www.opc.gov.au.

***Competitive tendering
and contracting***

290 The outsourcing of payroll processing to Aurion continues to provide substantial savings over the in-house provision of these services while providing the same, or a higher, level of service to OPC staff. The contract with Aurion runs until 28 February 2012, with an option for 1 further extension of 2

years. During the year, payments to Aurion for payroll processing services totalled \$26,708.45 (including GST).

291 Information on expenditure on contracts and consultancies is also available on the AusTender website: www.tenders.gov.au.

Chapter 6—Miscellaneous

Freedom of information

292 From 1 May 2011 agencies subject to the *Freedom of Information Act 1982 (FOI Act)* are required to publish information to the public as part of the Information Publication Scheme (*IPS*). This requirement is in Part II of the Act and has replaced the former requirement to publish a section 8 statement in an annual report. An agency plan showing what information is published in accordance with the IPS requirements is accessible from OPC's website.

293 As amendments to the FOI Act took effect on 1 May 2011, OPC is also required to publish a section 8 statement for the period 1 July 2010 to 30 April 2011. That statement is set out in Appendix C to this report.

294 Section 9 of the FOI Act requires copies of certain documents to be made available for inspection and purchase by members of the public. OPC does not have any documents to which that section applies.

Advertising and market research etc.

295 The following information is required to be given by section 311A of the *Commonwealth Electoral Act 1918*.

296 During the year, vacant positions in OPC were advertised in the print media and the Commonwealth Gazette. A total of \$5,744.25 (including GST) was paid to Adcorp for placement of job advertisements.

297 No other money was paid by, or on behalf of, OPC to any market research organisation, polling organisation, direct mail organisation or media advertising organisation.

Ecologically sustainable development and environmental performance

298 Reporting required by section 516A of the *Environment Protection and Biodiversity Conservation Act 1999* is set out in Appendix D.

Additional information

299 The contact officer for additional information about OPC is the General Manager, Ms Susan McNeilly, who can be contacted by telephone on (02) 6270 1486, by fax on (02) 6270 1403 and by email at admin@opc.gov.au.

300 OPC's website address is www.opc.gov.au. This report is available on that site at www.opc.gov.au/about/documents.htm.

Appendix A—Agency resource statement and Expenses and resources for outcome

Agency Resource Statement

	Actual Available Appropriations for 2010-11 ¹ (\$'000)	Payments made 2010-11 (\$'000)	Balance Remaining (\$'000)
ORDINARY ANNUAL SERVICES			
Departmental appropriation			
Prior year departmental appropriation	3,911	-	3,911
Departmental appropriation ²	10,836	9,740	1,096 ³
S. 31 relevant agency receipts	121	121	-
Total	14,868	9,861	5,007
Total ordinary annual services	14,868	9,861	5,007
Total net resourcing for agency	14,868	9,861	5,007

¹ Includes prior year appropriation, Appropriation Bill (No. 1) 2010-11 and section 31 agency receipts.

² Includes an amount of \$0.157 million for the Departmental Capital Budget. For accounting purposes this amount has been designated as 'contributions by owners'.

³ The remaining balance is made up of the operating surplus attributable to OPC, unspent Departmental Capital Budget and an increase in liabilities.

Expenses and resources for outcome

Outcome 1—Laws that give legal effect to the intended policy and form a coherent and readable body of Commonwealth legislation through the drafting of Bills and amendments for passage by the Commonwealth Parliament

	Budget	Actual	Variance
	2010-11	Expenses	
	(\$'000)	2010-11	2010-11
	(a)	(b)	(a) - (b)
Program 1.1: Legislative drafting			
Departmental expenses			
Ordinary annual services (Appropriation Bill No.1)	10,679	9,968	711
Revenues from independent sources (section 31)	101	90	11
Expenses not requiring appropriation in the Budget year	408	393	15
Total for Program 1.1	11,188	10,451	737
Total expenses for Outcome 1	11,188	10,451	737
		Actual	Actual
		2009-10	2010-11
Average staffing level (number)		46.1	49.1

Appendix B—Staffing statistics and salary ranges

Ongoing and non-ongoing employees as at 30 June 2011

As at 30 June 2011, OPC had 3 non-ongoing employees.

As at 30 June 2010, OPC had 1 non-ongoing employee.

Full-time and part-time employees as at 30 June 2011

Category	Total staff		Full-time		Part-time	
	10	11	10	11	10	11
Statutory office holders	3	3	3	3	0	0
SES Band 2	4	6	3	5	1	1
SES Band 1	9 ¹	9 ³	9	6	0	3
Assistant Parliamentary Counsel Grade 3	14	12 ⁴	8	7	6	5
Assistant Parliamentary Counsel Grade 2	3	5	2	4	1	1
Assistant Parliamentary Counsel Grade 1	4	2	4	2	0	0
Executive Level 2	3	3	2	2	1	1
Executive Level 1	3	4	3	3	0	1
OPC Broadband B (APS 4 - 6)	12 ²	13 ⁵	8	10	4	3
OPC Broadband A (APS 1 - 3)	0	0	0	0	0	0
Totals	55	57	42	42	13	15

1 Includes 2 employees on maternity leave.

2 Includes 1 employee on maternity leave and 1 employee on leave without pay.

3 Includes 1 employee on maternity leave.

4 Includes 1 employee on maternity leave.

5 Includes 1 employee on maternity leave and 3 employees on leave without pay.

Male and female employees as at 30 June 2011

Category	Total staff		Male		Female	
	10	11	10	11	10	11
Statutory office holders	3	3	2	2	1	1
SES Band 2	4	6	2	4	2	2
SES Band 1	9 ¹	9 ³	3	2	6	7
Assistant Parliamentary Counsel Grade 3	14	12 ⁴	5	6	9	6
Assistant Parliamentary Counsel Grade 2	3	5	2	4	1	1
Assistant Parliamentary Counsel Grade 1	4	2	2	0	2	2
Executive Level 2	3	3	1	1	2	2
Executive Level 1	3	4	3	4	0	0
OPC Broadband B (APS 4 - 6)	12 ²	13 ⁵	2	2	10	11
OPC Broadband A (APS 1 - 3)	0	0	0	0	0	0
Totals	55	57	22	25	33	32

- 1 Includes 2 employees on maternity leave.
- 2 Includes 1 employee on maternity leave and 1 employee on leave without pay.
- 3 Includes 1 employee on maternity leave.
- 4 Includes 1 employee on maternity leave.
- 5 Includes 1 employee on maternity leave and 3 employees on leave without pay.

Salary ranges as at 30 June 2011

Category	Minimum (\$)	Maximum (\$)
Salary ranges—SES positions		
First Assistant Parliamentary Counsel (SES Band 2), Senior Assistant Parliamentary Counsel (SES Band 1) and General Manager (SES Band 1)	134,236	221,831
Salary ranges—Non-SES drafting positions		
Assistant Parliamentary Counsel Grade 3	101,053	121,658
Assistant Parliamentary Counsel Grade 2	87,850	106,672
Assistant Parliamentary Counsel Grade 1	54,168	101,053
Salary ranges—Non-SES non-drafting positions		
Executive Level 2	101,053	121,658
Executive Level 1	87,850	106,672
OPC Broadband B:		
APS 6	69,130	79,411
APS 5	64,004	67,871
APS 4	57,384	62,307
OPC Broadband A:		
APS 3	51,488	55,572
APS 2	45,203	50,129
APS 1	39,944	44,146

Appendix C—Functional statement under the Freedom of Information Act 1982

Establishment and organisation

1 The establishment and organisation of OPC are dealt with in Chapter 1 of this report.

Functions

2 A statement of the principal functions of OPC is set out in Chapter 1 of this report. In the performance of its functions, OPC receives instructions for the preparation of Bills or amendments of Bills from Commonwealth departments and agencies, following the determination of policy measures by the Government. Members of OPC then draft the legislation necessary to give effect to that policy in consultation with those departments or agencies.

3 Drafting of subordinate legislation and instruments is done by the Office of Legislative Drafting and Publishing in the Attorney-General's Department.

Categories of documents

4 The following categories of documents are kept by OPC:

- copies of Cabinet documents and draft Cabinet documents;
- correspondence between OPC and government departments or agencies about the preparation of Bills or amendments of Bills;
- correspondence between OPC and private members of Parliament relating to Bills or amendments of Bills by OPC for those members;
- copies of various drafts of Bills (or amendments of Bills) drafted for the Government or for private members of Parliament;
- manuals and other instructions relating to the drafting of legislation;
- records and instructions kept for administrative purposes;
- ministerial and general correspondence;
- copies of documents prepared in connection with obtaining messages by the Governor-General or Administrator under section 56 of the Constitution and in connection with the moving, in the Senate, of requests for amendments of

Bills under section 53 of the Constitution;

- Assent copies of Bills and copies of documents prepared in connection with obtaining Royal Assent to Bills;
- copies of documents provided to FPC as an ex-officio member of the Board of Taxation;
- correspondence between OPC and officers of the States, the Northern Territory and the Australian Capital Territory about cooperative legislative action by the Commonwealth, the States, the Northern Territory and the Australian Capital Territory, and similar matters; and
- internal administrative papers and records.

Facilities for access

5 Facilities for examining documents (other than Commonwealth Acts and Bills introduced into the Parliament) and

obtaining copies of such documents are available at the premises occupied by OPC: MTA House, 39 Brisbane Avenue, Barton ACT 2600. OPC can be contacted by telephone on (02) 6270 1400.

6 Copies of introduced Bills and Acts may be obtained from the Table Office in the House of Parliament in which the Bill was introduced or from an AusInfo bookshop. Introduced Bills are also available at:
www.aph.gov.au/ParlInfo/billsnet/main.htm.

FOI procedures and initial contact points

7 Inquiries about access to documents or other matters relating to freedom of information should be directed to FPC. Apart from the Attorney-General and FPC, the only officers authorised to deny access under the *Freedom of Information Act 1982* to documents of OPC are the Second Parliamentary Counsel.

Appendix D—Reporting required by section 516A of the *Environment Protection and Biodiversity Conservation Act 1999*

How OPC's activities accorded with principles of ecologically sustainable development

1 OPC's activities during the year consisted of:

- drafting Bills and amendments on the instructions of others for consideration by the Parliament; and
- to a much lesser extent, activities to enable and support that drafting.

2 Given that OPC's activities were undertaken largely on the instructions of others, there was little scope for OPC's activities to give effect to the principles of ecologically sustainable development listed in section 3A of the *Environment Protection and Biodiversity Conservation Act 1999*. However, OPC staff took opportunities in their drafting work to draw the attention of instructors to the long-term and short-term ecological implications of the Parliament deciding to enact legislation embodying their instructions. This accords with the

first of the principles listed in that section ("decision-making processes should effectively integrate both long-term and short-term economic, environmental, social and equitable considerations").

3 OPC did not administer any legislation during the year.

Appropriations Act outcome contributing to ecologically sustainable development

4 OPC has only one Appropriations Act outcome: "Laws that give legal effect to the intended policy and form a coherent and readable body of Commonwealth legislation through the drafting of Bills and amendments for passage by the Commonwealth Parliament". It is difficult to conclude that this outcome makes any identifiable contribution to ecologically sustainable development.

Effect of OPC's activities on the environment

5 OPC's activity of drafting Bills and amendments for consideration by the Parliament has

no clearly identifiable environmental effect, because:

- OPC is not responsible for the policy content of the Bills and amendments we draft; and
- Bills and amendments of Bills have no legal effect unless enacted, and their enactment is beyond OPC's control.

6 However, OPC's operations do have direct and indirect effects on the environment, particularly through the use of energy, transport, office equipment and materials in office equipment. The following table, which relates to some of those services in the year, gives an indication of those effects and a comparison with the 2009-2010 year.

Commodity	Amount bought in 2010-2011	Amount bought in 2009-2010	Comments
Electricity used on OPC's premises	113,149 kWh	108,942 kWh	This does not include electricity used in air-conditioning and lift services supplied by the lessor of the premises, as figures reflecting OPC's use of those services are not available. In 2010-2011, 10,627 kWh of the electricity was "green power" provided by ActewAGL through a contract with the Australian Greenhouse Office.
Copy paper	4.3 t	4.0 t	The copy paper is used in office printers and copiers.

7 These figures do not include energy and paper used by the contractor engaged by OPC to print Bills for introduction into the Parliament.

separate metering of water used by OPC on the premises it leases.

Measures to minimise the effect of OPC's activities on the environment

8 No figures on OPC's use of water are available, as there is no

9 The following measures were in place throughout the year

to minimise the effect of OPC's activities on the environment:

- energy efficiency is routinely taken into account in decisions about acquiring equipment for OPC;
- double-sided printing and photocopying facilities are available, and staff are

encouraged to use those facilities;

- OPC has arrangements to collect for recycling toner cartridges, paper, glass, plastic and aluminium used in the office; and
- staff are encouraged to turn off lights and office equipment when not in use.

Appendix E—Financial Statements 2010-2011

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Auditor-General's Report on Financial Statements

Certification of Financial Statements

Statement of Comprehensive Income

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Statement of Changes in Equity

Cash Flow Statement

Schedule of Commitments

Schedule of Asset Additions

Notes to Financial Statements



19 September 2011

Mr Peter Quiggin PSM
First Parliamentary Counsel
Office of Parliamentary Counsel
MTA House
39 Brisbane Avenue
CANBERRA ACT 2600

Dear Mr Quiggin

**OFFICE OF PARLIAMENTARY COUNSEL
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011**

I am writing to advise that my audit of the financial statements for the year ended 30 June 2011 of the Office of Parliamentary Counsel has now been completed.

In accordance with section 26(2) of the *Auditor-General Act 1997*, I have the pleasure in attaching for your information a copy of my unmodified auditor's report together with the financial statements to which it relates.

Yours sincerely

Australian National Audit Office

Kristian Gage
Audit Principal

Delegate of the Auditor-General

GPO Box 707 CANBERRA ACT 2601
19 National Circuit BARTON ACT
Phone (02) 6203 7300 Fax (02) 6203 7777



INDEPENDENT AUDITOR'S REPORT

To the Attorney-General

I have audited the accompanying financial statements of the Office of Parliamentary Counsel for the year ended 30 June 2011, which comprise: a Statement by the First Parliamentary Counsel and Chief Financial Officer; Statement of Comprehensive Income; Balance Sheet; Statement of Changes in Equity; Cash Flow Statement; Schedule of Commitments; Schedule of Contingencies; Schedule of Asset Additions and Notes comprising a Summary of Significant Accounting Policies.

First Parliamentary Counsel's Responsibility for the Financial Statements

The First Parliamentary Counsel is responsible for the preparation of financial statements that give a true and fair view in accordance with the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, including the Australian Accounting Standards, and for such internal control as the First Parliamentary Counsel determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. These auditing standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Office of Parliamentary Counsel's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Office of Parliamentary Counsel's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the First Parliamentary Counsel of the Office of Parliamentary Counsel, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

GPO Box 707 CANBERRA ACT 2601
19 National Circuit BARTON ACT
Phone (02) 6203 7300 Fax (02) 6203 7777

Independence

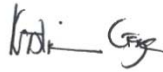
In conducting my audit, I have followed the independence requirements of the Australian National Audit Office, which incorporate the requirements of the Australian accounting profession.

Opinion

In my opinion, the financial statements of the Office of Parliamentary Counsel:

- (a) have been prepared in accordance with the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, including the Australian Accounting Standards; and
- (b) give a true and fair view of the matters required by the Finance Minister's Orders including the Office of Parliamentary Counsel's financial position as at 30 June 2011 and of its financial performance and cash flows for the year then ended.

Australian National Audit Office



Kristian Gage
Audit Principal

Delegate of the Auditor-General

Canberra
19 September 2011

Statement by First Parliamentary Counsel and Chief Finance Officer

In our opinion the attached financial statements for the year ended 30 June 2011 are based on properly maintained financial records and give a true and fair view of the matters required by the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, as amended.



.....
Peter Quiggin PSM
First Parliamentary Counsel

19 September 2011



.....
Susan McNeilly
Chief Finance Officer

19 September 2011

OFFICE OF PARLIAMENTARY COUNSEL
STATEMENT OF COMPREHENSIVE INCOME *for the year ended 30 June 2011*

	Notes	2011 \$'000	2010 \$'000
EXPENSES			
Employee benefits	3A	8,166	7,391
Supplier expenses	3B	1,902	2,220
Depreciation and amortisation	3C	365	339
Finance costs	3D	18	17
Write-down and impairment of assets	3E	-	24
Total expenses		10,451	9,991
LESS:			
OWN-SOURCE INCOME			
Own-source revenue			
Sale of goods and rendering of services	4A	90	104
Total own-source revenue		90	104
Gains			
Sale of assets	4B	-	3
Other	4C	27	27
Total gains		27	30
Total own-source income		117	134
Net cost of (contribution by) services		(10,334)	(9,857)
Revenue from Government	4D	10,679	9,986
Surplus (Deficit) attributable to the Australian Government		345	129
OTHER COMPREHENSIVE INCOME			
Changes in asset revaluation reserves		-	97
Total comprehensive income (loss) attributable to the Australian Government		345	226

The above statement should be read in conjunction with the accompanying notes.

OFFICE OF PARLIAMENTARY COUNSEL
BALANCE SHEET *as at 30 June 2011*

	Notes	2011 \$'000	2010 \$'000
ASSETS			
Financial Assets			
Cash and cash equivalents	5A	102	96
Trade and other receivables	5B	4,962	3,891
Total financial assets		5,064	3,987
Non-Financial Assets			
Land and buildings	6A/6C	222	396
Plant and equipment	6B/6C	627	674
Intangibles	6D/6E	73	80
Other non-financial assets	6F	183	158
Total non-financial assets		1,105	1,308
Total Assets		6,169	5,295
LIABILITIES			
Payables			
Suppliers	7A	65	69
Other payables	7B	241	151
Total payables		306	220
Provisions			
Employee provisions	8A	2,723	2,455
Other provisions	8B	262	244
Total provisions		2,985	2,699
Total Liabilities		3,291	2,919
Net Assets		2,878	2,376
EQUITY			
Parent Entity Interest			
Contributed equity		(127)	(284)
Reserves		778	778
Retained surplus (accumulated deficit)		2,227	1,882
Total Equity		2,878	2,376

The above statement should be read in conjunction with the accompanying notes.

OFFICE OF PARLIAMENTARY COUNSEL
STATEMENT of CHANGES in EQUITY for the year ended 30 June 2011

	Retained Earnings		Asset Revaluation Reserve		Contributed Equity/Capital		Total Equity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Opening balance								
Balance carried forward from previous period	1,882	1,753	778	681	(284)	1,114	2,376	3,548
Adjustment for changes in accounting policies	-	-	-	-	-	-	-	-
Adjusted opening balance	1,882	1,753	778	681	(284)	1,114	2,376	3,548
Comprehensive income								
Other comprehensive income - changes to asset revaluation reserve	-	-	-	97	-	-	-	97
Surplus (Deficit) for the period	345	129	-	-	-	-	345	129
Total comprehensive income	345	129	-	97	-	-	345	226
Transactions with owners								
Distributions to owners								
Returns of capital:								
Other - extinguishment of depreciation funding	-	-	-	-	-	(1,398)	-	(1,398)
Contributions by owners								
Departmental capital budget	-	-	-	-	157	-	157	-
Sub-total transactions with owners	-	-	-	-	157	(1,398)	157	(1,398)
Closing balance at 30 June	2,227	1,882	778	778	(127)	(284)	2,878	2,376

The above statement should be read in conjunction with the accompanying notes.

OFFICE OF PARLIAMENTARY COUNSEL
CASH FLOW STATEMENT for the period ended 30 June 2011

	Notes	2011 \$'000	2010 \$'000
OPERATING ACTIVITIES			
Cash received			
Appropriations		9,740	9,280
Goods and services		100	110
Net GST received		210	208
Total cash received		10,050	9,598
Cash used			
Employees		7,807	6,990
Suppliers		2,106	2,480
Section 31 receipts transferred to the Official Public Account		131	90
Total cash used		10,044	9,560
Net cash from (used by) operating activities	9	6	38
INVESTING ACTIVITIES			
Cash received			
Proceeds from sales of property, plant and equipment		-	4
Total cash received		-	4
Cash used			
Purchase of property, plant and equipment		111	209
Purchase of intangibles		26	17
Total cash used		137	226
Net cash from (used by) investing activities		(137)	(222)
FINANCING ACTIVITIES			
Cash received			
Contributed equity		137	-
Total cash received		137	-
Net cash from (used by) financing activities		137	-
Net increase (decrease) in cash held		6	(184)
Cash and cash equivalents at the beginning of the reporting period		96	280
Cash and cash equivalents at the end of the reporting period	5A	102	96

The above statement should be read in conjunction with the accompanying notes.

OFFICE OF PARLIAMENTARY COUNSEL
SCHEDULE OF COMMITMENTS *as at 30 June 2011*

	2011	2010
BY TYPE	\$'000	\$'000
Commitments receivable		
GST recoverable on commitments	<u>119</u>	<u>195</u>
Total commitments receivable	<u>119</u>	<u>195</u>
Commitments payable		
Operating lease ¹	<u>1,175</u>	<u>2,035</u>
Other commitments	<u>133</u>	<u>109</u>
Total commitments payable	<u>1,308</u>	<u>2,144</u>
Net commitments by type	<u>1,189</u>	<u>1,949</u>
BY MATURITY		
Commitments receivable		
Operating lease income		
One year or less	<u>85</u>	<u>82</u>
From one to five years	<u>22</u>	<u>103</u>
Over five years	<u>-</u>	<u>-</u>
Total operating lease income	<u>107</u>	<u>185</u>
Other commitments receivable		
One year or less	<u>9</u>	<u>8</u>
From one to five years	<u>3</u>	<u>2</u>
Over five years	<u>-</u>	<u>-</u>
Total other commitments receivable	<u>12</u>	<u>10</u>
Commitments payable		
Operating lease commitments		
One year or less	<u>936</u>	<u>903</u>
From one to five years	<u>239</u>	<u>1,132</u>
Over five years	<u>-</u>	<u>-</u>
Total operating lease commitments	<u>1,175</u>	<u>2,035</u>
Other commitments		
One year or less	<u>103</u>	<u>92</u>
From one to five years	<u>30</u>	<u>17</u>
Over five years	<u>-</u>	<u>-</u>
Total other commitments	<u>133</u>	<u>109</u>
Net commitments by maturity	<u>1,189</u>	<u>1,949</u>

NB: Commitments are GST inclusive where relevant.

Notes

1. Operating lease is for office accommodation and car parking.

Nature of lease/general description of leasing arrangement

Lease for office accommodation

Lease payments are reviewed to market every two years. The initial period of the lease is still current and may be renewed for up to five years from 2 October 2012 at OPC's option and on the same terms and conditions as the existing lease.

Licence agreement for car parking

Licence payments are subject to the CPI increase every two years. The initial period of the car parking licence is still current and may be renewed for a further term of five years from 2 October 2012 at OPC's option and on the same terms and conditions as the existing lease.

The above schedule should be read in conjunction with the accompanying notes.

OFFICE OF PARLIAMENTARY COUNSEL
SCHEDULE OF ASSET ADDITIONS for the period ended 30 June 2011

The following non-financial non-current assets were added in 2010-11:

	Buildings - Leasehold improvements \$'000	Other property, plant & equipment \$'000	Intangibles \$'000	Total \$'000
By purchase - appropriation ordinary annual services				
Departmental capital budget	3	108	26	137
Ordinary operating costs	-	-	-	-
Total additions	3	108	26	137

The following non-financial non-current assets were added in 2009-10:

	Buildings - Leasehold improvements \$'000	Other property, plant & equipment \$'000	Intangibles \$'000	Total \$'000
By purchase - appropriation ordinary annual services				
Ordinary operating costs	30	179	17	226
Total additions	30	179	17	226

**OFFICE OF PARLIAMENTARY COUNSEL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2011**

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OFFICE OF PARLIAMENTARY COUNSEL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

Note 1: Summary of Significant Accounting Policies

1.1 Objectives of Office of Parliamentary Counsel (OPC)

OPC is an Australian Government controlled entity. The objectives of OPC are:

- to provide a drafting service that is of the highest quality and responsive to Government priorities;
- to ensure that its drafting output is effective and contributes to the accessibility of the statute book;
- to maintain effective and open communications with the Attorney-General's Department;
- to manage its resources efficiently and responsively;
- to manage its financial affairs in accordance with the relevant legislative requirements as set out in the *Parliamentary Counsel Act 1970*, the *Financial Management and Accountability Act 1997*, and the Finance Minister's Orders, and maintain high standards of corporate governance; and
- to adhere to and support the Australian Public Service Code of Conduct and Values.

OPC is structured to meet one outcome:

Outcome 1: Laws that give legal effect to the intended policy and form a coherent and readable body of Commonwealth legislation through the drafting of Bills and amendments for passage by the Commonwealth Parliament.

OPC's activities contributing toward this outcome are classified as departmental. Departmental activities involve the use of assets, liabilities, income and expenses controlled or incurred by OPC in its own right.

OPC has one program, legislative drafting, and four program components contributing to meeting Outcome 1. The program components are as follows:

- Legislation
- Program and project management
- Legislative drafting capability
- Standardisation and quality control of legislation

The continued existence of OPC in its present form is dependent on Government policy and on continuing appropriations by Parliament for OPC's administration and programs.

1.2 Basis of Preparation of the Financial Statements

The Financial Statements and notes are required by section 49 of the *Financial Management and Accountability Act 1997* and are general purpose financial statements.

The Financial Statements and notes have been prepared in accordance with:

- Finance Minister's Orders (or FMOs) for reporting periods ending on or after 1 July 2010; and
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The Financial Statements have been prepared on an accrual basis and are in accordance with the historical cost convention, except for certain assets at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

**OFFICE OF PARLIAMENTARY COUNSEL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2011**

The Financial Statements are presented in Australian dollars and values are rounded to the nearest thousand unless otherwise specified.

Unless an alternative treatment is specifically required by an Accounting Standard or the FMOs, assets and liabilities are recognised in the balance sheet when and only when it is probable that future economic benefits will flow to the entity or a future sacrifice of economic benefits will be required and the amounts of the assets or liabilities can be reliably measured. However, assets and liabilities arising under executory contracts are not recognised unless required by an Accounting Standard. Liabilities and assets that are unrealised are reported in the Schedule of Commitments and the Schedule of Contingencies.

Unless alternative treatment is specifically required by an Accounting Standard, income and expenses are recognised in the Statement of Comprehensive Income when, and only when, the flow, consumption or loss of economic benefits has occurred and can be reliably measured.

1.3 Significant Accounting Judgements and Estimates

No accounting assumptions and estimates have been identified that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next accounting period.

1.4 Changes in Australian Accounting Standards

Adoption of new Australian Accounting Standard requirements

No Accounting Standard has been adopted earlier than the application date as stated in the standard.

The new standards, any amendments to standards and interpretations which have been issued will have no impact for the current reporting period.

Future Australian Accounting Standard requirements

The new standards, any amendments to standards and interpretations which have been issued have been reviewed and it is expected they will have no material impact on future reporting periods.

1.5 Revenue

Revenue from the sale of goods is recognised when:

- the risks and rewards of ownership have been transferred to the buyer;
- the seller retains no managerial involvement nor effective control over the goods;
- the revenue and transaction costs incurred can be reliably measured; and
- it is probable that the economic benefits associated with the transaction will flow to the entity.

Revenue from rendering of services is recognised by reference to the stage of completion of contracts at the reporting date. The revenue is recognised when:

- the amount of revenue, stage of completion and transaction costs incurred can be reliably measured; and
- the probable economic benefits associated with the transaction will flow to the entity.

The stage of completion of contracts at the reporting date is determined by reference to the proportion that costs incurred to date bear to the estimated total costs of the transaction.

**OFFICE OF PARLIAMENTARY COUNSEL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2011**

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at balance date. Allowances are made when collectability of the debt is no longer probable.

Revenue from Government

Amounts appropriated for departmental appropriations for the year (adjusted for any formal additions and reductions) are recognised as revenue when the agency gains control of the appropriation, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned.

Appropriations receivable are recognised at their nominal amounts.

Parental Leave Payments Scheme

OPC offsets amounts received under the Parental Leave Payments Scheme (for payment to employees) by amounts paid to employees under that scheme, because these transactions are only incidental to the main revenue-generating activities of OPC. Amounts received by OPC but not yet paid to employees are presented gross as cash and a liability (payable). The total amount received under this scheme is disclosed as a footnote to the Note 4D: Revenue from Government.

1.6 Gains

Other Resources Received Free of Charge

Resources received free of charge are recognised as gains when and only when a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense.

Contributions of assets at no cost of acquisition or for nominal consideration are recognised as gains at their fair value when the asset qualifies for recognition, unless received from another Government entity as a consequence of a restructuring of administrative arrangements.

Sale of Assets

A gain from disposal of non-current assets is recognised when control of the asset has passed to the buyer.

1.7 Transactions with the Government as Owner

Equity injections

Amounts appropriated which are designated as ‘equity injections’ for a year (less any formal reductions) and Departmental Capital Budgets (DCBs) are recognised directly in Contributed Equity in that year.

1.8 Employee Benefits

Liabilities for ‘short-term employee benefits’ (as defined in AASB 119 *Employee Benefits*) and termination benefits due within twelve months of balance date are measured at their nominal amounts.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

**OFFICE OF PARLIAMENTARY COUNSEL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2011**

Leave

The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of OPC is estimated to be less than the annual entitlement for sick leave.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that applied at the time the leave is taken, including OPC's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave is calculated using the shorthand method. This method provides probability weights for each band of years of service. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

Separation and Redundancy

Provision is made for separation and redundancy benefit payments. OPC will recognise a provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations.

Superannuation

Staff of OPC are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the PSS accumulation plan (PSSap) or a complying fund chosen by the employee.

The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap and other funds are defined contribution schemes.

The liability for defined benefits is recognised in the Financial Statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported by the Department of Finance and Deregulation as an administered item.

OPC makes employer contributions to the employee superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Government. OPC accounts for the contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised as at 30 June represents outstanding contributions for the final fortnight of the year.

1.9 Leases

A distinction is made between finance leases and operating leases. Finance leases effectively transfer from the lessor to the lessee substantially all the risks and rewards incidental to ownership of leased assets. An operating lease is a lease that is not a finance lease. In operating leases, the lessor effectively retains substantially all such risks and benefits.

Where an asset is acquired by means of a finance lease, the asset is capitalised at either the fair value of the lease property or, if lower, the present value of minimum lease payments at the inception of the contract and a liability is recognised at the same time and for the same amount.

The discount rate used is the interest rate implicit in the lease. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

**OFFICE OF PARLIAMENTARY COUNSEL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2011**

Operating lease payments are expensed on a straight line basis which is representative of the pattern of benefits derived from the leased assets.

1.10 Borrowing Costs

All borrowing costs are expensed as incurred.

1.11 Cash

Cash is recognised at its nominal amount.

Cash and cash equivalents includes cash on hand and any deposits in bank accounts with an original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

1.12 Financial assets

OPC classifies its financial assets as loans and receivables.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. Financial assets are recognised and derecognised upon trade date.

Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate.

Impairment of financial assets

Financial assets are assessed for impairment at each balance date.

Financial assets held at amortised cost - If there is objective evidence that an impairment loss has been incurred for loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount is reduced by way of an allowance account. The loss is recognised in the Income Statement.

1.13 Financial Liabilities

OPC classifies financial liabilities as other financial liabilities. Financial liabilities are recognised and derecognised upon trade date.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. The other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

**OFFICE OF PARLIAMENTARY COUNSEL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2011**

1.14 Contingent Liabilities and Contingent Assets

Contingent Liabilities and Contingent Assets are not recognised in the Balance Sheet but are reported in the relevant schedules and notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

1.15 Financial Guarantee Contracts

Financial guarantee contracts are accounted for in accordance with AASB139 *Financial Instruments: Recognition and Measurement*. They are not treated as a contingent liability, as they are regarded as financial instruments outside the scope of AASB137 *Provisions, Contingent Liabilities and Contingent Assets*.

1.16 Acquisition of Assets

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor Agency's accounts immediately prior to the restructuring.

1.17 Property, Plant and Equipment

Asset Recognition Threshold

Purchases of property, plant and equipment are recognised initially at cost in the Balance Sheet, except for purchases costing less than \$1,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to 'make good' provisions in the lease for office accommodation taken up by OPC where there exists an obligation to yield up the premises in good and tenable repair having regard to the condition of the premises at the commencement of the term. These costs are included in the value of OPC's leasehold improvements with a corresponding provision for the 'make good' recognised.

Revaluations

Fair values for each class of asset are determined as shown below:

Asset Class	Fair value measured at:
Leasehold improvements	Depreciated replacement cost
Plant & equipment	Market selling price

Each year, a review of the carrying amounts of assets is conducted and presented to OPC's Senior Management Team as an "officer's valuation". Where it is considered that the carrying amount of an asset at the date of reporting would materially differ from the fair value, an

**OFFICE OF PARLIAMENTARY COUNSEL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2011**

independent valuation is recommended. All property, plant and equipment is subject to a formal valuation at least once every three years.

Following initial recognition at cost, property, plant and equipment are carried at fair value less accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from the assets' fair values as at the reporting date. The regularity of independent valuations depends upon the volatility of movements in market values for the relevant assets.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reverses a previous revaluation decrement of the same asset class that was previously recognised through operating result. Revaluation decrements for a class of assets are recognised directly through operating result except to the extent that they reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to OPC using, in all cases, the straight-line method of depreciation.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	<u>2011</u>	<u>2010</u>
Leasehold improvements	Lease term	Lease term
Plant and equipment	4 to 20 years	4 to 20 years

Impairment

All assets were assessed for impairment at 30 June 2011. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if OPC were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

Derecognition

All items of property, plant and equipment are derecognised upon disposal or when no further future economic benefits are expected from their use.

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for the year ended 30 June 2011**

1.18 Intangibles

OPC's intangibles comprise purchased computer software. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Software is amortised on a straight-line basis over its anticipated useful life. The useful life of OPC software is 4 to 5 years (2010: 4 to 5 years).

All software assets were assessed for indications of impairment as at 30 June 2011.

1.19 Taxation

OPC is exempt from all forms of taxation except fringe benefits tax (FBT) and the goods and services tax (GST).

Revenues, expenses and assets are recognised net of GST:

- except where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- except for receivables and payables.

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 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2011

Note 2: Events after the Reporting Date

OPC is not aware of any event occurring after the reporting date that would have any material effect on the information provided in these statements.

Note 3: Expenses

	2011 \$'000	2010 \$'000
Note 3A: Employee benefits		
Wages and salaries	5,909	5,190
Superannuation:		
Defined contribution plans	1,099	999
Leave and other entitlements	1,158	1,202
Total employee benefits	8,166	7,391
Note 3B: Supplier expenses		
Goods and services		
IT & telecommunications	286	309
Printing	97	140
Staff training & development	163	222
Contract drafters	-	127
Property	73	108
Library	90	90
Recruitment	23	29
Other	309	358
Total goods and services	1,041	1,383
Goods and services are made up of:		
Provision of goods – external parties	75	85
Rendering of services – related entities	84	77
Rendering of services – external parties	882	1,221
Total goods and services	1,041	1,383
Other supplier expenses		
Operating lease rentals – external parties:		
Minimum lease payments	687	687
Contingent rentals	157	133
Workers compensation expenses	17	17
Total other supplier expenses	861	837
Total supplier expenses	1,902	2,220

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 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2011

Note 3: Expenses

	2011	2010
	\$'000	\$'000
Note 3C: Depreciation and amortisation		
Depreciation:		
Property, plant and equipment	155	157
Leasehold improvements	177	150
<i>Total depreciation</i>	<u>332</u>	<u>307</u>
Amortisation:		
Intangibles:		
Computer Software	33	32
<i>Total amortisation</i>	<u>33</u>	<u>32</u>
<i>Total depreciation and amortisation</i>	<u><u>365</u></u>	<u><u>339</u></u>
Note 3D: Finance costs		
Unwinding of discount	18	17
<i>Total finance costs</i>	<u>18</u>	<u>17</u>
Note 3E: Write-down and impairment of assets		
Asset write-downs and impairments from:		
Revaluation decrement - Property, plant & equipment	-	24
<i>Total write-down and impairment of assets</i>	<u>-</u>	<u>24</u>

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 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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Note 4: Income

<i>Revenue</i>	2011 \$'000	2010 \$'000
Note 4A: Sale of goods and rendering of services		
Rendering of services - related entities	<u>90</u>	<u>104</u>
<i>Total sale of goods and rendering of services</i>	<u><u>90</u></u>	<u><u>104</u></u>
Gains		
Note 4B: Sale of assets		
Property, plant and equipment		
Proceeds from sale	-	4
Carrying value of assets sold	-	(1)
Selling expense	-	-
<i>Net gain from sale of assets</i>	<u><u>-</u></u>	<u><u>3</u></u>
Note 4C: Other gains		
Resources received free of charge	<u>27</u>	<u>27</u>
<i>Total other gains</i>	<u><u>27</u></u>	<u><u>27</u></u>
Revenue from Government		
Note 4D: Revenue from Government ¹		
Appropriations:		
Departmental appropriation	<u>10,679</u>	<u>9,986</u>
<i>Total revenue from Government</i>	<u><u>10,679</u></u>	<u><u>9,986</u></u>
<i>Notes</i>		

1. OPC received \$nil (2010: \$nil) under the Paid Parental Leave Scheme.

OFFICE OF PARLIAMENTARY COUNSEL
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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Note 5: Financial Assets

	2011 \$'000	2010 \$'000
Note 5A: Cash and cash equivalents		
Cash on hand	102	96
Total cash and cash equivalents	102	96
Note 5B: Trade and other receivables		
Goods and services:		
Goods and services – related parties	1	4
Total goods and services	1	4
Appropriations receivable:		
For existing program	4,905	3,815
Total appropriations receivable	4,905	3,815
Other receivables:		
GST receivable from the Australian Taxation Office	56	72
Total other receivables	56	72
Total trade and other receivables (gross)	4,962	3,891
Less Impairment allowance account:		
Goods and services	-	-
Other	-	-
Total trade and other receivables (net)	4,962	3,891
Receivables are expected to be recovered in:		
No more than 12 months	4,962	3,891
More than 12 months	-	-
Total trade and other receivables (net)	4,962	3,891
Receivables are aged as follows:		
Not overdue	4,961	3,889
Overdue by:		
Less than 30 days	-	1
30 to 60 days	-	1
61 to 90 days	1	-
More than 90 days	-	-
Total receivables (gross)	4,962	3,891

Credit terms are net 30 days (2010: 30 days)

Appropriations receivable are appropriations controlled by OPC but held in the Official Public Account under the Government's just-in-time draw down arrangements.

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Note 6: Non-Financial Assets

	2011 \$'000	2010 \$'000
Note 6A: Land and buildings		
Leasehold improvements:		
Fair value	399	396
Accumulated depreciation	(177)	-
Total land and buildings	222	396

No indicators of impairment were found for land and buildings.

Note 6B: Plant and equipment

Plant and equipment:		
Fair value	782	674
Accumulated depreciation	(155)	-
Total plant and equipment	627	674

All revaluations are conducted in accordance with the revaluation policy stated at Note 1. In 2010-11, the Senior Management Team reviewed OPC's assets and determined that the values are not materially different from fair value. In 2009-10, an independent valuer, the Australian Valuation Office, conducted the valuation.

A revaluation increment of \$nil for land and buildings (2010: \$53,993), a decrement of \$nil for plant and equipment (2010: \$19,439) were made to the asset revaluation reserve and a decrement of \$nil for plant and equipment was expensed (2010: \$24,360).

No indicators of impairment were found for property, plant and equipment.

Only minor items of property, plant and equipment are expected to be disposed of within the next 12 months.

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 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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Note 6: Non-Financial Assets

Note 6C: Analysis of property, plant and equipment

TABLE A: Reconciliation of the opening and closing balances of property, plant and equipment (2010-11)

	Buildings - Leasehold Improvements \$'000	Plant & Equipment \$'000	Total \$'000
As at 1 July 2010			
Gross book value	396	674	1,070
Accumulated depreciation and impairment	-	-	-
Net book value 1 July 2010	396	674	1,070
Additions: *	3	108	111
Revaluations recognised in other comprehensive income	-	-	-
Revaluations recognised in the operating result	-	-	-
Depreciation expense	(177)	(155)	(332)
Disposals:			
Other disposals	-	-	-
Net book value 30 June 2011	222	627	849
Net book value as of 30 June 2011 represented by:			
Gross book value	399	782	1,181
Accumulated depreciation and impairment	(177)	(155)	(332)
	<u>222</u>	<u>627</u>	<u>849</u>

* Disaggregated additions information are disclosed in the Schedule of Asset Additions.

OFFICE OF PARLIAMENTARY COUNSEL
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2011

Note 6: Non-Financial Assets

Note 6C: Analysis of property, plant and equipment

TABLE A: Reconciliation of the opening and closing balances of property, plant and equipment (2009-10)

	Buildings - Leasehold Improvements \$'000	Plant & Equipment \$'000	Total \$'000
As at 1 July 2009			
Gross book value	747	1,005	1,752
Accumulated depreciation and impairment	(285)	(307)	(592)
Net book value 1 July 2009	462	698	1,160
Additions: *	30	178	208
Revaluations recognised in other comprehensive income	54	(20)	34
Revaluations recognised in the operating result	-	(24)	(24)
Depreciation expense	(150)	(157)	(307)
Disposals:			
Other disposals	-	(1)	(1)
Net book value 30 June 2010	396	674	1,070
Net book value as of 30 June 2010 represented by:			
Gross book value	396	674	1,070
Accumulated depreciation and impairment	-	-	-
	<u>396</u>	<u>674</u>	<u>1,070</u>

* Disaggregated additions information are disclosed in the Schedule of Asset Additions.

	2011 \$'000	2010 \$'000
Note 6D: Intangibles		
Computer software		
Purchased	192	166
Accumulated amortisation	(119)	(86)
Total computer software	<u>73</u>	<u>80</u>

No indicators of impairment were found for intangible assets.

No intangibles are expected to be sold or disposed of within the next 12 months.

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 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2011

Note 6: Non-Financial Assets

Note 6E: Analysis of intangibles

TABLE B: Reconciliation of the opening and closing balances of intangibles (2010-11)

	Computer software purchased \$'000	Total \$'000
As at 1 July 2010		
Gross book value	166	166
Accumulated amortisation and impairment	(86)	(86)
Net book value 1 July 2010	80	80
Additions: *	26	26
Amortisation	(33)	(33)
Net book value 30 June 2011	73	73

Net book value as of 30 June 2011 represented by:

Gross book value	192	192
Accumulated amortisation and impairment	(119)	(119)
	<u>73</u>	<u>73</u>

* Disaggregated additions information are disclosed in the Schedule of Asset Additions.

TABLE B: Reconciliation of the opening and closing balances of intangibles (2009-10)

	Computer software purchased \$'000	Total \$'000
As at 1 July 2009		
Gross book value	148	148
Accumulated amortisation and impairment	(54)	(54)
Net book value 1 July 2009	94	94
Additions: *	18	18
Amortisation	(32)	(32)
Net book value 30 June 2010	80	80

Net book value as of 30 June 2010 represented by:

Gross book value	166	166
Accumulated amortisation and impairment	(86)	(86)
	<u>80</u>	<u>80</u>

* Disaggregated additions information are disclosed in the Schedule of Asset Additions.

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 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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Note 6: Non-Financial Assets

	2011 \$'000	2010 \$'000
Note 6F: Other non-financial assets		
Prepayments	<u>183</u>	<u>158</u>
<i>Total other non-financial assets</i>	<u>183</u>	<u>158</u>
Total other non-financial assets are expected to be recovered in:		
No more than 12 months	183	158
More than 12 months	-	-
<i>Total other non-financial assets</i>	<u>183</u>	<u>158</u>

No indicators of impairment were found for other non-financial assets.

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Note 7: Payables

	2011 \$'000	2010 \$'000
Note 7A: Suppliers		
Trade creditors and accruals	40	56
FBT payable	25	13
Total supplier payables	65	69
Supplier payables expected to be settled within 12 months		
Related entities	27	13
External parties	38	56
Total	65	69
Supplier payables expected to be settled in greater than 12 months		
Related entities	-	-
External parties	-	-
Total	-	-
Total supplier payables	65	69
Settlement is usually made within 30 days.		
Note 7B: Other Payables		
Salaries and wages	205	119
Superannuation	21	20
Salary packaging	11	8
Unearned income	4	4
Total other payables	241	151
Total other payables are expected to be settled in:		
No more than 12 months	241	151
More than 12 months	-	-
Total other payables	241	151

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Note 8: Provisions

	2011 \$'000	2010 \$'000
Note 8A: Employee provisions		
Leave	2,723	2,455
Total employee provisions	2,723	2,455
Employee provisions are expected to be settled in:		
No more than 12 months	737	680
More than 12 months	1,986	1,775
Total employee provisions	2,723	2,455
Note 8B: Other provisions		
Provision for restoration obligations	262	244
Total other provisions	262	244
Other provisions are expected to be settled in:		
No more than 12 months	-	-
More than 12 months	262	244
Total other provisions	262	244
	Provision for restoration \$'000	Total \$'000
Carrying amount 1 July 2010	244	244
Additional provisions made	-	-
Amounts used	-	-
Amounts reversed	-	-
Unwinding of discount or change in discount rate	18	18
Closing balance 2011	262	262

OPC currently has one agreement for the leasing of premises which have provisions requiring OPC to restore the premises to their original condition at the conclusion of the lease. OPC has made a provision to reflect the present value of this obligation.

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 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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Note 9: Cash Flow Reconciliation

	2011	2010
	\$'000	\$'000
Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement		
Cash and cash equivalents as per:		
Cash Flow Statement	102	96
Balance Sheet	102	96
<i>Difference</i>	<u><u>-</u></u>	<u><u>-</u></u>
Reconciliation of net cost of services to net cash from operating activities:		
Net cost of services	(10,334)	(9,857)
Add revenue from government	10,679	9,986
Adjustments for non-cash items		
Depreciation /amortisation	365	339
Net write-down of non-financial assets	-	24
(Gain)/loss on disposal of assets	-	(3)
(Increase) / decrease in asset revaluation reserve due to change in makegood liability	-	63
Departmental Capital Budget unused	20	-
Changes in assets/liabilities		
(Increase) / decrease in net receivables	(1,071)	623
(Increase) / decrease in prepayments	(25)	(17)
Increase / (decrease) in employee provisions	268	363
Increase / (decrease) in supplier payables	(4)	(51)
Increase / (decrease) in other payables	90	11
Increase / (decrease) in other provisions	18	(45)
Increase / (decrease) in contributed equity	-	(1,398)
<i>Net cash from / (used by) operating activities</i>	<u><u>6</u></u>	<u><u>38</u></u>

OFFICE OF PARLIAMENTARY COUNSEL
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Note 10: Contingent Liabilities and Assets

Quantifiable Contingencies

OPC has no contingent assets or contingent liabilities (2010: \$nil).

Unquantifiable Contingencies

OPC has no unquantifiable contingencies (2010: \$nil).

Note 11: Senior Executive Remuneration

Note 11A: Senior executive remuneration expense for the reporting period¹

	2011	2010
	\$	\$
Short-term employee benefits:		
Salary	2,592,838	2,299,542
Annual leave	29,867	53,483
Performance bonus	76,750	73,726
Allowances ²	508,968	499,077
Other	53,977	58,713
Total short-term employee benefits	<u>3,262,400</u>	<u>2,984,541</u>
Post-employment benefits:		
Superannuation	527,949	476,155
Total post employment benefits	<u>527,949</u>	<u>476,155</u>
Other long-term benefits:		
Long service leave	86,426	156,387
Total other long-term benefits	<u>86,426</u>	<u>156,387</u>
Total	<u>3,876,775</u>	<u>3,617,083</u>

Notes

1. This note was prepared on an accrual basis (the performance bonus expenses disclosed above differ from the cash 'bonus paid' in Note 11B. This note excludes acting arrangements and part-year service where remuneration expensed for a senior executive was less than \$150,000.

2. Allowances includes motor vehicle and experience allowance.

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Note 11: Senior Executive Remuneration											
Note 11B: Average annual remuneration packages and bonus paid for substantive senior executives as at the end of the reporting period											
as at 30 June 2011											
Fixed Elements and Bonus Paid ¹	Senior Executives No.	Fixed elements			Total \$	Bonus paid ² \$	Fixed elements			Total \$	Bonus paid ² \$
		Salary \$	Allowances \$				Salary \$	Allowances \$			
Total remuneration (including part-time arrangements):											
less than \$150,000	1	106,099	36,381	142,480	-	-	106,099	33,381	139,480	-	-
\$150,000 to \$179,999	8	139,638	29,819	169,457	-	-	145,078	28,048	173,126	-	-
\$180,000 to \$209,999	2	160,955	34,131	195,086	-	-	145,078	38,048	183,126	-	-
\$210,000 to \$239,999	1	176,831	36,381	213,212	-	-	176,831	33,381	210,212	-	-
\$240,000 to \$269,999	5	202,024	47,733	249,757	14,745	-	203,570	42,682	246,252	10,844	-
\$270,000 to \$299,999	-	-	-	-	-	-	-	-	-	-	-
\$300,000 to \$329,999	-	-	-	-	-	-	-	-	-	-	-
\$330,000 to \$359,999	-	-	-	-	-	-	-	-	-	-	-
\$360,000 to \$389,999	1	346,570	17,962	364,532	-	-	332,216	17,962	350,178	-	-
\$390,000 to \$419,999	-	-	-	-	-	-	-	-	-	-	-
Total	18										

Notes

1. This table reports substantive senior executives who were employed by OPC at the end of the reporting period. Fixed elements were based on the employment agreement of each individual. Each row represents an average annualised figure (based on headcount) for the individuals in that remuneration package band (i.e. the 'Total' column).

2. This represents average actual bonuses paid during the reporting period in that remuneration package band. The 'Bonus paid' is excluded from the 'Total' calculation (for the purpose of determining remuneration package bands). The 'Bonus paid' within a particular band may vary between financial years due to factors such as individuals commencing with or leaving OPC during the financial year.

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Note 11: Senior Executive Remuneration

Variable Elements:

With the exception of performance bonuses, variable elements are not included in the 'Fixed Elements and Bonus Paid' table above. The following variable elements are available as part of senior executives' remuneration package:

- (a) Performance bonuses:
- Performance bonuses are based on the performance rating of each individual. The maximum bonus that an individual can receive is 15 per cent base salary.
- (b) On average senior executives are entitled to the following leave entitlements:
- Annual Leave (AL): entitled to 20 days (2010: 20 days) each full year worked (pro-rata for part-time SES);
 - Personal Leave (PL): entitled to 18 days (2010: 18 days) or part-time equivalent;
 - Long Service Leave (LSL): in accordance with the *Long Service Leave (Commonwealth Employees) Act 1976*.
- (c) Senior executives are members of one of the following superannuation funds:
- Commonwealth Superannuation Scheme (CSS): this scheme is closed to new members, and employer contributions currently average 20.4 per cent (2010: 20.4 per cent) (including productivity component). More information on CSS can be found at <http://www.css.gov.au>;
 - Public Sector Superannuation Scheme (PSS): this scheme is closed to new members, with current employer contributions set at 18 per cent (2010: 18.1 per cent) (including productivity component). More information on PSS can be found at <http://www.pss.gov.au>;
 - Public Sector Superannuation Accumulation Plan (PSSAP): employer contribution is set at 15.4 per cent (2010: 15.4 per cent), and the fund has been in operation since July 2005. More information on PSSAP can be found at <http://www.pssap.gov.au>; and
 - Other: this is usually for senior executives who have made their own superannuation arrangements (employer contribution are set at 15.4 per cent (2010: 15.4 per cent)) these groups include employees who self manage their superannuation.
- (d) Various salary sacrifice arrangements are available to senior executives including super and motor vehicle fringe benefits.

Note 11C: Other Highly Paid Staff

During the reporting period, there were not any non-SES employees whose salary plus performance bonus were \$150,000 or more.

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Note 12: Remuneration of Auditors

	2011	2010
	\$'000	\$'000

Financial statement audit services are provided free of charge to OPC.

The fair value of the services provided was:

<u>27</u>	<u>27</u>
<u>27</u>	<u>27</u>

No other services were provided by the Auditor-General.

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 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2011

Note 13: Financial Instruments

	2011 \$'000	2010 \$'000
<u>Note 13A: Categories of financial instruments</u>		
Financial Assets		
Loans and receivables		
Cash and cash equivalents	102	96
Trade receivables	1	4
Total	103	100
Carrying amount of financial assets	103	100
Financial Liabilities		
Other Liabilities		
Payables - suppliers	40	56
Other Payables	241	151
Total	281	207
Carrying amount of financial liabilities	281	207

Note 13B: Net income and expense from financial assets

Loans and receivables

There is no income or expense from financial assets not at fair value through the profit and loss in either the current and comparative year.

Note 13C: Net income and expense from financial liabilities

Other Liabilities

There is no income or expense from financial liabilities not at fair value through the profit and loss in either the current or comparative year.

Note 13D: Fair value of financial instruments

The fair value of each category of OPC's financial assets and financial liabilities equals its carrying amount for both the current and comparative years.

OFFICE OF PARLIAMENTARY COUNSEL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

Note 13: Financial Instruments

Note 13E: Credit risk

OPC is exposed to minimal credit risk as loans and receivables are cash and trade receivables. The maximum exposure to credit risk is the risk that arises from potential default of a debtor. This amount is equal to the total amount of trade receivables in 2011: \$798 (2010: \$3,764). OPC has assessed the risk of the default on payment and has not recognised any impairment allowance for doubtful debts in 2011 (2010:\$nil).

Due to the nature of our services, OPC customers are primarily other government agencies and departments. In addition, OPC has policies and procedures in place that guide debt recovery techniques that are to be applied.

OPC holds no collateral to mitigate against credit risk.

Credit quality of financial instruments not past due or individually determined as impaired.

	Not Past Due Nor Impaired	Not Past Due Nor Impaired	Past due or impaired	Past due or impaired
	2011	2010	2011	2010
	\$'000	\$'000	\$'000	\$'000
Loans and receivables				
Cash and cash equivalents	102	96	-	-
Trade receivables	-	3	1	2
Total	102	99	1	2

Ageing of financial assets that are past due but not impaired for 2011

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Loans and receivables					
Trade receivables	-	-	1	-	1
Total	-	-	1	-	1

Ageing of financial assets that are past due but not impaired for 2010

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Loans and receivables					
Trade receivables	1	1	-	-	2
Total	1	1	-	-	2

There are no financial assets which are impaired.

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 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2011

Note 13: Financial Instruments

Note 13F: Liquidity risk

OPC's financial liabilities are payables. The exposure to liquidity risk is based on the notion that OPC will encounter difficulty in meeting its obligations associated with financial liabilities. This is highly unlikely due to the appropriation funding available to OPC.

OPC receives appropriation funding from the Australian Government. OPC manages its budgeted funds to ensure it has adequate funds to meet payments as they fall due. In addition, internal policies and procedures are in place to ensure that there are appropriate resources to meet its financial obligations.

Maturities for non-derivative financial liabilities 2011

	On demand 2011 \$'000	within 1 year 2011 \$'000	1 to 5 years 2011 \$'000	> 5 years 2011 \$'000	Total 2011 \$'000
Other Liabilities					
Payables - suppliers	-	40	-	-	40
Other Payables	-	241	-	-	241
Total	-	281	-	-	281

Maturities for non-derivative financial liabilities 2010

	On demand 2010 \$'000	within 1 year 2010 \$'000	1 to 5 years 2010 \$'000	> 5 years 2010 \$'000	Total 2010 \$'000
Other Liabilities					
Payables - suppliers	-	56	-	-	56
Other Payables	-	151	-	-	151
Total	-	207	-	-	207

OPC had no derivative financial liabilities in either the current or prior years.

Note 13G: Market risk

OPC holds basic financial instruments that do not expose OPC to any market risks.

OFFICE OF PARLIAMENTARY COUNSEL
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2011

Note 14: Appropriations

Table A: Annual Appropriations ('Recoverable GST exclusive')

	2010-11 Appropriations					Appropriation applied in 2011 (current and prior years) \$'000	Variance \$'000
	Appropriation Act		FMA Act				
	Annual Appropriation \$'000	Appropriations reduced ^(a) \$'000	Section 30 \$'000	Section 31 \$'000	Total appropriation \$'000		
DEPARTMENTAL							
Ordinary annual services	10,836	-	38	121	10,995	9,899	1,096
Total departmental	10,836	-	38	121	10,995	9,899	1,096

	2009-10 Appropriations					Appropriation applied in 2010 (current and prior years) \$'000	Variance \$'000
	Appropriation Act		FMA Act				
	Annual Appropriation \$'000	Appropriations reduced ^(a) \$'000	Section 30 \$'000	Section 31 \$'000	Total appropriation \$'000		
DEPARTMENTAL							
Ordinary annual services	9,986	-	18	139	10,143	(9,531)	612
Other services	-	-	-	-	-	-	-
Equity	4,697	(1,398)	-	-	3,299	-	3,299
Previous years' outputs	-	-	-	-	-	-	-
Total departmental	14,683	(1,398)	18	139	13,442	(9,531)	3,911

Notes:

(a) Appropriations reduced under Appropriation Acts (No. 1) 2009-10: sections 10, 11 and 12 and under Appropriation Acts (No. 2,4) 2009-10: sections 13 and 14. Departmental appropriations do not lapse at financial year-end. However, the responsible Minister may decide that part or all of a departmental appropriation is not required and request the Finance Minister to reduce that appropriation. The reduction in the appropriation is effected by the Finance Minister's determination and is disallowable by Parliament. On 13 May 2010 the Finance Minister determined a reduction in departmental appropriations. The amount of the reduction determined under Appropriation Act No. 1 of 2009-10 was \$1,398,000.

OFFICE OF PARLIAMENTARY COUNSEL
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2011

Note 14: Appropriations

Table B: Unspent Departmental Annual Appropriations ('Recoverable GST exclusive')

Authority	2011 \$'000	2010 \$'000
Appropriation Act (No. 1) 2004-05	292	292
Appropriation Act (No. 1) 2005-06	890	890
Appropriation Act (No. 1) 2006-07	628	628
Appropriation Act (No. 1) 2007-08	749	749
Appropriation Act (No. 1) 2008-09	460	460
Appropriation Act (No. 1) 2009-10	796	796
Appropriation Act (No. 1) 2010-11*	1,192	96
Total	5,007	3,911

Note * Amount includes cash at bank of \$102,208 (2010: \$96,059)

**OFFICE OF PARLIAMENTARY COUNSEL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2011**

Note 15: Special Accounts

Other Trust Monies Account

This account was established under section 20 of the *Financial Management and Accountability Act 1997* (FMA Act). For the years ended 30 June 2010 and 30 June 2011 the account had nil balances and there were no transactions debited or credited to it. This account was abolished on 19 October 2010.

The purpose of the Other Trust Monies Special Account was for expenditure of monies temporarily held on trust or otherwise for the benefit of a person other than the Commonwealth.

Note 16: Compensation and Debt Relief

Departmental

No Act of Grace payments were made during the reporting period (2010: \$nil).

No waivers of amounts owing to the Commonwealth were made pursuant to subsection 34(1) of the *Financial Management and Accountability Act 1997*.

No payments were made under the Defective Administration Scheme during the reporting period (2010: \$nil).

OFFICE OF PARLIAMENTARY COUNSEL
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2011

Note 17: Reporting of Outcomes

Note 17A: Net Cost of Outcome Delivery

	Outcome 1	
	2011	2010
	\$'000	\$'000
Expenses	10,451	9,991
Income from non-government sector		
Gain from disposal of asset	-	3
Total	-	3
Other own source income		
Goods and services revenue from related entities	90	104
Total	90	104
Net cost of outcome delivery	10,361	9,884

Outcome 1 is described in Note 1.1. Net costs shown include intra-government costs that are eliminated in calculating the actual Budget Outcome.

Note 18: Comprehensive Income (Loss) Attributable to the Entity

	2011	2010
	\$'000	\$'000
Total Comprehensive Income (loss) attributable to the entity		
Total comprehensive income (loss) attributable to the Australian Government *	345	226
Plus: non-appropriated expenses		
Depreciation and amortisation expenses	365	-
Total comprehensive income (loss) attributable to the entity	710	226

* As per the Statement of Comprehensive Income.

Appendix F—List of requirements

Ref*	Part of Report	Description	Requirement	Location
8(3) & A.4		Letter of transmittal	Mandatory	
A.5		Table of contents	Mandatory	
A.5		Index	Mandatory	
A.5		Glossary	Mandatory	
A.5		Contact officer(s)	Mandatory	Chapter 6
A.5		Internet home page address and Internet address for report	Mandatory	Chapter 6
9	<i>Review by Secretary</i>		Mandatory	
9(1)		Review by departmental secretary	Mandatory	FPC's review
9(2)		Summary of significant issues and developments	Suggested	FPC's review
9(2)		Overview of department's performance and financial results	Suggested	FPC's review
9(2)		Outlook for following year	Suggested	FPC's review
9(3)		Significant issues and developments – portfolio	Portfolio departments – suggested	N/A
10	<i>Departmental Overview</i>		Mandatory	
10(1)		Role and functions	Mandatory	Chapter 1
10(1)		Organisational structure	Mandatory	Chapter 1
10(1)		Outcome and program structure	Mandatory	Chapter 1
10(2)		Where outcome and program structures differ from PBS/PAES or other portfolio statements accompanying any other additional appropriation bills (other portfolio statements), details of variation and reasons for change	Mandatory	N/A
10(3)		Portfolio structure	Mandatory for portfolio departments	N/A
11	<i>Report on Performance</i>		Mandatory	
11(1)		Review of performance during the year in relation to programs and contribution to outcomes	Mandatory	Chapter 2
11(2)		Actual performance in relation to deliverables and KPIs set out in PBS/PAES or other portfolio statements	Mandatory	Chapter 2

* The reference is to the location of the item in the Requirements – e.g., 'A.4' refers to the fourth item in Attachment A.

Ref*	Part of Report	Description	Requirement	Location
11(2)		Where performance targets differ from the PBS/PAES, details of both former and new targets, and reasons for the change	Mandatory	N/A
11(2)		Narrative discussion and analysis of performance	Mandatory	Chapter 2
11(2)		Trend information	Mandatory	Chapter 2
11(3)		Performance of purchaser/provider arrangements	If applicable, suggested	N/A
11(3)		Significant changes in nature of principal functions/services	Suggested	Chapter 2
11(3)		Factors, events or trends influencing departmental performance	Suggested	Chapter 2
11(3)		Contribution of risk management in achieving objectives	Suggested	Chapter 2
11(4)		Social inclusion outcomes	If applicable, mandatory	N/A
11(5)		Performance against service charter customer service standards, complaints data, and the department's response to complaints	If applicable, mandatory	N/A
11(6)		Discussion and analysis of the department's financial performance	Mandatory	Chapter 2
11(7)		Discussion of any significant changes from the prior year or from budget.	Suggested	N/A
11(8)		Agency resource statement and summary resource tables by outcomes	Mandatory	Appendix A
11(9)		Developments since the end of the financial year that have affected or may significantly affect the department's operations or financial results in future	If applicable, mandatory	Chapter 2
12	Management Accountability			
	<i>Corporate Governance</i>			
12(1)		Agency heads are required to certify that their agency comply with the Commonwealth Fraud Control Guidelines.	Mandatory	Chapter 3
12(2)		Statement of the main corporate governance practices in place	Mandatory	Chapter 3
12(3)		Names of the senior executive and their responsibilities	Suggested	Chapter 3
12(3)		Senior management committees and their roles	Suggested	Chapter 3
12(3)		Corporate and operational planning and associated performance reporting and review	Suggested	N/A

Appendix F—List of requirements

Ref*	Part of Report	Description	Requirement	Location
12(3)		Approach adopted to identifying areas of significant financial or operational risk	Suggested	Chapter 3
12(3)		Policy and practices on the establishment and maintenance of appropriate ethical standards	Suggested	Chapter 3
12(3)		How nature and amount of remuneration for SES officers is determined	Suggested	Chapter 3
	<i>External Scrutiny</i>			
12(4)		Significant developments in external scrutiny	Mandatory	Chapter 3
12(4)		Judicial decisions and decisions of administrative tribunals	Mandatory	Chapter 3
12(4)		Reports by the Auditor-General, a Parliamentary Committee or the Commonwealth Ombudsman	Mandatory	Chapter 3
	<i>Management of Human Resources</i>			
12(5)		Assessment of effectiveness in managing and developing human resources to achieve departmental objectives	Mandatory	Chapter 4
12(6)		Workforce planning, staff turnover and retention	Suggested	Chapter 4
12(6)		Impact and features of enterprise or collective agreements, individual flexibility arrangements (IFAs), determinations, common law contracts and AWAs	Suggested	Chapter 4
12(6)		Training and development undertaken and its impact	Suggested	Chapter 4
12(6)		Occupational health and safety performance	Suggested	Chapter 4
12(6)		Productivity gains	Suggested	Chapter 4
12(7)		Statistics on staffing	Mandatory	Chapter 4 and Appendix B
12(8)		Enterprise or collective agreements, IFAs, determinations, common law contracts and AWAs	Mandatory	Chapter 4 and Appendix B
12(9) & B		Performance pay	Mandatory	Chapter 4
	<i>Assets management</i>			
12(10)-(11)		Assessment of effectiveness of assets management	If applicable, mandatory	N/A
	<i>Purchasing</i>			
12(12)		Assessment of purchasing against core policies and principles	Mandatory	Chapter 5

Ref*	Part of Report	Description	Requirement	Location
<i>Consultants</i>				
12(13)-(24) & C, D		The annual report must include a summary statement detailing the number of new consultancy services contracts let during the year; the total actual expenditure on all new consultancy contracts let during the year (inclusive of GST); the number of ongoing consultancy contracts that were active in the reporting year; and the total actual expenditure in the reporting year on the ongoing consultancy contracts (inclusive of GST). The annual report must include a statement noting that information on contracts and consultancies is available through the AusTender website. (Additional information as in <u>Attachment D</u> to be available on the Internet or published as an appendix to the report. Information must be presented in accordance with the pro forma as set out in <u>Attachment D</u> .)	Mandatory	Chapter 5
<i>Australian National Audit Office Access Clauses</i>				
12(25)		Absence of provisions in contracts allowing access by the Auditor-General	Mandatory	N/A
<i>Exempt contracts</i>				
12(26)		Contracts exempt from the AusTender	Mandatory	N/A
<i>Financial Statements</i>				
13		Financial Statements	Mandatory	Appendix E
<i>Other Mandatory Information</i>				
14(1) & C		Occupational health and safety (section 74 of the <i>Occupational Health and Safety Act 1991</i>)	Mandatory	Chapter 4
14(1) & C		Freedom of information for the period 1 July 2010 to 30 April 2011 inclusive (see terms of subsection 8(1) of the <i>Freedom of Information Act 1982</i> as it existed prior to 1 May 2011)	Mandatory	Chapter 6 and Appendix C
14(1) & C		Advertising and Market Research (Section 311A of the <i>Commonwealth Electoral Act 1918</i>) and statement on advertising campaigns	Mandatory	Chapter 6

Appendix F—List of requirements

Ref*	Part of Report	Description	Requirement	Location
14(1) & C		Ecologically sustainable development and environmental performance (Section 516A of the <i>Environment Protection and Biodiversity Conservation Act 1999</i>)	Mandatory	Chapter 6 and Appendix D
14(2) & D		Grant programs	Mandatory	N/A
14(3) & D		Disability reporting – explicit and transparent reference to agency-level information available through other reporting mechanisms	Mandatory	Chapter 4
14(4)		Correction of material errors in previous annual report	If applicable, mandatory	N/A
F		List of Requirements	Mandatory	Appendix F

Glossary

AASB	Australian Accounting Standards Board
ACT	Australian Capital Territory
AGS	Australian Government Solicitor
ANAO	Australian National Audit Office
APS	Australian Public Service (OPC staff below Executive Level are classified as APS 1 to 6.)
<i>assistant drafter</i>	a drafter other than a senior drafter
AWA	Australian Workplace Agreement
CALC	Commonwealth Association of Legislative Counsel
COAG	Council of Australian Governments
DPP	Director of Public Prosecutions
FMOs	Finance Minister's Orders
FOI Act	<i>Freedom of Information Act 1982</i>
FPC	First Parliamentary Counsel
IPS	Information Publication Scheme
IT	information technology
KPI	key performance indicator
NAIDOC	National Aborigines and Islanders Day Observance Committee
OH&S Act	<i>Occupational Health and Safety Act 1991</i>
OLDP	Office of Legislative Drafting and Publishing
OPC	Office of Parliamentary Counsel
PAES	Portfolio Additional Estimates Statements

<i>PBC</i>	Parliamentary Business Committee (a committee of the Cabinet)
<i>PBS</i>	Portfolio Budget Statement
<i>RAP</i>	Reconciliation Action Plan
<i>senior drafter</i>	First Parliamentary Counsel, a Second Parliamentary Counsel or a drafter in the SES
<i>SES</i>	Senior Executive Service
<i>WCC</i>	Workplace Consultative Committee

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