



Australian Government  
Office of Parliamentary Counsel



OFFICE OF PARLIAMENTARY COUNSEL  
Annual Report 2019–2020

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**Australian Government**

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**Office of Parliamentary Counsel**

OFFICE OF PARLIAMENTARY COUNSEL  
*2019-2020 Annual Report*



**Australian Government**  
**Office of Parliamentary Counsel**

**First Parliamentary Counsel**

The Hon Christian Porter 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 2019 to 30 June 2020.

The report has been prepared in accordance with section 46 of the *Public Governance, Performance and Accountability Act 2013*. Subsection 46(1) of the *Public Governance, Performance and Accountability Act 2013* 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', with a stylized flourish at the end.

Peter Quiggin PSM  
First Parliamentary Counsel  
25 September 2020



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# FIRST PARLIAMENTARY COUNSEL'S REVIEW





## OPC's 50th Anniversary

The Office of Parliamentary Counsel (**OPC**) was created in 1970. Therefore, 2020 is the 50th Anniversary of OPC.

OPC was formed in 1970 due to a crisis in legislative drafting or, put simply, a lack of legislative drafters. OPC has been very successful over the last 50 years in recruiting, training and retaining drafters to ensure that it is now in a very strong position and is able to deliver legislation of the highest quality to meet the Government's requirements.

I think that we can all be extremely proud when we look back over the last 50 years and see what OPC has achieved and where we are today. Over those 50 years the legislation that has been drafted and published by OPC has shaped Australia. The legislation that we draft in the future will continue to shape Australia.

OPC is now widely respected across the drafting offices of the world as a leader in many ways. OPC is incredibly well positioned for the future on the drafting, publishing and corporate fronts.

We had planned a range of activities to celebrate the occasion. Unfortunately, many of these had to be cancelled or substantially changed due to COVID-19. In particular, a major conference that we had planned for April was cancelled.

On both the anniversary of the *Parliamentary Counsel Act 1970* receiving the Royal Assent on 15 May and then commencing 28 days later on 12 June, we held morning teas using video conferencing. While these were not the same as everyone getting together, they were an enjoyable way of marking this important milestone.

## A tumultuous year

The second half of the financial year has been a tumultuous period for Canberra, Australia and the whole of the world.

In December and January massive bushfires ravaged much of eastern Australia and left Canberra (where OPC is located) under a haze of smoke for weeks at a time. Some of OPC's staff and their families were directly impacted by the fires.

This was followed by a massive hailstorm that swept through Canberra causing widespread damage. Again, OPC staff and their families were directly affected.

This was then followed by the outbreak of COVID-19. Thankfully, no OPC staff have so far been infected. However, the outbreak had a massive impact on OPC's operations. We had to move to a skeleton staff in our office almost overnight with other staff working from home using remote access to our IT systems. In addition, there were substantial demands for urgent legislation to ensure that Australia could respond on both the medical/biosecurity front and on the economic front.

The contribution by OPC staff throughout this period has been outstanding. This has been recognised by the Government and by statements in Parliament by members of the Opposition.

At the end of the financial year we were beginning the process of returning to having nearly all staff working from OPC's premises.

## Bills

Over the year, 216 Bills, totalling 7,931 pages, were introduced. These figures are a reduction compared to the previous year. This was primarily due to the reduction in sitting weeks due to the COVID-19 virus. The volume of Parliamentary Amendments was also substantially below the previous year.

The COVID-19 crisis required the very urgent drafting of a range of Bills. These included:

- the *Coronavirus Economic Response Package Omnibus Act 2020*;
- the *Coronavirus Economic Response Package (Payments and Benefits) Act 2020* (which enabled the JobKeeper rules); and
- the *Guarantee of Lending to Small and Medium Enterprises (Coronavirus Economic Response Package) Act 2020*.

Other major legislation that was introduced included:

- the *Emergency Response Fund Act 2019*;
- the *Customs Tariff Amendment (Growing Australian Export Opportunities Across the Asia-Pacific) Act 2019*;
- the *National Sports Tribunal Act 2019*;
- the Telecommunications Legislation Amendment (International Production Orders) Bill 2020;
- the *Interactive Gambling Amendment (National Self-exclusion Register) Act 2019*; and
- the *Aged Care Legislation Amendment (New Commissioner Functions) Act 2019*.

Legislation administered by the Treasury continues to be an area of substantial demand.

Legislation that was worked on included:

- the Coronavirus legislation mentioned above; and
- legislation in response to the Hayne Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry.

## Instruments

During the year, 255 Federal Executive Council (**ExCo**) legislative and notifiable instruments drafted by OPC, totalling 3669 pages, were made and registered on the Federal Register of Legislation (***the Legislation Register***).

OPC also drafted 211 other legislative and notifiable instruments, totalling 2277 pages, for government agency clients.

The COVID-19 crisis required the very urgent drafting of a range of instruments including the *Coronavirus Economic Response Package (Payments and Benefits) Rules 2020*, which established the JobKeeper payment.

Earlier in the year, instruments were required to respond to the bushfires including:

- the *Export Market Development Grants (Export Performance Requirements) Amendment (2019-20 Grant Year) Instrument 2020*; and
- the *Veterans' Affairs Pharmaceutical Benefits Schemes Amendment (Continued Dispensing—Emergency Measures) Determination 2020*.

Other major instruments that were made included:

- the *AusCheck Legislation Amendment (Major National Events) Regulations 2019*, empowering AusCheck to perform identity checks of workers at significant events such as the Women's Cricket World Cup;
- the *Competition and Consumer (Industry Codes—Dairy) Regulations 2019*, regulating relationships between milk processors and dairy farmers; and
- the *Civil Aviation Safety Amendment (Remotely Piloted Aircraft and Model Aircraft—Registration and Accreditation) Regulations 2019*.

## Export control legislation project

OPC has been working in partnership on the export control legislation project with the Department of Agriculture, Water and the Environment since August 2016. The project included drafting a new principal Act as well as supporting Rules and Regulations.

The Export Control Bill passed Parliament February 2020. The new Act and associated Rules and Regulations (15 legislative instruments in all) are scheduled to commence on 28 March 2021.

The Export Control Act 2020 and the Rules and Regulations to be made under it simplify and consolidate the current export control legislation. It creates a flexible legislative framework that will provide the primary means for the Australian Government to regulate goods exported from Australia.

This is the latest in a series of large legislative reform projects which also included the Biosecurity legislation that OPC has undertaken with the Department of Agriculture.

## Sunsetting instruments

OPC continued to play a key role in the management of the sunset of legislative instruments.

OPC worked closely with sunset coordinators in all portfolios to encourage early action on instruments due to sunset.

OPC will continue to play an important role in repealing spent and redundant legislation and ensuring that the Commonwealth statute book is as coherent, readable and readily accessible as possible.

## Encouraging high drafting standards for legislative instruments

In 2012 the obligation to encourage high standards in the drafting of legislative instruments under section 16 of the *Legislation Act 2003 (the Legislation Act)* was transferred to me from the Secretary of the Attorney-General's Department. Since 2012 I have taken a number of measures to fulfil my obligations under that section and enhance the quality of the Commonwealth's overall statute book.

In 2019-2020 OPC continued to engage actively with rule-making agencies to encourage high standards of drafting and provided services to assist agencies drafting legislative or notifiable instruments. This work expands on OPC's activities under the program component standardisation and quality control of legislation.

This year we continued the courses run by OPC for people involved in drafting legislative instruments.

Due to COVID-19, we had to suspend courses during the second half of the year. However, we have modified the courses so that they will be able to be presented remotely and are looking forward to running them again.

More information on these activities is set out in later sections of this Annual Report.

## Drafting resources

OPC has increased its drafting staff over the year. We have been recruiting new drafters to ensure that we will have sufficient capacity in the future.

During the year, two new drafters started with OPC.

One drafter who had been with OPC for a short time returned to the agency that she had been in before joining OPC.

OPC expects that a number of long-serving drafters will retire over the next few years. However, I am confident that the recruitment and training that has been undertaken over the last few years will mean that the Office will be well placed to continue to deliver the Government's legislative agenda.

OPC continued to engage the services of Mr Richard Dennis AM PSM who had previously been the Parliamentary Counsel for South Australia.

## **Publications**

The Publications Group functions include:

- publishing policy, including preparation of sunseting and bulk repeal;
- preparing compilations, operating the Legislation Register and managing the associated Helpdesk, publishing and making arrangements for the printing of Commonwealth legislation and Gazettes;
- proofreading and editorial checking of all draft legislation drafted in OPC; and
- the development and operation of the Legislation Register website ([www.legislation.gov.au](http://www.legislation.gov.au)).

The Publications group has continued to focus on data acquisition and cleansing to ensure quality is maintained and legislation is accessible on the Legislation Register. This included:

- continuing significant work to move the format of compilations of Commonwealth legislation into a standard style;
- preparing versions of as made legislation from 1901 in multiple formats; and
- back-capturing historical metadata on the Legislation Register to make it consistent with current standards and therefore easier to search and retrieve information about older legislation.

Work also continued on the project to redevelop the Legislation Register.

## **Documentation and training**

This year OPC continued to document matters of ongoing relevance to drafting and publishing legislation.

Drafters continued to be rotated through Bill and instrument drafting positions, to ensure that drafters can take on the full range of OPC's drafting work.

The Legislation Process Course and more advanced Legislative Design Course both continued to be very popular, with high enrolments and excellent feedback.

OPC continues to provide significant support and training for instrument drafters. OPC convenes the Instrument Drafters Discussion Forum every 6 months which gives officers drafting instruments in-house within agencies the opportunity to discuss common issues and obtain problem solving support from experienced drafters. OPC also continued to regularly hold its two popular and well-received basic courses in drafting legislative instruments.

This year OPC made significant use of documentation of the processes and procedures of the Publications group that was prepared last year when training new staff and staff undertaking additional duties.

OPC also commenced the production of in-house online materials that are available to all staff through LearnHub.

## Financial performance

Financially, OPC is in a good position. OPC had a small surplus for the year and is budgeting for a break-even position in 2020-2021.

Additional funding was provided in both the Budget and the Additional Estimates to assist OPC to meet drafting needs arising from the response to the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry.

The funds were only for this financial year.

## Liaison outside OPC

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

OPC continued our close ties with a range of areas within the Attorney-General's Department on matters of mutual interest. In particular, I continued as a member of the Department's Legislation Committee and the Significant Legal Issues Committee.

Two of our drafters, Louise Finucane and Lauren Brennan, were seconded to the Attorney-General's Department until the end of December 2019 to support Dennis Richardson AC to examine the effectiveness of the legislative frameworks governing Australia's National Intelligence Community. Lauren Brennan received an Attorney-General's Department Achievement Award 2020 for outstanding secretariat support to the Review for her work on the project.

OPC also has regular meetings with the Department of Health to assist them with management of their legislative program.

I was also a member of the Implementation Steering Committee (**ISC**) overseeing the preparation of legislation in response to the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry. The ISC also included representatives from the Treasury, the Australian Securities and Investments Commission and the Australian Prudential Regulation Authority.

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.

Staff involved in Publications and Information Technology continued to be involved in the Australasian Parliamentary Counsel's IT, Publishing and Office Systems Forum. This year the meeting was hosted by the New South Wales Parliamentary Counsel's Office.

I gave speeches to a wide variety of organisations, including:

- the South Australian Parliamentary Counsel's Office;
- Flinders University;
- the University of South Australia;
- the Tax Institute in Western Australia;
- the Law Society of Western Australia;
- the Western Australian Parliamentary Counsel's Office;
- the Office of the Queensland Parliamentary Counsel; and
- the Australian Government Legal Network.

Other staff spoke at a variety of universities and to other bodies.



Two OPC drafters, John King and Daniel Baird, travelled to Fiji to deliver training on legislative drafting.

OPC staff also met with participants in the 2019 Pacific Twinning Program. The participants were from Fiji, Kiribati, Papua New Guinea and the Solomon Islands.

## **Drafting conferences**

In November I attended the Sixth International Conference on Legislation and Law Reform in Washington DC. The other member of the OPC delegation was Ms Samara Zeitsch. In addition to the conference, we also visited the drafting office in Toronto, the drafting office and a number of other offices in Ottawa, and the House of Representative and Senate drafting offices in Washington DC.

The conference and the visits to the various offices were a wonderful opportunity to share information with other legislative drafters.

Two regional conferences of the Commonwealth Association of Legislative Counsel (**CALC**) which were planned for early 2020 were both cancelled due to COVID-19.

A conference that OPC was organising in Canberra for April that was a joint CALC 50th Anniversary, Australasian Parliamentary Counsel's Committee and CALC (Pacific Region) was cancelled.

Similarly, a CALC (Europe Region) conference that was to be held in Cardiff in June was cancelled. I had intended to lead a small delegation from OPC to this conference.

## **Internship**

During the year we hosted Ms Tshepo Mokgothu who was undertaking a Joint Master Program in Parliamentary Procedures and Legislative Drafting (EUPADRA) which is an intense post-graduate course offered by three top-ranked European academic institutions: Luiss Guido Carli (Rome, Italy), Universidad Complutense University of Madrid (Madrid, Spain) and University of London (London, UK).

Ms Mokgothu is a legislative drafter from Botswana.

During her time in Australia, she worked at OPC, the ACT Parliamentary Counsel's Office and the NSW Parliamentary Counsel's Office.

In addition to gaining experience in legislative drafting in Australia, Ms Mokgothu's internship gave Australian drafters insight into the work that she did in Botswana.

## **Corporate Services support**

We had major changes to our senior staffing in our Corporate Services Group over the year. Our General Manager (Corporate) and CFO, Ms Susan Roberts, left after working with OPC since 2007. Also, our Executive Officer, Mr Tony Perkins, retired after almost 27 years with OPC.

Both Susan and Tony made valuable contributions over their many years of service with OPC.

Mr Stephen Campbell joined OPC as General Manager (Corporate) and Chief Information Officer. We also recruited a number of other Corporate Services positions and have reviewed and restructured the area.

In addition to the ongoing administrative work of OPC, significant administrative activity during the year was devoted to:

- commencing fit-out works to OPC's premises;
- establishing a consultation and engagement framework;
- establishing the People Committee and the Business Operations Committees, along with a Joint Publishing and Drafting Working Group to support collaboration and engagement of key initiatives across the agency;
- establishing the "Having a conversation" training program for giving and receiving feedback as part of the review into performance management;
- progress of the Redevelopment of the Legislation Register;
- 50th Anniversary celebration activities, including preparing for the CALC 2020 conference;
- responding to COVID-19, and implementing measures to ensure a sustainable and safe working environment for our staff;
- continuing to promote and implement activities in the fourth year of OPC's Healthier Work Plan; and
- reviewing and updating policies, procedures and processes.

The work that was done the previous year in testing and exercising OPC's business continuity management and ICT disaster recovery arrangements proved to be extremely valuable when we were required at short notice to have nearly all staff working remotely. The work of our IT staff was critical in ensuring that OPC was able to continue to operate at full capacity.

## **Drafting support to House and Senate**

During the year we continued the arrangements to provide drafting support to each of the two Houses of Parliament.

The arrangement with the Senate is a secondment to the Procedure Office for one of our assistant drafters. This position is a valuable learning exercise for the drafters who are involved, as well as a practical way for OPC to provide some assistance to the Senate.

We also provided a senior drafter to assist the House of Representatives to deal with Private Members' work. This arrangement has been quite successful and is being continued with the drafter working predominantly from OPC's offices.

## **Outlook for coming year**

As the year commences, there is still substantial uncertainty arising from COVID-19. OPC is in the process of returning to having nearly all staff working from our Office.

For the first half of the year, the Office will continue to celebrate the 50th Anniversary of OPC.

It seems likely that the next year will see a continued increase in the already very high level of demand for OPC's drafting resources.

It also seems likely that OPC will have some retirements amongst its drafting staff. Therefore, OPC will need to continue to concentrate on the recruitment, training and retention of the highest quality staff in order to meet the demands of the future. OPC will also need to continue to recruit new drafters to ensure the long-term viability of OPC.

Work will continue on the redevelopment of the Legislation Register. The Register is critical in ensuring that the public has ready access to legislation and its redevelopment will provide users with additional functionality and access to a complete database of Federal legislation.

Peter Quiggin PSM

# CHAPTER 1: OVERVIEW OF OPC

## Role and functions of OPC

OPC is the Commonwealth's principal provider of professional legislative drafting and publishing services. OPC delivers timely, high quality drafting and advisory services for Bills, legislative instruments and other instruments, prepares compilations of laws as amended, and publishes legislation and government notices on behalf of more than 70 agencies. OPC also provides comprehensive, free access to Commonwealth legislation and related material through the Legislation Register website.

OPC was established under the *Parliamentary Counsel Act 1970*. Its functions are set out in section 3 of that Act. They are:

- drafting proposed laws for introduction into either House of the Parliament;
- drafting amendments of proposed laws that are being considered by either House of the Parliament;
- drafting subordinate legislation;
- preparing compilations and reprints of, and information relating to, laws of the Commonwealth;
- publishing, and making arrangements for printing and publishing:
  - laws, and proposed laws, of the Commonwealth;
  - compilations and reprints of laws of the Commonwealth; and
  - information relating to laws of the Commonwealth;
- preparing and publishing Government Notices Gazettes, including Special and Periodic Gazettes;
- functions conferred on OPC (or on First Parliamentary Counsel) under the *Legislation Act 2003*; and any other laws of the Commonwealth;
- with the written approval of the Minister—providing assistance to a foreign country in relation to the drafting, printing or publishing of laws of the country or information relating to those laws;
- functions conferred by the regulations; and
- functions incidental to any of the preceding functions.

## Organisational structure

OPC is headed by the First Parliamentary Counsel (**FPC**) and two Second Parliamentary Counsel.

For 2019-2020, Peter Quiggin, FPC, was the accountable authority.

OPC has three groups: Drafting, Publications and Corporate Services.

In the Drafting Group, drafting is carried out in teams consisting of drafters (who are all lawyers) supported by administrative staff. Some 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.

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

OPC's Publications Group, headed by the General Manager Publishing, is responsible for:

- publishing policy, including preparing sunseting and bulk repeal lists;
- preparing compilations, operating the Legislation Register and managing its Helpdesk, and publishing and making arrangements for the printing of Commonwealth legislation Gazettes;
- proofreading and editorial checking of all draft legislation drafted in OPC; and
- the development and operation of the Legislation Register website.

OPC's Corporate Services Group, headed by the General Manager Corporate, consists of:

- an Information Technology (*IT*) section that manages, maintains and supports OPC's IT environment;
- staff providing human resources and financial services; and
- staff providing administrative support, records management, and property and security services.

## Outcome and program structure

OPC's outcome for 2019-2020 is "A body of Commonwealth laws and instruments that give effect to intended policy, and that are coherent, readable and readily accessible, through the drafting and publication of those laws and instruments".

For 2019-2020, OPC had one program and five program components contributing to meeting that outcome. The program was legislative drafting and publication. The program components were:

- legislation;
- program and project management;
- legislative drafting capability;
- standardisation and quality control of legislation; and
- publication.

## Purposes

OPC's purposes are derived from our enabling legislation and our outcome under the Appropriation Acts.

OPC's purposes are to:

- enable the Government to carry out its legislative program by drafting Bills, legislative instruments to be made or approved by the Governor-General (Federal Executive Council instruments) and a range of other instruments; and
- ensure Commonwealth laws and instruments are freely available and accessible to everyone by publishing those laws and instruments on the Legislation Register website.

# CHAPTER 2: ANNUAL PERFORMANCE STATEMENT

## Introductory statement

The Annual Performance Statement has been prepared in accordance with paragraph 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (**the PGPA Act**) for the 2019-20 financial year and accurately presents OPC's performance in accordance with subsection 39(2) of that Act.

## OPC's purposes and results

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### Purpose 1—Legislative drafting

Enable the Government to carry out its legislative program by drafting Bills, legislative instruments to be made or approved by the Governor-General (Federal Executive Council (**ExCo**) instruments) and a range of other instruments

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### Results for Purpose 1

#### **Performance criterion 1.1**

**Criterion:** Proportion of client surveys that indicate Bills and ExCo instruments reflect sponsors' policy intentions and are legally effective

**Source:** Corporate Plan 2019-20; Portfolio Budget Statement (**PBS**) 2019-20, page 231

<b>Target</b>	<b>Result</b>
100%	100%

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#### **Performance criteria 1.2**

**Criteria:** Average rating (rating scale 1-5) received on client survey forms for overall satisfaction with the drafting process and draft legislation

**Source:** Corporate Plan 2019-20; PBS 2019-20, page 231

<b>Target</b>	<b>Result</b>
≥ 4	4.9

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#### **Performance criteria 1.3**

**Criteria:** Proportion of Bills and ExCo instruments that have drafting standards and conventions applied consistently

**Source:** Corporate Plan 2019-20; PBS 2019-20, page 231

<b>Target</b>	<b>Result</b>
100%	100%

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**Purpose 2—Publication**

Ensure Commonwealth laws and instruments are freely available and accessible to everyone by publishing those laws and instruments on the Legislation Register website

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**Results for Purpose 2****Performance criteria 2.1**

**Criteria:** Proportion of legislative and notifiable instruments and gazette notices that are registered as required by lodging entities

**Source:** Corporate Plan 2019-20; PBS 2019-20, page 231

<b>Target</b>	<b>Result</b>
100%	100%

**Performance criteria 2.2**

**Criteria:** Proportion of other legislative and notifiable instruments and gazette notices that are registered no later than two business days after lodgement

**Source:** Corporate Plan 2019-20; PBS 2019-20, page 231

<b>Target</b>	<b>Result</b>
98%	100%

**Performance criteria 2.3**

**Criteria:** Proportion of Acts that are registered on the Legislation Register no later than two working days after receipt of notification of Royal Assent

**Source:** Corporate Plan 2019-20; PBS 2019-20, page 231

<b>Target</b>	<b>Result</b>
98%	100%

**Performance criteria 2.4**

**Criteria:** Proportion of Act and legislative and notifiable instrument compilations required to be prepared by OPC that are registered on the Legislation Register 28 days after commencement of the prospective amendments

**Source:** Corporate Plan 2019-20; PBS 2019-20, page 231

<b>Target</b>	<b>Result</b>
90%	88%

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# Analysis of performance against Purpose 1: Legislative Drafting

## Overview

OPC's outcome for 2019-2020 is "A body of Commonwealth laws and instruments that give effect to intended policy, and that are coherent, readable and readily accessible, through the drafting and publication of those laws and instruments."

The first purpose that this gives rise to is to enable Government "to carry out its legislative program by drafting Bills, ExCo instruments and a range of other instruments".

OPC achieves this purpose by working with government agencies to clarify policy proposals and implement the intended policy of the Executive Government in legally effective legislation. The legislation drafted is comprehensible, workable and in a form available for scrutiny, and approval or rejection, by the Parliament.

OPC has met the targets for the performance criteria for this purpose in 2019-2020.

Bills and ExCo instruments were drafted in accordance with government priorities and in a form suitable for consideration and enactment.

Client feedback surveys during 2019-2020 indicated that all Bills and instruments 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 or through editorial changes made using First Parliamentary Counsel's powers under the Legislation Act. Minor technical flaws detected in instruments are addressed using First Parliamentary Counsel's editorial power or through the next relevant drafting project.

Clients were also surveyed on their overall satisfaction with the drafting process and the resulting legislation. On a rating scale of 1 to 5, the average response for Bills was 4.9 and the average response for instruments was 4.9. Both of these are well above the target of 4.

Drafting standards are issued and formatting conventions are set by the First Parliamentary Counsel to ensure a consistent approach is taken in drafting.

The drafting standards and formatting conventions were applied consistently to Bills and ExCo instruments.

Quality assurance through editorial checking ensured drafting standards and formatting conventions were applied consistently and legislation was accurate and readable.

Client feedback surveys during 2019-2020 indicated that all Bills and instruments were easy to understand, having regard to the inherent complexity of the subject matter.

## Bills

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

On the basis of this program, drafters in OPC are instructed by departments or other agencies on the policy to be effected by each Bill.

In consultation with instructing officers, the drafters consider the constitutional and legal background against which the Bill is to be framed, analyse the policy and determine the

structure of the Bill. They then draft the Bill in terms intended to give effect to the policy in as precise and clear a manner as possible.

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

If the Government decides to amend a Bill during its passage through the Parliament, drafters in OPC prepare the necessary amendments and provide copies to the Parliament.

## Drafting resources applied according to government priorities

Drafting resources were applied, and Bills were drafted, in accordance with government priorities.

Most category T Bills were drafted and introduced. Several Bills retained category T status to ensure access to drafting resources throughout the sitting concerned. Many category A Bills, and 6 category B or C Bills, were drafted and introduced.

## Statistics for Bills introduced

The timing of the Federal election and then the COVID-19 crisis had a substantial impact on the number of Bills introduced as the Parliamentary sitting pattern was quite different to the normal pattern.

Over the year, 216 Bills drafted by OPC, totalling 7,931 pages, were introduced into the Parliament.

The Bill statistics table below gives more detailed figures for those Bills, broken down by Parliamentary sitting periods.

The figures in the table also indicate the total number of Bills on the original program for each sitting period that is set by the Parliamentary Business Committee of the Cabinet (**PBC**) at the end of the preceding sitting. As the original program is subject to variations during the sitting concerned, the number of Bills in a particular category that are introduced may exceed the number on the original program.

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 sitting into four categories:

- **Category T ("time critical"):** These Bills are intended to be introduced and passed in a single sitting period.
- **Category A:** Most important after category T. Generally intended for introduction, but not passage, during the sitting.
- **Category B:** Next most important. Generally intended for introduction, but not passage, during the sitting.
- **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 sitting).

Some Bills in categories A, B and C may not be intended for introduction in the sitting period 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 sitting proposed for their introduction.

The large number of Bills introduced in the first sitting after the election will, in part, be due to the reintroduction of Bills that lapsed when Parliament was prorogued.

<b>Bill statistics</b>		
<b>Category</b>	<b>Bills on original PBC program</b>	<b>Bills introduced</b>
<b>Winter/Spring 2019 (July—December 2019)</b>		
<b>T</b>	87	101
<b>A</b>	82	40
<b>B</b>	41	4
<b>C</b>	1	0
<b>Total</b>	<b>211</b>	<b>145</b>
<b>Autumn 2020 (February—March 2020)</b>		
<b>T</b>	30	29
<b>A</b>	72	4
<b>B</b>	38	0
<b>C</b>	5	1
<b>Total</b>	<b>145</b>	<b>34</b>
<b>Winter 2020 (May—June 2020)</b>		
<b>T</b>	41	29
<b>A</b>	74	6
<b>B</b>	39	2
<b>C</b>	6	0
<b>Total</b>	<b>160</b>	<b>37</b>

## Client feedback

OPC surveys its clients (agency instructors) about all Bills drafted. Among other things, clients are asked whether the Bills as introduced reflect their policy intentions. Survey responses for 2019-2020 indicated that all Bills reflected 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 were introduced.

The target in the PBS for the average response to "overall satisfaction" is

4.0 out of 5 (where 5 is the highest rating). The result for 2018-2019 was 4.9 out of 5.

Comments included in responses to the client surveys reinforced this very high degree of satisfaction with OPC's services. Comments in response to the question "*What did you like most about this experience with the Office?*" included:

- The discussion of drafting approaches was excellent. [The drafter] took the time to explain to us the limitations and advantages of each approach, and gave us appropriate information to make an informed choice on how to resolve the policy within legislation.
- In my view, the work we did with the drafting team was very positive and collaborative, and ultimately resulted in a broader improvement to the laws that was outside of the scope (but intrinsically related to) the original measure.
- [The drafters] managed the drafting process with clear, timely communication and flexibility. [The drafters] were great to work with, responsive, good humoured, and provided excellent written and oral responses to questions and suggestions. The team really appreciated their approach, and the quality of the working relationship meant that a highly stressful, complex process was made much less stressful than it would otherwise have been.
- The project could not have been completed without the responsive, adaptive, flexible, and expert input of the drafters.

- Working with [the drafter] was an absolute pleasure. He was responsive, thorough, communicative and turned things around in a really timely way given the sometimes extremely tight timeframes. He was also very polite and professional given the situation was often challenging.
- It was a privilege to have been able to work with [the drafters] who were both professional at all time. They were very responsive and delivered very speedily in an incredibly short timeframe. They were very patient with us and generous with their time.
- Our drafter was fantastic. He was highly responsive, thoroughly considered the issues and raised concerns in a constructive way, which improved the overall quality of the legislation. He also went above and beyond to resolve some set-backs we faced, for instance with regard to settling the scope of our policy authority.
- This Bill was turned around in an extremely short timeframe and we are grateful for the efforts of both drafters to achieve this. Both drafters communicated regularly with myself and other instructing colleagues and went out of their way to ensure we were provided with accurate information, especially during the process to finalise and lodge the Bill.
- I make special mention of [the drafter] who continued to consider new ways to resolve issues and had the creative thinking to approach the task from a whole new, and elegant way. 10 out of 10.

## Parliamentary amendments

The number of parliamentary amendments drafted by OPC in 2019-2020 was 379. This is substantially less than for recent years. One reason for this was the unusual sitting pattern.

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. The figures are set out in the table below.

The table also shows figures for reporting years since 2012-2013, 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.

Amendments described as "government policy change" proposed changes to policy positions already dealt with in the Bill concerned. Amendments described as "government new policy" added new material, dealing with new policy, to the Bill. Generally, these represented cases in which a Bill already in the Parliament was seen as a convenient vehicle for additional but urgent legislative provisions.



<b>Parliamentary amendments statistics</b>					
<b>Number of amendments drafted (% of total)</b>					
<b>Year</b>	<b>Government policy change</b>	<b>Government new policy</b>	<b>Government correction of drafting errors</b>	<b>Non-government amendments</b>	<b>Total</b>
<b>2019-2020</b>	282 (74.4)	19 (5.0)	2 (0.5)	76 (20.1)	<b>379</b>
<b>2018-2019</b>	1,147 (92.0)	83 (6.7)	12 (1.0)	4 (0.3)	<b>1,246</b>
<b>2017-2018</b>	1,457 (93.9)	17 (1.1)	27 (1.7)	51 (3.3)	<b>1,552</b>
<b>2016-2017</b>	480 (89.7)	8 (1.5)	18 (3.4)	29 (5.4)	<b>535</b>
<b>2015-2016</b>	281 (74.7)	37 (9.8)	1 (0.3)	57 (15.2)	<b>376</b>
<b>2014-2015</b>	783 (88.0)	14 (1.6)	19 (2.1)	74 (8.3)	<b>890</b>
<b>2013-2014</b>	191 (81.6)	19 (8.1)	1 (0.4)	23 (9.9)	<b>234</b>
<b>2012-2013</b>	786 (71.6)	254 (23.2)	14 (1.3)	43 (3.9)	<b>1,097</b>

## Instruments

OPC provides government agencies with drafting services for subordinate legislation.

OPC provides instrument drafting services that are tied to OPC under the *Legal Services Directions 2017* to sponsoring agencies on a budget-funded basis. OPC also provides instrument drafting services that are not tied to OPC to government agency clients on a contestable, user-pays basis.

OPC has a bidding and priority system for instruments which is very closely based on the system for Bills.

The main difference is that there is no ministerial involvement in determining the final priorities. Where necessary, this will be done by OPC in consultation with the relevant government agencies.

In addition, the priorities used are 1, 2, 3 and 4 (rather than T, A, B and C).

The priority system has been very useful for OPC in planning instrument drafting work. It also appears to be assisting instructing agencies in achieving greater coordination of their instrument drafting.

As OPC drafts both Bills and instruments, drafters have been able to work closely on significant projects that required changes to both Acts and subordinate legislation. This has facilitated a more effective and efficient management of projects across both legislation processes.

### Budget-funded instrument drafting services

Under the *Legal Services Directions 2017* the drafting of regulations, Ordinances and regulations of non-self-governing Territories, and ExCo instruments, is tied to OPC and is provided on a budget-funded basis. Drafting services are also provided on a budget-funded basis for rules of court.

During 2019-2020, 255 ExCo legislative and notifiable instruments drafted by OPC, totalling 3669 pages, were made and registered on the Legislation Register.

### User-pays drafting services

Instrument drafting services that are not tied to OPC are provided on a contestable, user-pays basis. Editing, compilation and related IT services for instruments that are not tied to OPC are also provided on a user-pays basis. The fees for these services are consistent with the competitive neutrality guidelines and are relied on by OPC as part of the funding mix that assists to sustain the delivery of all its functions.

During 2019-2020, approximately 211 other legislative and notifiable instruments, totalling 2277 pages, were drafted by OPC on a user-pays basis for government agency clients and registered on the Legislation Register.

## Client feedback

OPC surveys its clients (agency instructors) about instruments drafted by OPC.

The target in the PBS for the average response to "overall satisfaction" is 4.0 out of 5 (where 5 is the highest rating). The result for 2018-2019 was 4.9 out of 5.

Comments included in responses to the client surveys reinforced 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?*" included:

- Even though we aren't required to use OPC for these instruments I always tell people to do it - OPC understand government, understand priorities, and know how to work with APS. They get legislation and they are very good at it.
- The OPC drafting team has provided above and beyond service, especially during the last few months where they have to draft many urgent items (and in very short amount of time) to support the Government response to the bushfires initiative.
- The incredible diligence of the drafters and willingness to work through very complex problems. Also, their patience with uncertainties surrounding policy.
- The legislation was extremely clear, which is particularly impressive given the complex subject matter.
- I have worked with [the drafter] on this particular project for almost three years - and as hard as this project has been - [the drafter] has stood with me the whole time - I truly felt like we developed a real partnership together.
- [The drafter] was outstanding, and produced a great product by our wholly unreasonable deadline. She has a big fan club at [the instructing agency].
- Very easy to work with the drafters, personable, professional and responsive. Drafters assisted in simplifying relatively complex concepts and added a lot of value by thoroughly considering the policy/DI's and current legislative framework when developing drafts.
- The drafters are excellent and added maximum value on this project. [The instructing agency] are extremely happy with all [of the] determinations, they are a significant improvement on previous determinations not drafted by OPC.
- This instrument was drafted in a very short timeframe during pressing circumstances due to the COVID-19 pandemic. The process was exceptionally smooth given the environment everyone was operating in (including at a time when all persons involved were suddenly working from home under increased pressure).
- A professional team with a can do attitude, who are always willing to offer and provide the best solution under any circumstances.
- Our drafter was very helpful in clarifying what were very incomplete instructions. Her numerous questions were helpful in directing policy instructors to issues they needed to address. She was also very responsive and worked very quickly in the tight timeframe we had.
- [The drafter], you are an absolute bloody legend. 10/10, five stars.

## Legislative drafting capability

Building and maintaining drafters' capability for long-term viability of resources

For OPC to achieve its legislative drafting purpose, and meet the related performance criteria into the future, it is essential that OPC's drafting capability is maintained.

In most years, OPC's turnover of drafting staff has been extremely low.

This very low turnover (about 3% per annum for a number of years) enabled OPC to build up a strong group of experienced drafters. It also meant that OPC did not need to recruit to the same extent that it had in previous years.

OPC recruited two new drafters during 2019-2020. Only one drafter left OPC.

Assistant drafters working on Bills work closely with senior drafters (SES or Statutory Office Holders). 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 OPC's drafting output.

Drafters working on instruments generally work in a team arrangement with two assistant drafters and one SES drafter. On any particular instrument, there will generally be two drafters working together, with one doing the principal drafting and the other checking or settling the work.

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.

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.

## Building instructors' capability to enable efficient use of drafting resources and quality legislation

OPC was not able to run Legislation Process Courses during 2020 due to COVID-19. This has substantially reduced the number of courses OPC offered this year. Work has been done on redeveloping the Legislation Process Course; and other courses so that they can be delivered remotely.

During the year, five Legislation Process Courses were run with a total of 132 participants.

A total of 273 Legislation Process Courses have been run since they began in 1994.

This year, there were two Legislation Design Courses and two Simple Instruments training courses run with a total of 84 participants.

OPC considers that running these courses is an important way for OPC to contribute to the improvement of instructing and instrument drafting standards.

## Standardisation and quality control of legislation

### Drafting standards and quality assurance

Editorial checking ensured that drafting standards and conventions and the normal rules of spelling and grammar were applied consistently to all Bills and ExCo instruments. 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), as well as manual checks by an editorial team. This manual checking detects errors of various kinds, including:

- words missing from sentences;
- inconsistencies of expression;
- punctuation and grammatical errors;
- grammatical errors (e.g. inconsistencies of tense or lack of agreement between subject and verb);
- incorrect citations and cross-references;
- departures from the Amending Forms Manual and Drafting Directions; and
- misdescribed or clashing amendments.

It should be noted that apart from such things as basic grammar, formatting requirements and standard amending forms, there are different drafting styles and some will be more or less appropriate than others for particular legislation. This means that while all OPC legislation should (and does) look basically the same, different legislation 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 legislation and its intended audience.

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

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

The Drafting Manual and all current Drafting Directions are available on the “Drafting resources” menu on OPC’s website at [www.opc.gov.au](http://www.opc.gov.au).

OPC drafters continue to work on achieving even greater consistency in the drafting of provisions and considering 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.

The Publications group has continued with significant work to standardise the style and format of compilations of Commonwealth legislation. The Compilations Team also continues to provide an important quality control function for Commonwealth legislation, including by ensuring it complies with website accessibility requirements.

OPC has regular meetings of drafters, which are used to discuss drafting issues of general interest. The meetings have been very productive and have been the subject of positive feedback from drafters. OPC will continue to review the meetings to see how they can be improved.

## Maintaining the statute book

OPC prepared amendments to correct a number of minor errors in Acts, most of which were identified by the Publications group in the course of preparing compilations of Acts.

OPC uses Statute Update Bills primarily to make technical corrections, update the statute book and repeal spent Acts. One Statute Update Bill for this purpose was dealt with in 2019-2020. The *Statute Update (Regulations References) Act 2020* was introduced in the Autumn 2020 sitting and assented to on 6 March 2020. That Bill included amendments to:

- update specific references to short titles of regulations that have become, or may become, out of date by no longer referring to regulations by their specific names and instead referring to regulations using more general phrases (such as “prescribed regulations made under the *Family Law Act 1975*”); and
- replace references to specific provisions of regulations with more general means of identifying the provisions; and

- make associated minor consequential amendments to support the operation of the amended provisions and repeal redundant provisions.

## Editorial changes

Under Division 3 (Editorial changes and other changes) of Part 2 of Chapter 2 of the Legislation Act, FPC may make minor editorial changes to an Act or instrument to correct an error, give effect to a misdescribed amendment, or bring the Act or instrument into line with legislative drafting practice. These changes must not alter the effect of the legislation.

These changes are intended to reduce the time needed for parliamentary consideration of these matters and ensure that readers of legislation can better access the law as in effect.

During 2019-2020, FPC exercised this power in 226 compilations. In some compilations more than one editorial change was made. A summary of the kinds of editorial changes made is as follows:

Item	Kind of editorial change	Number
1	Changes to capitalisation	2
2	Changes to grammar, syntax or the use of conjunctives or disjunctives	10
3	Changes to punctuation	25
4	Changes to spelling	3
5	Changes to typeface	12
6	Correct a drafting error	2
7	Changes to the way of referring to or expressing a date	1
8	Changes to the way of referring to or expressing a measurement	2
9	Correct a typographical error	14
10	Give effect to the misdescribed amendments as intended	84
11	Removal of redundant text	14
12	Renumbering of provisions	10
13	Reordering of definitions	28
14	Show the effect of an amendment of the instrument	9
15	Updates to cross-references	4
16	Updates to references of a law or a provision	6

A report with details of all editorial changes made in 2019-2020 can be found on the Legislation Register at [www.legislation.gov.au/Content/EditorialChanges](http://www.legislation.gov.au/Content/EditorialChanges).

## Instruments given unique names

Section 10 of the [Legislation Rule 2016](#) permits FPC to add a name to an unnamed instrument or document, or amend the name of an instrument or document that is not unique when it is lodged for registration.

This ensures that all registered instruments and documents on the Legislation Register are uniquely named and therefore easier to identify and find.

During 2019-2020, FPC exercised this power for nine instruments.

A report with details of all instruments given a unique name can be found on the Legislation Register at <https://www.legislation.gov.au/Content/UniqueNames>.

## Sunseting and review of legislative instruments

Under the Legislation Act, legislative instruments sunset automatically after 10 years unless action is taken to preserve them.

The purpose of sunseting is to ensure that legislative instruments are kept up to date and remain in force only as long as they are required. Sunseting is also an important mechanism to pursue clearer laws and reduce red tape.

OPC continued to work closely with agencies to manage the sunseting of legislative instruments. This included working with sunseting coordinators in all portfolios to encourage early action on sunseting through the preparation of sunset lists for tabling in Parliament.

Lists of instruments due to sunset in the subsequent 6 and 12 months were also provided to agencies to assist with the management of sunseting instruments.

In 2019-2020, two lists of instruments due to sunset in 18 months' time were prepared for the Attorney-General to table in Parliament in accordance with the Legislation Act.

OPC also assisted in the management of the sunseting of legislative instruments by drafting instruments for the Attorney-General under the Legislation Act to allow for the deferral of sunseting and to align the sunseting of instruments to facilitate the thematic review of instruments.

Numerous legislative instruments were reviewed by agencies and redrafted by OPC before they were due to sunset.

Redrafting the instruments greatly improved their quality and readability and generally decreased the number of pages on the statute book.

OPC will continue to play an important role in updating and modernising legislative instruments due to sunset, repealing spent and redundant legislation and ensuring that the Commonwealth statute book is as coherent, readable and readily accessible as possible.

## **Encouraging high standards in the drafting of legislative and notifiable instruments**

OPC undertakes a broad range of measures to encourage high standards in the drafting of Commonwealth legislative and notifiable instruments.

FPC causes these measures to be undertaken to fulfil FPC's obligation under section 16 of the Legislation Act to promote the legal effectiveness, clarity and intelligibility to anticipated users of legislative and notifiable instruments.

Since this obligation was transferred from the Secretary of the Attorney-General's Department to FPC in 2012, a number of measures have been taken to encourage high standards and enhance the quality of all legislative and notifiable instruments and the Commonwealth statute book generally. These measures include:

- harmonising drafting standards and the presentation of Commonwealth Bills and OPC drafted instruments to enable a more cohesive Commonwealth statute book, and set a precedent for other drafters of untied legislative or notifiable instruments;
- developing a prioritisation system for ExCo legislative instruments to better manage the Government's program and enhance the quality of instruments;
- developing broader instrument drafting expertise within OPC to enable more highly experienced drafters to be available to assist with untied drafting work;
- actively engaging with agencies in relation to untied instruments through OPC Client Advisers from whom agencies can also obtain quick, informal advice about legislative or notifiable instrument drafting;
- providing further guidance to agencies in relation to managing and drafting legislative or notifiable instruments through drafting standards and the reissue of the Instruments Handbook;



- rationalising instrument-making powers to ensure instruments that have the most significant impacts on the community are professionally drafted by OPC;
- limiting the proliferation of the number and types of instruments in enabling legislation to achieve greater consistency in legislative and notifiable instruments;
- rationalising the number of legislative instruments that will need to be considered for sunseting through automatic repeal and bulk repeal instruments and working with agencies to manage sunseting; and
- developing and implementing further measures to efficiently manage the Commonwealth statute book through changes included in the *Acts and Instruments (Framework Reform) Act 2015* and the *Legislation Amendment (Sunsetting Review and Other Measures) Act 2018*.

In addition to continued work on the above measures in 2019-2020, FPC fulfilled FPC's obligation under section 16 of the Legislation Act by causing steps to be taken for OPC to undertake and supervise the drafting of legislative and notifiable instruments, provide advice and training in drafting and related matters to agencies, and provide drafting precedents to guide agencies in drafting instruments in the future.

OPC will seek to continue to build capacity to further assist agencies to draft their untied legislative instruments and take further steps to encourage high standards in the drafting of legislative and notifiable instruments.

In 2019-2020, OPC provided drafting services to settle or check legislative instruments drafted by a number of agencies, including:

- the Department of Finance;
- the Department of Agriculture, Water and the Environment; and
- the Department of Home Affairs.

OPC also sought to increase our services to agencies in the drafting of precedents to guide agencies in preparing instruments. This included making templates for legislative instruments available on the OPC website.

OPC has also continued to provide advice concerning the drafting of legislative instruments through making OPC Client Advisers available to a number of agencies.

OPC continued to present Drafting Simple Instruments courses. The course covers the essential requirements for drafting simple instruments and is available to all Commonwealth agency staff who have previously attended a Legislation Process Course. It is envisaged that this training will have a significant impact in encouraging high standards in the drafting of legislative and notifiable instruments across the Commonwealth.

OPC also conducted some roundtable sessions for APS employees who draft legislative instruments in other agencies. These proved to be very popular and will be continued.

Finally, FPC also continued to assist in preventing the inappropriate use of gender-specific language in legislative instruments through guidance provided to agencies in the Instruments Handbook and monitoring of the use of gender-specific language through reporting by agencies at the time of registration.

No inappropriate use of gender-specific language was identified in instruments that had already been made and therefore no notification was required under paragraph 16(3)(c) of the Legislation Act.

# Analysis of performance against Purpose 2: Publication

## Overview

OPC's second purpose is to "ensure Commonwealth laws and instruments are freely available and accessible to everyone by publishing those laws and instruments on the Federal Register of Legislation website".

The Publications group achieves this purpose by:

- managing the Legislation Register;
- registering legislative instruments and lodging them for tabling in the Parliament;
- preparing compilations and information relating to Commonwealth laws;
- publishing Commonwealth legislation and legislative information;
- publishing the Government Notices Gazette;
- proofreading and editorial checking of OPC drafted legislation; and
- developing and operating the whole-of-government Legislation Register website .

OPC has met all but one of the performance targets for this purpose in 2019-2020.

New legislative and notifiable instruments and gazette notices lodged for registration were registered promptly on the Legislation Register.

This year 100% of legislative and notifiable instruments and gazette notices were registered on a specific date as required by lodging entities, meeting the performance target of 100%.

100% of other legislative and notifiable instruments and gazette notices were registered no later than two business days after lodgement, exceeding the performance target of 98%.

New Acts were registered promptly on the Legislation Register.

100% of Acts were registered on the Legislation Register no later than two working days after receipt of notification of Royal Assent, exceeding the performance target of 98%.

Act and legislative and notifiable instrument compilations were registered promptly on the Legislation Register in accordance with statutory requirements.

88% of Act and legislative and notifiable instrument compilations required to be prepared by OPC were registered on the Legislation Register 28 days after commencement of the prospective amendments. This is marginally lower than the performance target of 90%.

During the financial year there was a substantial increase in the number of compilations prepared on a user-pays basis. This had an impact on compilation output and affected this measure.

## Staffing

Staff have continued to be trained in all the areas of responsibility within the Publications group to allow resources to be better utilised and directed during peak periods.

Mid-way through the financial year a new Senior Publishing Officer Training position was established to provide a focus on providing consistent and thorough training as well as enhancing the existing training program by developing more online training materials. This has assisted and sped up the training of our newest staff members particularly in the current COVID-19 environment.

## The Legislation Act and Legislation Register

OPC charges an annual fee for standard Legislation Register services based on each agency's proportion of usage of the Legislation Register. Fees for some agencies have declined over the last 5 years as they continue to change their registration practices. The Legislation Register fees continue to be consistent with the Australian Government Cost Recovery Guidelines and attribute costs that recognise the whole-of-life cost (including IT infrastructure costs) in publishing legislation.

OPC meets the demand for current versions of legislation by providing free online public access to the Legislation Register. Commercially printed copies of versions, if required, can be ordered online using the print-on-demand function on the Legislation Register.

Work continues on the project to redevelop the Legislation Register. This project is expected to run for a number of years.

## Data acquisition

The Publications group has continued to undertake data acquisition projects to make difficult-to-find historical legislative material more accessible.

These projects are complex and time-consuming and are worked on by staff alongside other core business functions.

The Publications group is currently focusing on:

- preparing versions of as-made legislation from 1901 in multiple formats;
- publishing House of Representatives Bills, explanatory memoranda and associated documents from 1901; and
- back-capturing historical metadata on the Legislation Register to make it consistent with current standards and therefore easier to search and retrieve information about older legislation.

## Publishing statistics

The volume of work in 2019-2020, as reflected in the publishing statistics, was similar in most areas to the volume of work in 2018-2019. The exceptions this year was a noticeable increase in the number of OPC prepared instrument compilations (prepared for agencies on a user-pays basis), and a decrease in the number of agency-prepared instrument compilations.

## Statistics—Publishing

Registration/Publication	Number of items		Number of pages	
	2018-2019	2019-2020	2018-2019	2019-2020
Legislative instruments	1,808	1,640	30,756	30,885
Notifiable instruments	178	138	817	720
Gazette notices	1,080	1,146	2,369	2,907
Numbered Acts	159	137	4,908	5,214
Act compilations	462	338	287,116	260,914
OPC prepared instrument compilations—budget-funded	357	284	63,582	52,981
OPC prepared instrument compilations—user-pays	374	403	49,118	61,543
Agency prepared instrument compilations	401	338	36,291	35,438

Note: The above statistics relate only to new items. They do not include back-captured or republished historical documents.

## Statistics—Legislative (LIs) and Notifiable (NIs) instruments registered and repealed

Year	LIs registered	LIs repealed	NIs registered	NIs repealed
2019-2020	1,640	1,735	138	52
2018-2019	1,808	1,316	178	59

## Statistics—Legislation Register website

Year	Total visits	Total unique visits	Total page views
2019-2020	16,555,495	8,337,626	39,799,853
2018-2019	12,688,251	6,283,978	32,401,488

Note: Total unique visits is the number of unduplicated (counted only once) visitors. Total page views is the total number of pages viewed. For page views, repeated views of a single page are counted.

# Influences on OPC's performance

## COVID-19's effect on OPC's operations

The outbreak of COVID-19 had a substantial impact on OPC's operations.

Almost overnight, the office moved to having a skeleton staff working in the office with other staff working remotely. The work that had been done on contingency planning proved to be effective and the office was able to continue to function very effectively.

The COVID-19 situation also placed a substantial load on senior management and on administrative staff in developing and implementing policies to ensure that OPC continued to be a safe workplace.

## **Demand for legislation related to COVID-19**

The COVID-19 crisis required the Government to respond very quickly in a range of areas. Very urgent legislation was required in a number of areas.

Legislation was required to ensure that the Government, working together with States and Territories, could address the medical and biosecurity aspects of the crisis.

In addition, legislation was required to address the substantial economic disruption that resulted from the crisis.

Staff across OPC did an exemplary job in delivering this legislation in exceptionally short time frames.

## **The unusual sitting patterns**

As a result of the election in May 2019, the Parliamentary sitting pattern for Spring sitting differed from the normal sitting pattern.

In addition, due to COVID-19, the Parliamentary sitting patterns were substantially disrupted.

The reduced number of sitting days, and the uncertainty of when Parliament would be able to sit, in the first half of 2020 meant that substantial urgent legislation needed to be completed in time for the limited number of sitting days that were available. This led to very substantial demands on all of the staff in OPC. OPC staff did a wonderful job in meeting these demands.

## **Demand for legislation from particular portfolios**

There continued to be a substantial demand for the drafting of legislation for the Treasury, the Attorney-General's and Home Affairs portfolios.

Other portfolios that required substantial resources were Finance, Defence, Agriculture, Water and the Environment, Infrastructure, Transport and Regional Development, Industry, Science, Energy and Resources, and Health.

## **Parliamentary amendments**

The demand for parliamentary amendments was reduced compared to previous year.

Parliamentary amendments can influence performance because of the resources required to prepare the amendments. They are often done on very tight timeframes.

## **Exposure drafts**

OPC's performance measures in relation to Bills are also affected by an increasing government preference, and preference among many of our clients, for exposing draft legislation for public comment before introduction into Parliament. This influences performance because the time frames to provide resources are tighter for these Bills and further work is often required after consultation.

Since the 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.

There is also a continuing trend towards the release of exposure drafts in other areas.

Sometimes, these exposure drafts are public exposure drafts. 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.

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

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 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.

For instruments, the time required for consultation processes is generally built into the timeframes for development and making. The development period for projects also does not generally extend beyond the financial year.

There has continued to be more demand for instruments to be drafted and available alongside their enabling Bill. This assists Parliament to consider the package of changes as a whole. Instrument drafters work closely with Bill drafters, which can provide significant efficiencies for the broader project. In appropriate cases, the same drafting team will do the Bill and the associated instruments.

## **OPC's funding position**

OPC's funding was increased by \$1.203 million in 2019-2020 for additional legislative drafting resources as part of two Department of the Treasury measures, the *Government Response to the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry* in Budget 2019-20 and *Implementing the Government's Response to the Financial Services Royal Commission - additional funding* in Additional Estimates 2019-20.

## **OPC's financial performance**

The surplus attributable to the Australian Government for OPC for 2019-2020 was \$1.157 million (after adding back non-cost recovered depreciation and the impact of AASB 16 Leases, this resulted in a surplus of \$2.083 million). This compares to a surplus of \$0.370 million for 2018-2019 (after adding back non-cost recovered depreciation, a surplus of \$1.087 million).

Revenue from government increased by \$1.363 million to \$17.298 million in 2019-2020, compared to \$15.935 million in 2018-2019.

Own-source revenue increased by \$0.634 million to \$6.661 million in 2019-2020, compared to \$6.027 million in 2018-2019.

Total expenses increased by \$1.210 million to \$22.802 million in 2019-2020, compared to \$21.592 million in 2019-2020.

Employee expenses increased by \$0.906 million to \$16.759 million in 2019-2020, compared to \$15.853 million in 2019-2019.

Supplier expenses decreased by \$0.893 million to \$3.866 million in 2019-2020, compared to \$4.759 million in 2018-19 mainly due to the implementation of AASB 16 Leases.

Depreciation and amortisation expenses increased by \$1.126 million to \$2.102 million in 2019-2020, compared to \$0.976 in 2018-2019, mainly due to the implementation of AASB 16 Leases.

At 30 June 2020, OPC had net assets (assets less liabilities) of \$18.374 million, compared to \$15.777 million at 30 June 2019.

At 30 June 2020, OPC had financial assets of \$22.056 million. This includes \$18.635 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 \$0.772 million.

The Entity Resource Statement and expenses by outcome are set out in Appendix A.



# CHAPTER 3: MANAGEMENT AND ACCOUNTABILITY

## Corporate governance

### Accountability

FPC is accountable to PBC for the allocation of drafting resources according to the legislation program determined by PBC. 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

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 (**SMT**).

The SMT consists of:

- FPC (Mr Peter Quiggin PSM);
- the two Second Parliamentary Counsel (Ms Meredith Leigh and Mr Keith Byles PSM);
- the General Manager Publishing (Ms Aasha Swift);
- the General Manager Corporate (Ms Susan Roberts until 4 November 2019 and Mr Stephen Campbell, who is also the Chief Information Officer); and
- two Band two SES officers who rotate through SMT.

The SMT meets regularly. Issues that the team considered during the year included:

- the Legislation Register redevelopment project;
- State of the Service survey results;
- recruitment policies and strategies;
- corporate governance, including the Corporate Plan and Annual Report;
- enterprise bargaining;
- risk management, fraud control and business continuity management;
- review and response to internal audit findings, recommendations and actions;
- strategic and business-level organisational planning;
- financial management;
- workforce planning;
- staffing matters including unscheduled absences; performance management; and training and development;
- consultation and engagement;
- performance management;
- training and development;
- health and wellbeing initiatives;

- review of library and online materials;
- internal policies, practices and processes; and
- review of workplace, health and safety matters.

This year OPC is trialling an arrangement of having two Band 2 SES officers at a time as members of SMT. Each SES officer is on SMT for approximately five months. The purpose of this is to get a broader range of views on SMT and to provide the SES with exposure to the full range of issues dealt with by SMT.

## Workplace Consultative Committee

OPC places importance on the involvement of staff in the decision-making process. This is mostly achieved through the Workplace Consultative Committee (**WCC**).

The membership for the WCC consists of the members of the SMT and five employee representatives—one representing each of two drafter workgroups, one representing the Publications workgroup, one representing the Corporate Services workgroup, and one general employee representative. The health and safety representative also attends WCC meetings.

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

There are three members on OPC's Audit Committee. Details of the Committee members can be found in the table below.

Member's Name	Qualifications, knowledge, skills or experience (include formal and informal as relevant)	No. of meetings attended / total no. of meetings	Total annual remuneration
Jeff Lamond PSM  (Chair)	Formal economics and accounting qualifications, graduate qualification in legal studies.  CEO of small company (7 years). 34 years public service employment (13 years at SES and 6 1/2 as a Statutory Office Holder – APS Merit Protection Commissioner). Managed own consultancy since 2008 covering employment, values and ethics and personnel policy. Served for 10 years as Internal Ombudsman in two agencies addressing personnel, entitlements and management issues.  Substantial experience with audit-chaired or sat as independent member on seven Audit and Risk Committees for a range of Australian Government Agencies.	5/5	\$8,500
Robert Hanlon	Chartered Accountant, Fellow CPA, Bachelor of Commerce (Accounting), Master of Business Administration, graduate member of the Australian Institute of Company Directors  Finance related positions in the Commonwealth since 2007: Chief Finance Officer, Department of Industry, Science, Energy and Resources; Department of Environment and Energy; Australian Financial Security Authority.	3/3	\$nil

Scott Brown	Chartered Accountant with over 30 years' financial experience including at a number of private sector entities  Finance-related position in Commonwealth since 2007. Currently Chief Finance Officer of large Commonwealth Department, and has CFO experience with small and medium government agencies.	2/2	\$nil
Bronwyn Livermore	Legal qualifications.  22 years' experience in the public service including 14 years as a drafter at OPC.	5/5	\$nil

OPC's Audit Charter can be found under "Our corporate information" located on OPC's website.

## Other committees

During 2019-2020, OPC reviewed its engagement strategy with staff. As a result, a number of new committees were formed to provide greater staff engagement in a number of areas. The committees that were formed are:

- the People Committee;
- the Business Operations Committee; and
- the Joint Publications and Drafting Working Group.

A Champions Network was also formed to assist with the implementation of the new committees.

The new committees are operating well and have already had substantial input into a number of matters.

## Staff meetings

Generally, regular staff meetings are held at least every six weeks except in January and July.

However, during the COVID-19 crisis, weekly meetings have been held using video conferencing.

The staff meeting is primarily an information meeting. The agenda provides for FPC and other members of OPC to report on specified aspects of operations and developments, such as the progress of the legislation program, staff movements and IT issues.

Having weekly meetings has been useful to ensure that staff are kept up to date with developments during a period when many of them are not working from OPC's premises.

## Risk management and fraud control

During the year, the annual review and update of OPC's risk management framework was completed.

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 Framework for the 2019-2020 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.

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 Framework.

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

An integral element of OPC's risk management framework is business continuity management (**BCM**).

Over the last few years, OPC undertook a comprehensive review of the BCM framework and implemented a variety of actions to further strengthen this framework, including:

- updating the Business Continuity Action Plans; and
- undertaking exercises and testing of the new business continuity arrangements.

This work proved to be extremely valuable during the COVID-19 crisis as OPC was able to use the Action Plans to be able to continue working throughout the crisis. In addition, the Action Plans provided a very useful template that OPC could use as the basis for a specific COVID-19 action plan.

## Operational risks

The major areas of operational risk are:

- matters affecting the availability of drafting resources; and
- matters affecting the availability of OPC's IT system.

## Drafting resources

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

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 two 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. SMT monitors the leave plans of all drafting staff to ensure that there are no unacceptable shortages of drafting resources caused by planned leave.

Addressing long-term risks in relation to 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 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.

In previous years, OPC's turnover of drafting staff has been approximately 3% per annum. This very low turnover enabled OPC to build up a strong group of drafters.

After a period of higher turnover following the transfer of functions from the Office of Legislative Drafting and Publication, the turnover of drafting staff has returned to a very low level.

## Information technology systems

OPC is very dependent on 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.

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

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.

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

OPC continues to provide secure remote access to OPC's IT systems for staff who request it. This enables staff to perform some work from home and when travelling and also provides a contingency arrangement if OPC's buildings are unavailable.

These arrangements enabled OPC to keep operating effectively during the COVID-19 crisis. Nearly all staff were able to work remotely with full access to OPC's network.

## Maintenance of ethical standards

OPC has taken steps to ensure that staff are aware of their rights and obligations under the *Public Service Act 1999*.

Formal procedures have been established for determining breaches of the APS Code of Conduct, and for dealing with public interest disclosures.

The APS Values, Code of Conduct, Accountable Authority Instructions and other material relevant to ethical conduct are incorporated, as appropriate, into OPC policies and guidelines.

All new employees to OPC 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.

OPC sets very high ethical standards. OPC's policy on the acceptance of gifts and hospitality applies equally to members of the SMT and to other staff.

## Executive remuneration

First Parliamentary Counsel and Second Parliamentary Counsel are Holders of Full-time Public Offices. Remuneration arrangements as office holders was in accordance with *Remuneration Tribunal (Remuneration and Allowances for Holders of Full-time Public Office) Determination 2018*.

During the year, remuneration for all SES staff was determined under the OPC SES Enterprise Agreement 2016-2019 as modified by determinations made under subsection 24(1) of the *Public Service Act 1999*. One of these determinations provides for annual wage increases in October 2019, 2020 and 2021. However, in accordance with Government policy, another

determination was made fixing SES remuneration at the amount that was payable to each SES employee on 25 March 2020.

Disclosure of executive remuneration financial information for 2019-2020 in accordance with the *Public Governance, Performance and Accountability Rule 2014 (PGPA Rule)* is set out in Appendix E.

## **External scrutiny**

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

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

## COVID-19

The COVID-19 crisis had a major impact on OPC's management of human resources.

OPC had to very quickly move to a situation where nearly all staff were working from home. A small skeleton staff continued to work from OPC's offices.

The crisis demonstrated that the planning that OPC had done in previous years had been successful as there was no disruption to OPC's ability to provide its services.

OPC developed a range of materials to deal specifically with the crisis including a COVIDSafe Plan and a COVID-19 Transition Plan for return to working at OPC's premises.

OPC was fortunate that during the year no OPC staff contracted COVID-19.

At the end of the 2019-2020 year, OPC had started the transition back to all staff working in OPC's offices.

## Survey of OPC staff

In most years the Australian Public Service Commission (**APSC**) conducts the State of the Service Employee Census in April and May. OPC then includes detailed information from the survey in our Annual Report. In 2020, the survey has been delayed until later in the year due to the COVID-19 crisis. Consequently, there are no results that can be included in the Annual Report this year.

However, OPC did run a "pulse" survey of staff.

With the majority of OPC staff currently working remotely due to the COVID-19 pandemic, OPC's People Committee was tasked by SMT to look into the effectiveness of current staff engagement and support arrangements.

In May a survey consisting of 16 questions was sent to all staff and contractors.

The survey had responses from 80 people, which is 78% of current employees and contractors.

The survey results were overwhelmingly positive and show that, in the current environment, employees feel engaged with, and supported by, OPC:

- 86% of survey respondents indicated that they agree or strongly agree that they are satisfied with their overall engagement experience with OPC, in the current environment;
- 85% of survey respondents indicated that they are satisfied or very satisfied with the overall support received from OPC; and
- 88% of survey respondents indicated that they were happy with the frequency and volume of communication from OPC.

## Consultation and engagement framework

OPC identified four themes from the 2019 State of the Service report for OPC to focus on: building capability, valuing our staff, innovation, and diversity and inclusion.

These themes fed into a new Consultation and Engagement Framework which was released in October 2019. The Framework resulted in a number of changes to the way management consult and engage with staff in OPC, including the establishment of a number of new committees: the People Committee, the Business Operations Committee, the Joint Publications and Drafting Working Group and the Champions Network.

The COVID-19 pandemic and the shutdown further underlined the importance of the four themes identified from the APS Census. The pandemic and shutdown provided opportunities for OPC to build our capabilities in terms of flexibility, resilience and innovation, and focused our attention on the need for greater communication with all of our staff.

During the shutdown, the People Committee conducted OPC's COVID-19 Employee Pulse Survey, producing an insightful report for senior management. Despite the uncertainty of the times, and the increased pressure for staff as a result of the shutdown, the Survey showed strong improvements in relation to staff engagement and staff's sense of being valued.

## Management and development of human resources

### Training and development

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

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

- a senior drafter is designated as the Director of Drafter Training;
- the Director of Drafter Training and the General Managers 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 Managers for other staff;
- staff development decisions are made by reference to the development needs of staff, as identified in the Individual Development Plans that are settled as part of the Performance Management Programs;
- the Director of Drafter Training and the General Managers have the function of reviewing the Staff Development Plan to ensure it is up to date and properly focused on OPC's needs; and
- the Director of Drafter Training also ensures that drafters receive a program of internally provided training on a regular basis.



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 to 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**

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 drafters within OPC and external presenters (with an emphasis on the areas of law that hold special interest and importance for drafters).

Responsibility for drafter training continued to be shared by two drafters. The Director of Drafter Training coordinated attendances at external conferences and seminars. Another senior drafter coordinated presentations by drafters within OPC and arranged for technical drafting issues to be discussed at drafter meetings.

During the year, the program of presentations by drafters within OPC dealt with:

- referencing constitutional limitations in Commonwealth legislation;
- section 55 of the Constitution and the imposition of tax;
- special features of court rules;
- geographical issues in legislation;
- legislative design;
- time, periods and sequencing;
- analysis;
- dealing with instructors; and
- project management.

There was a range of external presenters who also gave presentations:

- Andy Beattie, Director of the Parliamentary Counsel Office of Scotland, who spoke about drafting for the Scottish Parliament;
- Tshepo Mokgothu, legislative drafter in the Attorney-General's Chambers of Botswana, who spoke about drafting in Botswana;
- Dr Suzanne Akila, Dr Helen Watchirs, Prof Asmi Wood, Ms Stacey Nation and Ms Alison Whittaker, who discussed Choice Words: statutory language and cultural diversity in Australia; and
- Yellow Edge, who discussed communication, giving presentations and providing feedback.

In addition, in recognition of the relatively high number of newer drafters in OPC at present, the discussion group focusing on the development needs of newer drafters continued to be run approximately each month.

## Conferences and seminars

OPC drafters participated in a range of external conferences and seminars organised by the Australian Government Solicitor (such as the AGS Constitutional Law Forum), leading academic institutions and law firms.

OPC has also continued its involvement with the Australian Government Legal Network (**AGLN**). Ms Toni Walsh is a Member of the AGLN Board and one of the two Board members sponsoring the AGLN Professional Development Committee. OPC has assisted in the work of the AGLN Professional Development Committee by presenting at the Foundational Government Lawyer Training Program.

## Staff undertaking higher studies under Studies Assistance Scheme

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

## IT training

OPC's legislative drafting capability relies heavily on our staff's IT proficiency to undertake research and to prepare Bills and legislative instruments.

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.

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.

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

## Productivity gains

Productivity gains have been achieved through:

- the review 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 goods and services.

## Staffing statistics

The staffing statistics for OPC at 30 June 2020 are in Appendix B.

All staff employed by OPC are located in the ACT.

## Coverage of workplace agreements

All non-SES employees are covered by an Enterprise Agreement which commenced on 12 May 2016, and a Determination made under subsection 24(1) of the *Public Service Act 1999* which commenced on 12 May 2019 for a period of three years. This was affected by a determination by the Prime Minister under that Act which delayed any pay rises by 6 months.

SES employees are covered by an Enterprise Agreement which commenced on 18 October 2016 for a period of three years and a Determination made under subsection 24(1) of the *Public*

*Service Act 1999* which commenced on 18 October 2019. However, in accordance with Government policy, another determination was made fixing SES remuneration at the amount that was payable to each SES employee on 25 March 2020.

## **Salary ranges**

The full range of salaries available under OPC's Enterprise Agreements and Determinations as at 30 June 2020 is set out in Appendix B.

## **Non-salary benefits for APS employees**

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.

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.

To support the 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.

Other non-salary benefits available to staff were:

- employer-sponsored superannuation;
- the cost of prescription spectacles or other eyewear up to the value of \$568 every 2 years or each time a new prescription is issued if that happens sooner; and
- dependent care costs arising from working arrangements that are required in specific circumstances.

## **Performance pay**

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

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 staff is also dependent on those SES staff being rated as at least "fully effective".

## **Staff changes and recruitment**

During 2019-2020 the following staff were recruited/promoted:

- one Assistant Parliamentary Counsel, Grade 1;
- five Assistant Parliamentary Counsel, Grade 2;
- two Assistant Parliamentary Counsel, Grade 3;
- one Director, Human Resources;
- one Business Operations Lead;
- one Corporate Services Officer;
- two Assistant Corporate Services Officers;
- one Senior Finance Officer;

- one Business Operations Partner;
- two Senior Publishing Officers; and
- seven Assistant Publishing Officers.

## **Workforce planning**

OPC's workforce planning document is an integral part of our broader planning processes and ensures that OPC has a workforce capable of delivering on the objectives of OPC now and into the future.

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

- providing support for the Director of Drafter Training to coordinate the training and development of drafters;
- 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 a mentor;
- recognising that the contribution individual drafters make to achieving OPC's outcome increases as their level of drafting experience increases; and
- giving staff access to flexible working hours if they do not have access to flex-time.

## **Effect of workplace agreements on staff retention**

Retention of drafting staff has been aided by:

- providing more flexible leave arrangements, including annual leave and personal/carer's 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**

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

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

- prevent and eliminate bullying, harassment and unlawful discrimination in the workplace.

These are areas that OPC is continuing to address and will look to improve upon in the coming year.

## **OPC's Reconciliation Action Plan**

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

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.

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

- secondments to the Jawun program being offered to all staff (two employees applied and one has been selected to participate);
- staff forming teams and undertaking the 10,000 steps program based on the Rabbit Proof Fence trail;
- promoting of Indigenous walking trails in the ACT;
- celebration of Reconciliation Week;
- promotion of the online National Acknowledgement of Country
- promotion of the live debate *Reconciliation Bridge Walks of 2000: Paving the Path for Reconciliation*;
- promotion of In Concert Together: Busby Marou, Alice Skye and Jimblah, hosted by Christine Anu for National Reconciliation Week 2020; and
- a seminar by one of our drafters, Carl Godfrey, on the High Court's Mabo decision at an all-staff meeting.

## **Breastfeeding Friendly Workplace accreditation**

OPC has made an ongoing commitment to provide a supportive environment for breastfeeding women.

OPC maintains accreditation as a "Breastfeeding Friendly Workplace" from the Australian Breastfeeding Association 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 parenting rooms; and
- information to staff about our breastfeeding policies in our induction program and a "comeback pack" for staff commencing maternity leave.

During the year, OPC's accreditation as a "Breastfeeding Friendly Workplace" from the Australian Breastfeeding Association was renewed.

# Work health and safety

## Policy

OPC commits itself to taking, at all times, reasonably practicable steps to ensure the health and safety of its workers (staff and contractors) and visitors to the workplace. To achieve this, OPC:

- provides and maintains a healthy and safe work environment;
- consults and cooperates with its workers, their health and safety representatives, and other duty holders, to ensure a healthy and safe workplace;
- complies with the *Work Health and Safety Act 2011 (WHS Act)* as a minimum standard, and implements in full the requirements of the WHS Act and its regulations;
- ensures that appropriate organisational arrangements are in place to facilitate the implementation of the WHS Act;
- provides appropriate resources to ensure that necessary health and safety programs and activities are established and maintained; and
- informs all workers about relevant health and safety matters and provides that information in languages other than English where this might be necessary.

During the year, ComCare reviewed OPC's policies and procedures for incident management and provided advice and recommendations. Many of the recommendations have been implemented, with work continuing on the updating of some documents.

## Health and safety committee

The WHS Act requires the establishment of a health and safety committee at the request of either a health and safety representative or five or more workers at the workplace. If a health and safety committee is not required to be established, other consultation procedures can be established for a workplace.

In OPC, the WCC fulfils the requirements of the WHS Act with respect to consultation with workgroups on health and safety matters. In addition, the WCC has incorporated the functions of a health and safety committee as a standing agenda item. The health and safety representative attends each WCC meeting.

## Initiatives taken during the year

A physiotherapist or occupational therapist visited OPC throughout the year to conduct workstation assessments, particularly for new members of staff and staff returning from extended leave.

During the year, OPC paid for influenza vaccinations for interested staff.

OPC maintained a policy of requiring staff to take an eye test, paid for by OPC, once every 2 years. OPC also provided reimbursement to staff for prescription eyewear up to the value of \$568 required as a result of the eye tests.

During the year, OPC also provided reimbursement to staff of up to \$200 to have an annual health and fitness assessment.

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.

OPC maintains an appropriate collection of publications in our library that relate to health and safety.

## **Health and wellbeing program**

This year OPC received “Platinum Status” recognition from the ACT Government service *Healthier Work* for our continuing commitment to creating a healthier workplace by developing our fourth 12-month Healthier Work Plan, following on from the success of our earlier Healthier Work Plans.

During the year, OPC implemented the activities from the 2019-2020 Plan which promoted and supported the areas of physical activity, healthy eating and social and emotional wellbeing.

## **Health and safety outcomes**

The following outcomes were achieved as a result of initiatives taken during the year or in past years:

- comprehensive workstation assessments by qualified health professionals ensured good outcomes for staff returning to work from injuries;
- staff awareness of the importance of health, wellbeing and safety in the workplace was raised, particularly through the Healthier Work Plan initiatives; and
- staff survey results showed a high level of satisfaction with health and wellbeing in the workplace.

Although hard to measure, OPC considers that modest outlays on health promotion activities provide good value for money, given the potential loss of work time annually due to the effects of health issues.

## **Notifiable incidents**

There were no notifiable incidents during the year requiring notification under section 38 of the WHS Act.

## **Investigations**

OPC has not been the subject of any investigation and no notices have been issued to OPC under Part 10 of the WHS Act during the year.

# CHAPTER 5: PURCHASING AND CONSULTANTS

## Purchasing

Generally, during 2019-2020, 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.

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.

OPC has complied with the core policies and practices as identified in the Commonwealth Procurement Rules and OPC's Accountable Authority Instructions and Office Procedural Circulars.

OPC's Annual Procurement Plan is reviewed annually and published on the AusTender website at [www.tenders.gov.au](http://www.tenders.gov.au).

## Procurement initiatives to support small business

OPC supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (**SME**) participation statistics are available on the Department of Finance's website at <https://www.finance.gov.au/government/procurement/statistics-australian-government-procurement-contacts>.

OPC's procurement practices support SMEs by using the Commonwealth Contracting Suite for low-risk procurements valued under \$200,000. OPC also supports SMEs through the use of electronic systems and processes (including payment cards) to facilitate on-time payment performance.

## Consultants

OPC engages consultants where it lacks specialist expertise or when independent research, review or assessment is required. Consultants are typically engaged to:

- investigate or diagnose a defined issue or problem;
- carry out defined reviews or evaluations; or
- provide independent advice, information or creative solutions to assist OPC's decision-making processes.

Prior to engaging consultants, OPC takes into account the skills and resources required for the task, the skills available internally, and the cost-effectiveness of engaging external expertise. The decision to engage a consultant is made in accordance with the *Public Governance, Performance and Accountability Act 2013*, related regulations, the Commonwealth Procurement Rules and relevant internal policies.



During 2019-2020, four new consultancy contracts for fit-out feasibility planning, valuation services, legal services, and financial assessment services were entered into, involving total actual expenditure of \$50,900 (including GST).

The procurement method for the consultancy contracts was by direct sourcing.

In addition, one ongoing consultancy contract for internal audit services was active during 2019-2020, involving total actual expenditure of \$238,065 (including GST).

Annual reports contain information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website, or can be found under "Our corporate information" located on OPC's website.

# CHAPTER 6: MISCELLANEOUS

## Freedom of information

Entities 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 FOI Act and has replaced the former requirement to publish a section 8 statement in an annual report. Each agency must display on its website a plan showing what information it publishes in accordance with the IPS requirements.

## Advertising and market research etc.

The information set out below is required to be given by section 311A of the *Commonwealth Electoral Act 1918*.

During 2019-2020, vacant positions in OPC were advertised on recruitment sites through the Government's master advertising agency, Universal McCann. Other than using LinkedIn Australia for recruitment, no money was paid by, or on behalf of, OPC to any other advertising agency, market research organisation, polling organisation, direct mail organisation or media advertising organisation.

## Ecologically sustainable development and environmental performance

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

## Additional information

The contact officer for additional information about OPC is the General Manager, Mr Stephen Campbell, who can be contacted by telephone on (02) 6120 1409, by fax on (02) 6120 1403 and by email at [admin@opc.gov.au](mailto:admin@opc.gov.au).

OPC's website address is [www.opc.gov.au](http://www.opc.gov.au). The Annual Reports can be found under "Corporate information" located under the "About us" tab on OPC's home page.

# APPENDIX A: ENTITY RESOURCE STATEMENT AND EXPENSES BY OUTCOME

## Entity resource statement

	Actual available appropriation for 2019-20 \$'000	Payments made 2019-20 \$'000	Balance remaining 2019-20 \$'000
<b>ORDINARY ANNUAL SERVICES</b>			
<b>Departmental appropriation</b>			
Prior year appropriations	19,633	19,633	-
Departmental appropriation <sup>1</sup>	17,598	-	17,598
Section 74 retained revenue receipts	7,902	4,212	3,690
<b>Total ordinary annual services</b>	<b>45,133</b>	<b>23,845</b>	<b>21,288</b>
<b>Total net resourcing and payments for entity</b>	<b>45,133</b>	<b>23,845</b>	<b>21,288</b>

<sup>1</sup> Includes an amount of \$0.300 million for the Departmental Capital Budget. For accounting purposes, this amount has been designated as "contributions by owners".

## Expenses for Outcome 1

Outcome 1-A body of Commonwealth laws and instruments that give effect to intended policy, and that are coherent, readable and readily accessible, through the drafting and publication of these laws and instruments	Budget 2019-20 \$'000	Actual expenses 2019-20 \$'000	Variance 2019-20 \$'000
	(a)	(b)	(a) - (b)
<b>Program 1.1: Legislative drafting and publication</b>			
DEPARTMENTAL EXPENSES			
Ordinary annual services (Appropriation Bill No. 1, Appropriation Bill No. 3, and Supply Act No. 1)	17,298	15,215	2,083
Retained revenue receipts (section 74)	5,981	6,596	(615)
Expenses not requiring appropriation in the budget year	588	991	(403)
<b>Total for Program 1.1</b>	<b>23,867</b>	<b>22,802</b>	<b>1,065</b>
<b>Total expenses for Outcome 1</b>	<b>23,867</b>	<b>22,802</b>	<b>1,065</b>

	Actual 2018-19	Actual 2019-20
<b>Average staffing level (number)</b>	97	98

# APPENDIX B: STAFFING STATISTICS AND SALARY RANGES

## Non-ongoing employees and Indigenous employees as at 30 June 2020

As at 30 June 2020, OPC had two non-ongoing employees and no employees who identified as Indigenous.

As at 30 June 2019, OPC had four non-ongoing employees and one employee who identified as Indigenous.

## Full-time and part-time employees as at 30 June 2020

Category	Total staff		Full-time		Part-time	
	2019	2020	2019	2020	2019	2020
Statutory Office Holders	3	3	3	3	0	0
SES Band 2	6	6	4	4	2	2
SES Band 1	18	20 <sup>1</sup>	13	15	5	5
Assistant Parliamentary Counsel Grade 3	14	14	6	5	8	9
Assistant Parliamentary Counsel Grade 2	9 <sup>2</sup>	11 <sup>3</sup>	9	9	0	2
Assistant Parliamentary Counsel Grade 1	4 <sup>4</sup>	1	4	1	0	0
Executive Level 2	7	8	7	8	0	0
Executive Level 1	8	8	8	8	0	0
OPC Broadband B (APS 4 - 6)	37 <sup>5</sup>	37 <sup>6</sup>	29	28	8	9
OPC Broadband A (APS 1 - 3)	0	0	0	0	0	0
<b>Totals</b>	<b>106</b>	<b>108</b>	<b>83</b>	<b>81</b>	<b>23</b>	<b>27</b>

### Notes

1. Includes one employee on maternity leave.
2. Includes one employee on leave without pay.
3. Includes one employee on leave without pay.
4. Includes one employee on maternity leave.
5. Includes one employee on maternity leave and 3 employees on leave without pay.
6. Includes one employee on temporary transfer .

## Male and female employees as at 30 June 2020

Category	Total staff		Male		Female	
	2019	2020	2019	2020	2019	2020
Statutory Office Holders	3	3	2	2	1	1
SES Band 2	6	6	2	2	4	4
SES Band 1	18	20 <sup>1</sup>	6	7	12	13
Assistant Parliamentary Counsel Grade 3	14	14	8	9	6	5
Assistant Parliamentary Counsel Grade 2	9 <sup>2</sup>	11 <sup>3</sup>	5	3	4	8
Assistant Parliamentary Counsel Grade 1	4 <sup>4</sup>	1	0	1	4	0
Executive Level 2	7	8	6	6	1	2
Executive Level 1	8	8	6	5	2	3
OPC Broadband B	37 <sup>5</sup>	37 <sup>6</sup>	8	7	29	30
(APS 4 - 6)						
OPC Broadband A	0	0	0	0	0	0
(APS 1 - 3)						
<b>Totals</b>	<b>106</b>	<b>108</b>	<b>43</b>	<b>42</b>	<b>63</b>	<b>66</b>

### Notes

1. Includes one employee on maternity leave.
2. Includes one employee on leave without pay.
3. Includes one employee on leave without pay.
4. Includes one employee on maternity leave.
5. Includes one employee on maternity leave and three employees on leave without pay.
6. Includes one employee on temporary transfer.

## Salary ranges as at 30 June 2020

Category	Minimum (\$)	Maximum (\$)
<b>Salary ranges—SES positions</b>		
First Assistant Parliamentary Counsel (SES Band 2), Senior Assistant Parliamentary Counsel (SES Band 1) and General Manager (SES Band 1)	159,367	263,366
<b>Salary ranges—Non-SES drafting positions</b>		
Assistant Parliamentary Counsel Grade 3	119,971	144,434
Assistant Parliamentary Counsel Grade 2	104,296	126,642
Assistant Parliamentary Counsel Grade 1	64,309	119,971
<b>Salary ranges—Non-SES non-drafting positions</b>		
Executive Level 2	119,971	144,434
Executive Level 1	104,296	126,642
<b>OPC Broadband B:</b>		
APS 6	82,072	94,278
APS 5	75,986	80,578
APS 4	68,127	73,971
<b>OPC Broadband A:</b>		
APS 3	61,127	65,976
APS 2	53,665	59,514
APS 1	47,423	52,410

# **APPENDIX C: 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**

OPC's activities are fully described in Chapter 1 of this report.

Given that OPC did not administer any legislation during the year and OPC's activities were undertaken largely on the instructions of clients, 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 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".

## **Appropriations Acts outcome contributing to ecologically sustainable development**

OPC has only one outcome under the Appropriation Acts: "A body of Commonwealth laws and instruments that give effect to intended policy, and that are coherent, readable and readily accessible, through the drafting and publication of those laws and instruments". It is difficult to conclude that this outcome makes any identifiable contribution to ecologically sustainable development.

## **Effect of OPC's activities on the environment**

OPC's operations have direct and indirect effects on the environment, particularly through the use of energy, transport, office equipment and materials used in office equipment. The following table, which relates to some of those commodities in the year, gives an indication of those effects and a comparison with the 2018-19.

	2019-2020	2018-2019	Comments
<b>Building Performance</b>			
NABERS Rating	5.0	5.0	
<b>OPC Tenancy Performance</b>			
			OPC occupies a single floor of 2,770 m <sup>2</sup> with a lease term until September 2025. The lease includes a Green Lease Schedule as required by government policy.
<b>Tenant Light and Power</b>			
Total kWh	147,588	144,049	Although OPC's tenancy is not certified, it is currently performing at a standard in excess of the requirements for a 4.5 NABERS rating.
Green Power kWh	14,759	14,405	
Total mJ	532,278	514,462	
kWh per m <sup>2</sup>	53.3	52.0	Consumption per m <sup>2</sup> in 2019-2020 is consistent with 2018-2019.
mJ per m <sup>2</sup>	192.2	185.7	
kW per ASL	1,512	1,485	Consumption per ASL in 2019-2020 is consistent with 2018-2019 and OPC continues to outperform the Government's current energy target of 7,500 mJ per ASL.
mJ per ASL	5,454	5,304	
<b>Nominal Lighting Power Density (NLPD)</b>			
Watts per m <sup>2</sup>	5.6	5.6	The NLPD also outperformed the Government's recommended target of 8_watts per m <sup>2</sup> .
<b>Environmental Impacts</b>			
CO <sup>2</sup> produced (tonnes)	118.0	118.3	OPC has measures in place to minimise the effect of OPC's activities on the environment.
Purchase of copy paper (tonnes)	4.2	4.6	Lower than 2018-2019 due to impact of COVID-19 on number of staff on-site.

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

Water usage for OPC's tenancy is not separately metered.



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

OPC's workplace design maximises environmental sustainability, with a strong focus on access to natural light. The elongated floor plate has core services, meeting, utility and storage rooms inbound, allowing all employee work spaces to be located within 12 metres of the perimeter windows. The fit-out has been designed to complement the building's environmental objectives including applying best practice in the selection of materials. Practical inclusions in the design include recycling provisions, use of natural and recycled materials, and plants for air quality and visual amenity.

The following measures were in place throughout the year to minimise the effect of OPC's activities on the environment:

- considering energy efficiency when acquiring equipment;
- encouraging staff to use double-sided printing and photocopying facilities that are available;
- publishing documents online to reduce the number of copies being printed;
- modifying work procedures to avoid paper use where practicable by, for example, editing documents on screen, using electronic forms of communication and filing documents in the electronic records management system;
- collecting toner cartridges, paper, glass, plastic and aluminium from the office for recycling;
- encouraging encouraged to turn off lights and office equipment when not in use.; and
- using lighting controls throughout the office that have sensors and timers to automatically turn lights off if no activity is detected for a pre-programmed time.

# APPENDIX D: FINANCIAL STATEMENTS 2019-2020

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## INDEPENDENT AUDITOR'S REPORT

To the Attorney-General

### Opinion

In my opinion, the financial statements of the Office of Parliamentary Counsel ("the Entity") for the year ended 30 June 2020:

- (a) comply with Australian Accounting Standards – Reduced Disclosure Requirements and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Entity as at 30 June 2020 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following statements as at 30 June 2020 and for the year then ended:

- Statement by First Parliamentary Counsel and Chief Finance Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement; and
- Notes to and forming part of the financial statements, comprising a Summary of Significant Accounting Policies and other explanatory information.

### Basis for Opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Accountable Authority's Responsibility for the Financial Statements

As the Accountable Authority of the Entity, the First Parliamentary Counsel is responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Reduced Disclosure Requirements and the rules made under the Act. The First Parliamentary Counsel is also responsible for such internal control as the First Parliamentary Counsel determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the First Parliamentary Counsel is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the entity's operations will cease as a result of an administrative restructure or for any other reason. The First Parliamentary Counsel is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

GPO Box 707 CANBERRA ACT 2601  
38 Sydney Avenue FORREST ACT 2603  
Phone (02) 6203 7300 Fax (02) 6203 7777

### Auditor's Responsibilities for the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit 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 Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Ron Wah  
Audit Principal

Delegate of the Auditor-General

Canberra  
24 September 2020

## Statement by First Parliamentary Counsel and Chief Finance Officer

In our opinion the attached financial statements for the year ended 30 June 2020 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Office of Parliamentary Counsel will be able to pay its debts as and when they fall due.



.....  
Peter Quiggin  
First Parliamentary Counsel

23 September 2020



.....  
Jennifer Dal Pozzo  
Chief Finance Officer

23 September 2020

# Financial Statements 2019-2020

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# Statement of Comprehensive Income

OFFICE OF PARLIAMETARY COUNSEL

STATEMENT OF COMPREHENSIVE INCOME for the period ended 30 June 2020

	Notes	Actual 2020 \$'000	Original Budget 2020 \$'000	Actual 2019 \$'000
<b>NET COST OF SERVICES</b>				
<b>Expenses</b>				
Employee benefits	<u>1.1A</u>	16,759	18,361	15,853
Supplier expenses	<u>1.1B</u>	3,866	4,484	4,759
Finance costs	<u>1.1C</u>	75	-	-
Depreciation and amortisation	<u>2.2A</u>	2,102	651	976
Losses from asset sales		-	-	4
<b>Total expenses</b>		<b>22,802</b>	23,496	21,592
<b>Less:</b>				
<b>Own-source income</b>				
<b>Own-source revenue</b>				
Revenue from contracts with customers	<u>1.2A</u>	6,593	5,917	5,952
Other revenue	<u>1.2B</u>	68	64	75
<b>Total own-source revenue</b>		<b>6,661</b>	5,981	6,027
<b>Total own-source income</b>		<b>6,661</b>	5,981	6,027
<b>NET COST OF SERVICES</b>		<b>(16,141)</b>	(17,515)	(15,565)
	<u>1.2C</u>			
Revenue from Government		17,298	16,998	15,935
<b>Surplus (deficit) attributable to the Australian Government</b>		<b>1,157</b>	(517)	370
<b>OTHER COMPREHENSIVE INCOME</b>				
Changes in asset revaluation surplus	<u>3.2</u>	-	-	187
<b>Total other comprehensive income attributable to the Australian Government</b>		<b>1,157</b>	(517)	557

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



# Statement of Financial Position

OFFICE OF PARLIAMENTARY COUNSEL

STATEMENT OF FINANCIAL POSITION as at 30 June 2020

		Actual	Original Budget	Actual
	Notes	2020 \$'000	2020 \$'000	2019 \$'000
<b>ASSETS</b>				
<b>Financial Assets</b>				
Cash and cash equivalents		772	423	2,348
Trade and other receivables	<u>2.1A</u>	21,284	15,196	17,751
<b>Total financial assets</b>		<b>22,056</b>	15,619	20,099
<b>Non-Financial Assets</b>				
Buildings	<u>2.2A</u>	9,345	2,529	3,057
Plant and equipment	<u>2.2A</u>	982	880	766
Intangibles	<u>2.2A</u>	120	3,888	200
Work in progress	<u>2.2A</u>	3,988	-	2,476
Other non-financial assets	<u>2.2B</u>	223	231	277
<b>Total non-financial assets</b>		<b>14,658</b>	7,528	6,776
<b>Total Assets</b>		<b>36,714</b>	23,147	26,875
<b>LIABILITIES</b>				
<b>Payables</b>				
Suppliers	<u>2.3A</u>	190	1,362	1,508
Employee benefits	<u>2.3B</u>	337	167	230
Other	<u>2.3C</u>	3,870	368	2,491
<b>Total payables</b>		<b>4,397</b>	1,897	4,229
<b>Interest bearing liabilities</b>				
Leases	<u>2.4A</u>	6,802	-	-
<b>Total interest bearing liabilities</b>		<b>6,802</b>	-	-
<b>Provisions</b>				
Employee provisions	<u>4.1A</u>	7,141	6,097	6,869
<b>Total provisions</b>		<b>7,141</b>	6,097	6,869
<b>Total Liabilities</b>		<b>18,340</b>	7,994	11,098
<b>Net Assets</b>		<b>18,374</b>	15,153	15,777
<b>EQUITY</b>				
<b>Parent Entity Interest</b>				
Contributed equity		8,202	8,202	7,902
Reserves		457	270	457
Retained surplus		9,715	6,681	7,418
<b>Total Equity</b>		<b>18,374</b>	15,153	15,777

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



# Statement of Changes in Equity

OFFICE OF PARLIAMENTARY COUNSEL

STATEMENT OF CHANGES IN EQUITY for the period ended 30 June 2020

	Contributed Equity		Retained Earnings		Asset Revaluation Reserve		Total Equity	
	Actual 2020 \$'000	Original Budget 2020 \$'000	Actual 2020 \$'000	Original Budget 2020 \$'000	Actual 2020 \$'000	Original Budget 2020 \$'000	Actual 2020 \$'000	Original Budget 2020 \$'000
<b>CONTRIBUTED EQUITY</b>								
<b>Opening balance</b>	<b>7,902</b>	<b>7,902</b>	<b>7,418</b>	<b>7,198</b>	<b>457</b>	<b>270</b>	<b>15,777</b>	<b>15,370</b>
Balance carried forward from previous period	-	-	-	-	-	-	-	-
Adjustment on initial application of AASB 16	-	-	<b>1,140</b>	-	-	-	<b>1,140</b>	-
<b>Adjusted opening balance</b>	<b>7,902</b>	<b>7,902</b>	<b>8,558</b>	<b>7,198</b>	<b>457</b>	<b>270</b>	<b>16,917</b>	<b>15,370</b>
<b>Comprehensive income</b>								
Surplus (Deficit) for the period	-	-	<b>1,157</b>	(517)	-	-	<b>1,157</b>	(517)
Other comprehensive income	-	-	-	-	-	-	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>1,157</b>	<b>(517)</b>	<b>-</b>	<b>-</b>	<b>1,157</b>	<b>(517)</b>
<b>Transactions with owners</b>								
Contributions by owners	300	300	-	-	-	-	300	300
Departmental capital budget	300	300	-	-	-	-	300	300
<b>Sub-total transactions with owners</b>	<b>8,202</b>	<b>8,202</b>	<b>9,715</b>	<b>6,681</b>	<b>457</b>	<b>270</b>	<b>18,374</b>	<b>15,153</b>
<b>Closing balance at 30 June</b>	<b>8,202</b>	<b>8,202</b>	<b>9,715</b>	<b>6,681</b>	<b>457</b>	<b>270</b>	<b>18,374</b>	<b>15,153</b>

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

Accounting Policy

**Equity Injections**

Departmental Capital Budgets (DCBs) are recognised directly in Contributed Equity in that year.

# Cash Flow Statement

## OFFICE OF PARLIAMENTARY COUNSEL

### CASH FLOW STATEMENT for the period ended 30 June 2020

	<b>Actual</b>	Original	
<b>Notes</b>	<b>2020</b>	Budget	Actual
	<b>\$'000</b>	2020	2019
		\$'000	\$'000
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Appropriations	<b>23,850</b>	24,100	23,079
Revenue from contracts with customers	<b>5,945</b>	6,049	8,257
Net GST received	<b>456</b>	190	440
Other	<b>3</b>	-	10
<b>Total cash received</b>	<b>30,254</b>	30,339	31,786
<b>Cash used</b>			
Employees	<b>16,380</b>	18,361	15,016
Suppliers	<b>4,625</b>	4,782	5,398
Section 74 receipts transferred to the Official Public Account	<b>7,902</b>	6,367	7,850
Interest payments on lease liabilities	<b>75</b>	-	-
Other	-	-	3
<b>Total cash used</b>	<b>28,982</b>	29,510	28,267
<b>Net cash from (used by) operating activities</b>	<b>1,272</b>	829	3,519
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Net proceeds from sale of assets	-	-	-
<b>Total cash received</b>	-	-	-
<b>Cash used</b>			
Purchase of leasehold improvements, plant and equipment	<b>503</b>	1,129	259
Purchase of computer software	<b>1,538</b>	-	1,535
<b>Total cash used</b>	<b>2,041</b>	1,129	1,794
<b>Net cash from (used by) investing activities</b>	<b>(2,041)</b>	(1,129)	(1,794)
<b>FINANCING ACTIVITIES</b>			
<b>Cash received</b>			
Contributed equity	<b>300</b>	300	200
<b>Total cash received</b>	<b>300</b>	300	200
<b>Cash used</b>			
Principal payments of lease liabilities	<b>1,107</b>	-	-
<b>Total cash used</b>	<b>1,107</b>	-	-
<b>Net cash from (used by) financing activities</b>	<b>(807)</b>	300	200
<b>Net increase (decrease) in cash held</b>	<b>(1,576)</b>	-	1,925
Cash and cash equivalents at the beginning of the reporting period	<b>2,348</b>	423	423
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>772</b>	423	2,348

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

## OFFICE OF PARLIAMENTARY COUNSEL

### Notes to and Forming Part of the Financial Statements for the year ended 30 June 2019

#### OVERVIEW

##### 1 Basis of Preparation of the Financial Statements

The Financial Statements and notes are general purpose financial statements, and are required by section 42 of the *Public Governance, Performance and Accountability Act 2013*.

The Financial Statements have been prepared in accordance with:

- *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- Australian Accounting Standards and Interpretations, including the reduced disclosure requirements, 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.

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

##### 2 New Australian Accounting Standards

###### **Adoption of new Australian Accounting Standard requirements**

Standard	Applicable from	Nature of impending change/s in accounting policy and likely impact on initial application
AASB 15—Revenue from Contracts with Customers /AASB 1058—Income of not-for-profit entities  (Replaces AASB 118—Revenue)	1 July 2019	AASB 15 establishes a comprehensive framework for determining whether, how much, and when revenue is recognised.  The core principle of AASB 15 is that an entity recognises revenue to depict the transfer of promised goods or services to a customer, in an amount that reflects the consideration to which the entity expects to be entitled, in exchange for those goods and services.  AASB 1058 is relevant where AASB 15 does not apply.  The details of the changes in accounting policies, transitional provisions and adjustments are disclosed below and in the relevant notes to the financial statements.

<p>AASB 16—Leases</p> <p>(Replaces AASB 117—Leases, Interpretation 4—Determining whether an Arrangement contains a Lease, Interpretation 115—Operating Leases — Incentives and Interpretation 127—Evaluating the Substance of Transactions Involving the Legal Form of a Lease)</p>	<p>1 July 2019</p>	<p>AASB 16 provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, together with options to exclude leases where the lease term is 12 months or less, or where the underlying asset is of low value. AASB 16 substantially carries forward the lessor accounting in AASB 117, with the distinction between operating leases and finance leases being retained.</p> <p>The details of the changes in accounting policies, transitional provisions and adjustments are disclosed below and in the relevant notes to the financial statements.</p>
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#### *Application of AASB 15—Revenue from contracts with customers*

OPC adopted AASB 15—Revenue from contracts with customers (**AASB 15**) using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 July 2019. Accordingly, the comparative information presented for 2019 is not restated, that is, it is presented as previously reported under the various applicable AASBs and related interpretations.

Under the new income recognition model, OPC determined whether an enforceable agreement exists, and whether the promises to transfer goods or services to the customer are ‘sufficiently specific’. If an enforceable agreement exists, and the promises are ‘sufficiently specific’ (to a transaction or part of a transaction), OPC applied the general AASB 15 principles to determine the appropriate revenue recognition. If these criteria were not met, OPC considered whether AASB 1058 should be applied.

OPC elected to apply the new standard to all new and uncompleted contracts from the date of initial application. OPC aggregated the effect of all of the contract modifications that occurred before the date of initial application.

The impact on transition has been minimal and is limited to additional disclosures only.

#### *Application of AASB 16—Leases*

OPC adopted AASB 16—Leases (**AASB 16**) using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 July 2019. Accordingly, the comparative information presented for 2019 is not restated, that is, it is presented as previously reported under AASB 117—Leases (**AASB 117**), and related interpretations.

OPC elected to apply the practical expedient to not reassess whether a contract is, or contains, a lease at the date of initial application. Contracts entered into before the transition date, that were not identified as a lease under AASB 117, were not reassessed. The definition of a lease under AASB 16 was applied to current contracts entered into before and after 1 July 2019.

AASB 16 provides for certain optional practical expedients, including those related to the initial adoption of the standard. OPC applied the following practical expedients when applying AASB 16 to leases previously classified as operating leases under AASB 117:

excluded initial direct costs from the measurement of right-of-use assets, at the date of initial application for leases, where the right-of-use asset was determined as if AASB 16 had been applied since the commencement date; and

relied on previous assessments on whether leases are onerous, as opposed to preparing an impairment review under AASB 136 Impairment of Assets as at the date of initial application.

As a lessee, OPC previously classified leases as operating leases based on its assessment of whether the lease transferred substantially all of the risks and rewards of ownership.

Lease for office accommodation and car parking

On adoption of AASB 16, OPC recognised a right-of-use asset and a lease liability in relation to the lease of office space, which had previously been classified as an operating lease.

The lease liability was measured at the present value of the remaining lease payments, discounted using OPC's incremental borrowing rate as at 1 July 2019. OPC's incremental borrowing rate is the rate at which a similar borrowing could be obtained from an independent creditor under comparable terms and conditions. The weighted-average rate applied was 1.02%.

The right-of-use asset for the office space was measured at an amount equal to the lease liability, adjusted by the amount of any prepaid lease payments.

Licence agreement for offsite parking

On adoption of AASB 16, this arrangement did not meet the definition of a lease under AASB 16, which had previously been classified as operating lease.

OPC has no low value assets or short-term leases with a lease term of 12 months or less.

**Impact on transition**

On transition to AASB 16, OPC recognised an additional right-of-use asset and additional lease liability, and recognised the adjustment of rent payable in retained earnings. The impact on transition is summarised below:

<b>Departmental</b>	<b>1 July 2019</b>
	<b>\$'000</b>
Right-of-use assets - building	7,997
Lease liabilities	7,902
Increase in retained surplus	1,140

The following table reconciles the Departmental minimum lease commitments disclosed in OPC's 30 June 2019 annual financial statements to the amount of lease liabilities recognised on 1 July 2019:

	<b>1 July 2019</b>
	<b>\$'000</b>
Minimum operating lease commitment at 30 June 2019	9,186
Less: GST	(835)
Less: Offsite parking not recognised as a lease	(101)
<b>Undiscounted lease payments</b>	<b>8,250</b>
Less: effect of discounting using the incremental borrowing rate as at the date of initial application	(348)
<b>Lease liabilities recognised at 1 July 2019</b>	<b>7,902</b>

### **Future Australian Accounting Standard requirements**

All new standards, any amendments to standards and interpretations that have been issued, and are applicable to future reporting periods, have been reviewed.

The following standard has been issued and is applicable to future reporting periods, and may have a material effect on OPC's Financial Statements.

<b>Standard</b>	<b>Applicable from</b>	<b>Nature of impending changes/s in accounting policy and likely impact on initial application</b>
AASB 1060—General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities	1 July 2020	Entities are to follow the recognition and measurement requirements under Australian Accounting Standards, and apply the simplified disclosure requirements in AASB 1060. This new standard will only effect disclosures.

### **3 Contingent Liabilities and Contingent Assets**

OPC has no quantifiable or unquantifiable contingent assets or liabilities as at 30 June 2020.

### **4 Taxation**

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

### **5 Events after the Reporting Date**

There is no subsequent event that had the potential to significantly affect the ongoing structure and financial activities of the entity.

## OFFICE OF PARLIAMENTARY COUNSEL

### Notes to and Forming Part of the Financial Statements for the year ended 30 June 2019

#### BUDGET VARIANCE EXPLANATIONS

OPC delivers drafting and advisory services for Bills and subordinate legislation, prepares compilations of laws as amended, and registers laws and instruments on behalf of more than 70 Commonwealth entities.

Under the Legal Services Directions, certain drafting work is tied to OPC. Agencies must use OPC's drafting services for all Government Bills and regulations, Ordinances and regulations of external Territories and Jervis Bay Territory, and other legislative instruments made or approved by the Governor-General. OPC is budget funded for this tied work.

OPC delivers legislative publishing services to, and on behalf of, the whole of the Australian Government, through the Federal Register of Legislation (the Register).

OPC recovers the cost of core services from Government entities that publish legislation on the Register through annual fees.

OPC provides drafting services for legislative instruments and other publishing services on a fee for service basis. The demand for these services is client driven and therefore difficult to budget accurately.

The following is an explanation of the major variances between the original budget presented in the 2019-20 Portfolio Budget Statements and the 2019-20 final outcome, as presented in accordance with Australian Accounting Standards for OPC.

Variances are considered to be major if the variance is greater than 10% between budget and actual.

#### **Statement of Comprehensive Income**

##### *Sale of goods and rendering of services*

Actual sale of goods and rendering of services is higher than budget, due to additional express registrations as a result of urgent COVID-19 legislation, and reclassification of secondment reimbursements as revenue.

##### *Suppliers*

Actual suppliers is lower than budget, mainly due to the reclassification of lease costs under AASB 16—Leases, offset by an increase in labour hire costs.

##### *Depreciation and amortisation*

Actual depreciation and amortisation is higher than budget, due to the recognition of the office building leased asset (right of use asset) and depreciation under AASB16—Leases, and higher than expected depreciation for leasehold improvements due to a revaluation at 30 June 2019 and minor fitout completed during the prior financial year.

##### *Finance costs*

Actual finance costs are higher than budget, due to the recognition of the interest expense under AASB16—Leases.

#### **Statement of Financial Position**

##### *Trade and other receivables*

## OFFICE OF PARLIAMENTARY COUNSEL

### Notes to and Forming Part of the Financial Statements for the year ended 30 June 2019

#### BUDGET VARIANCE EXPLANATIONS CONTINUED

Actual trade and other receivables is higher than budget, mainly due to higher appropriations receivable, due to unbudgeted surplus for the 2018-19 year (\$1.087 million), and the 2019-20 year (\$2,083 million), and higher trade receivables (\$2.4 million).

##### *Buildings*

Actual buildings is higher than budget, due to the recognition of the office building leased asset (right of use asset) under AASB16—Lease (\$7.997 million).

##### *Intangibles and work in progress*

Actual intangibles is lower than budget, and work in progress is higher than budget, due to the delay of the redevelopment of the new Register.

##### *Payables - suppliers*

Actual suppliers is lower than budget, due to the reversal of rent payable required under AASB16—Leases (\$1.14 million).

##### *Payables - Personal benefits*

Actual personal benefits is higher than budget, due to the end of year salary and superannuation accrual being high than expected.

##### *Other payables- unearned income*

Actual unearned income is higher than budget, mainly due to all 2020-21 annual fees invoiced during 2019-20 being recognised as unearned revenue.

##### *Leases- Interest bearing liabilities*

Actual interest bearing liabilities is higher than budget, due to the recognition of the lease liability for the office building lease under AASB16—Leases.

##### *Employee provisions*

Actual employee provisions is higher than budget, due to a fall in the long term bond rate, which resulted in a higher discount factor being applied to the long service leave calculations.

#### **Cash Flow Statement**

##### *Operating Activities - Net GST received*

Actual net GST received is higher than budget, due to higher than expected capitalised contractor costs for the redevelopment of the Register.

##### *Operating Activities - Employees*

Actual employees is lower than budget, due to lower than expected employee benefits.

##### *Operating Activities - Section 74 receipts transferred to the Official Public Account*

Actual Section 74 receipts is higher than budget, due to higher than expected cash received for the Register 2020-21 annual fees.

##### *Investing Activities - Purchase of leasehold improvements, and plant and equipment*



## **OFFICE OF PARLIAMENTARY COUNSEL**

**Notes to and Forming Part of the Financial Statements for the year ended 30 June 2019**

### **BUDGET VARIANCE EXPLANATIONS CONTINUED**

Actual purchase of leasehold improvements, and plant and equipment, is higher than budget, due to minor fit-out works to OPC's office.

#### *Investing Activities - Intangibles*

Actual intangibles is higher than budget, due to the delay in the commencement of the redevelopment of the Register.

#### *Financing Activities - Principal payments of lease liabilities*

Actual principal lease payments is for the office building lease under AASB16—Leases.

## OFFICE OF PARLIAMENTARY COUNSEL

### Notes to and Forming Part of the Financial Statements for the year ended 30 June 2019

#### 1. FINANCIAL PERFORMANCE

<b>1.1 Expenses</b>		
	2020	2019
	\$'000	\$'000
<b>1.1A: Employee benefits</b>		
Wages and salaries	12,695	11,363
Superannuation:		
Defined contribution plans	855	796
Defined benefit plans	1,632	1,508
Leave and other entitlements	1,577	2,186
<b>Total employee benefits</b>	<b>16,759</b>	<b>15,853</b>

#### Accounting Policy

Accounting policies for employee related expenses are contained in the People and Relationships section.

	2020	2019
	\$'000	\$'000
<b>1.1B: Supplier benefits</b>		
<b>Goods and services supplied and rendered</b>		
IT & telecommunications	1,406	1,217
Printing & digitisation	666	823
Human resources	561	333
Other	313	404
Accounting/audit services	304	241
Staff training & development	265	233
Property	180	160
Library	123	126
<b>Total goods and services supplied and rendered</b>	<b>3,818</b>	3,537
Goods supplied	87	77
Services rendered	3,731	3,460
<b>Total goods and services supplied and rendered</b>	<b>3,818</b>	3,537
<b>Other supplier expenses</b>		
Operating lease rentals <sup>1</sup>	-	1,161
Workers compensation expenses	48	61
<b>Total other supplier expenses</b>	<b>48</b>	1,222
<b>Total supplier expenses</b>	<b>3,866</b>	4,759

1. OPC has applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117 requirements.

The above lease disclosures should be read in conjunction with notes 1.1C, 2.3A and 2.4A.

## OFFICE OF PARLIAMENTARY COUNSEL

### Notes to and Forming Part of the Financial Statements for the year ended 30 June 2019

#### 1.1 Expenses

	2020	2019
	\$'000	\$'000
<b>1.1C: Finance costs</b>		
Interest on lease liabilities	75	-
<b>Total finance costs</b>	<b>75</b>	<b>-</b>

The above lease disclosures should be read in conjunction with notes 1.1B, 2.3A and 2.4A.

#### Accounting Policy

All borrowing costs are expensed as incurred.

**OFFICE OF PARLIAMENTARY COUNSEL**

**Notes to and Forming Part of the Financial Statements for the year ended 30 June 2019**

<b>1.2: Income</b>		
	<b>2020</b>	2019
	<b>\$'000</b>	\$'000
<b><u>1.2A: Sale of goods and rendering of services</u></b>		
Sale of goods	<b>31</b>	66
Rendering of services	<b>6,562</b>	5,886
<b><i>Total sale of goods and rendering of services</i></b>	<b>6,593</b>	5,952
<b>Disaggregation of revenue from contracts with customers</b>		
Registration Annual Fees	<b>3,846</b>	
Billable instrument drafting	<b>1,401</b>	
Peak & Express Registrations	<b>691</b>	
Secondment	<b>246</b>	
Compilation preparation	<b>216</b>	
Courses	<b>163</b>	
Print on Demand	<b>30</b>	
	<b>6,593</b>	
Type of customer:		
Australian Government entities (related parties)	<b>6,593</b>	
	<b>6,593</b>	
Timing of transfer of goods and services:		
Over time	<b>5,709</b>	
Point in time	<b>884</b>	
	<b>6,593</b>	

## OFFICE OF PARLIAMENTARY COUNSEL

### Notes to and Forming Part of the Financial Statements for the year ended 30 June 2019

#### **1.2: Income**

##### **Accounting Policy**

Revenue from the sale of goods is recognised when control has been transferred to the buyer .

All contracts are in scope of AASB15, and the performance obligations are sufficiently specific to enable OPC to determine when they have been satisfied.

The following is a description of principal activities from which OPC generates its revenue:

##### **Registration annual fees**

The annual fee is for the management and registration of legislative documents on the Federal Register of Legislation. Clients are invoiced in advance . OPC recognises a liability, and allocates the revenue amount evenly over a 12 month period.

##### **Instrument drafting, editorial services and compilation preparation**

Revenue is recognised for the actual hours a drafter, editor, or complier has worked. Time spent is tracked on a per job basis. Revenue is recognised on a monthly basis, or when invoices are issued for work completed to date.

##### **Express and peak fees**

Revenue is recognised once the registration has been completed.

##### **Secondment**

Secondment revenue is invoiced in arrears and recognised over the period of the secondment.

##### **Drafting training courses**

Participants are invoiced in advance. OPC recognises revenue once the course has been delivered.

##### **Print on demand**

Revenue is based on past sales and is recognised at a point in time.

The transaction price is the total amount of consideration to which OPC expects to be entitled, in exchange for transferring promised goods or services to a customer. The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both.

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

## OFFICE OF PARLIAMENTARY COUNSEL

### Notes to and Forming Part of the Financial Statements for the year ended 30 June 2019

#### 1.2: Income

	2020	2019
	\$'000	\$'000
<b>1.2B: Other revenue</b>		
Reimbursement of expenses	3	10
Remuneration of auditors	65	65
<b>Total other revenue</b>	<b>68</b>	<b>75</b>

#### Accounting Policy

##### **Other Revenue**

Resources received free of charge are recognised as revenue 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.

## OFFICE OF PARLIAMENTARY COUNSEL

### Notes to and Forming Part of the Financial Statements for the year ended 30 June 2019

#### 1.2: Income

	2020	2019
	\$'000	\$'000

#### *Revenue from Government*

#### **1.2C: Revenue from Government**

Appropriations:

Departmental appropriation	17,298	15,935
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<b>Total revenue from Government</b>	<b>17,298</b>	<b>15,935</b>
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#### **Accounting Policy**

#### **Revenue from Government**

Amounts appropriated for departmental appropriations for the year (adjusted for any formal additions and reductions) are recognised as revenue when OPC gains control of the appropriation.

#### **1.2D: Unsatisfied obligations**

OPC expects to recognise as income, any liability for unsatisfied obligations associated with revenue from contracts with customers within the following periods: 1 July 2020 to 30 June 2021.

## OFFICE OF PARLIAMENTARY COUNSEL

### Notes to and Forming Part of the Financial Statements for the year ended 30 June 2019

## 2. FINANCIAL POSITION

<b>2.1: Financial Assets</b>		
	<b>2020</b>	2019
	<b>\$'000</b>	\$'000
<b><u>2.1A: Trade and other receivables</u></b>		
<b>Goods and services receivable</b>		
Goods and services <sup>1</sup>	<b>2,452</b>	329
Contract assets <sup>2</sup>	<b>85</b>	-
GST receivable from the Australian Taxation Office	<b>112</b>	137
<b><i>Total goods and services receivable</i></b>	<b><u>2,649</u></b>	<u>466</u>
<b>Appropriations receivable</b>		
Appropriations receivable	<b>18,635</b>	17,285
<b><i>Total appropriations receivable</i></b>	<b><u>18,635</u></b>	<u>17,285</u>
<b><i>Total trade and other receivables</i></b>	<b><u>21,284</u></b>	<u>17,751</u>

<sup>1</sup> Credit terms are 30 days.

<sup>2</sup> Associated with instrument drafting and compilation preparation.

#### **Accounting Policy**

##### ***Goods and services receivable***

Goods and services, and contract assets, are held for the purpose of collecting contractual cash flows. Receivables for goods and services are recognised at the nominal amounts due, less any impairment allowance. Collectability of debts is reviewed at the end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

##### ***Appropriations receivable***

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



## OFFICE OF PARLIAMENTARY COUNSEL

### Notes to and Forming Part of the Financial Statements for the year ended 30 June 2019

#### 2.2: Non-Financial Assets

##### 2.2A: Reconciliation of opening and closing balances of property, plant and equipment, and intangibles 2020

	Buildings \$'000	Plant & Equipment \$'000	Internally developed software \$'000	Computer software purchased \$'000	Total \$'000
<b>As at 1 July 2019</b>					
Gross book value	3,061	984	4,477	207	8,729
Accumulated depreciation and impairment	(4)	(218)	(4,342)	(142)	(4,706)
<b>Net book value 1 July 2019</b>	<b>3,057</b>	<b>766</b>	<b>135</b>	<b>65</b>	<b>4,023</b>
Recognition of right of use asset on initial application of AASB 16	7,997	-	-	-	7,997
<b>Adjusted total as at 1 July 2019</b>	<b>11,054</b>	<b>766</b>	<b>135</b>	<b>65</b>	<b>12,020</b>
Additions:					
By purchase	82	416	-	31	529
Depreciation and amortisation	(512)	(200)	(76)	(35)	(823)
Depreciation on right-of-use assets	(1,279)	-	-	-	(1,279)
Disposals:					
Other	-	-	-	-	-
<b>Net book value 30 June 2020</b>	<b>9,345</b>	<b>982</b>	<b>59</b>	<b>61</b>	<b>10,447</b>
<b>Net book value as at 30 June 2020 represented by:</b>					
Gross book value	11,140	1,391	4,477	238	17,246
Accumulated depreciation and impairment	(1,795)	(409)	(4,418)	(177)	(6,799)
	9,345	982	59	61	10,447
<b>Work in Progress</b>					
<b>As at 1 July 2019</b>					
Gross book value	-	-	2,476	-	2,476
Additions:					
By purchase	5	-	1,507	-	1,512
<b>Net book value 30 June 2020</b>	<b>5</b>	<b>-</b>	<b>3,983</b>	<b>-</b>	<b>3,988</b>
Gross book value	5	-	3,983	-	3,988
Accumulated depreciation and impairment	-	-	-	-	-
	5	-	3,983	-	3,988

<sup>1</sup> Includes leasehold improvements and a leased right of use asset.

## OFFICE OF PARLIAMENTARY COUNSEL

### Notes to and Forming Part of the Financial Statements for the year ended 30 June 2019

#### 2.2: Non-Financial Assets

##### Accounting Policy

##### Asset Recognition Threshold

Purchases of leasehold improvements, plant and equipment, and intangibles, are recognised initially at cost in the Statement of Financial Position, except for purchases costing less than \$2,000, 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).

##### Leased Right of Use (ROU) Assets

Leased ROU assets are capitalised at the commencement date of the lease, and comprise of the initial lease liability amount, initial direct costs incurred when entering into the lease, less any lease incentives received. These assets are accounted for by Commonwealth lessees as separate asset classes to corresponding assets owned outright, but included in the same column as where the corresponding underlying assets would be presented if they were owned.

Leased ROU assets continue to be measured at cost after initial recognition in Commonwealth agency, General Government Sector and Whole of Government financial statements.

##### Derecognition

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

##### Revaluations

See Accounting Policy in Note 5.2A.

##### Impairment

All leasehold improvements, plant and equipment, and intangibles, were assessed for impairment at 30 June 2020. 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.

No indicators of impairment were identified for leasehold improvements, plant and equipment, or intangibles.

##### *Leasehold improvements, and plant and equipment*

##### Depreciation

Depreciable leasehold improvements, and 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:

	2020	2019
Leasehold improvements	<b>Lease term</b>	Lease term
Plant and equipment	<b>3 to 25 years</b>	3 to 25 years

#### ***Leased ROU assets***

The depreciation rates for leased ROU assets are based on the commencement date to the end of the lease term.

#### ***Intangibles***

Intangibles are carried at cost less accumulated amortisation and accumulated impairment losses.

#### **Amortisation**

Intangibles are amortised on a straight-line basis over their anticipated useful life.

The useful life of OPC's intangibles are as follows:

	2020	2019
Purchased software	<b>4 to 5 years</b>	4 to 5 years
Internally generated software	<b>10 years</b>	9 years

## **2.2: Non-Financial Assets**

	2020	2019
	\$'000	\$'000
<b><u>2.2B: Other non-financial assets</u></b>		
Prepayments	223	277
<b><i>Total other non-financial assets</i></b>	<b>223</b>	<b>277</b>

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

## **2.3: Payables**

	2020	2019
	\$'000	\$'000
<b><u>2.3A: Suppliers</u></b>		
Trade creditors and accruals <sup>1</sup>	190	368
Rent Payable <sup>2</sup>	0	1,140
<b><i>Total suppliers</i></b>	<b>190</b>	<b>1,508</b>

<sup>1</sup> Settlement is usually made in 20 days.

<sup>2</sup> OPC has applied AASB16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117.

The above disclosures should be read in conjunction with notes 1.1B, 1.1C and 2.4A.

## OFFICE OF PARLIAMENTARY COUNSEL

### Notes to and Forming Part of the Financial Statements for the year ended 30 June 2019

<b>2.3: Payables</b>		
	2020	2019
	\$'000	\$'000
<b>2.3B Employee benefits</b>		
Salaries and wages	267	129
Bonuses	26	67
Salary packaging	29	30
FBT payable	15	4
<b>Total employee benefits</b>	<b>337</b>	<b>230</b>

#### Accounting Policy

Accounting policies for employee payables are contained in the People and Relationships section.

	2020	2019
	\$'000	\$'000
<b>2.3C: Other</b>		
Unearned income <sup>1</sup>	3,870	2,491
<b>Total other</b>	<b>3,870</b>	<b>2,491</b>

<sup>1</sup> The *Parliamentary Counsel Act 1970* provides OPC with statutory authority to charge fees.

<b>2.4: Interest Bearing Liabilities</b>		
	2020	2019
	\$'000	\$'000
<b>2.4A: Leases</b>		
Lease Liabilities	6,802	-
<b>Total leases</b>	<b>6,802</b>	<b>-</b>

The total cash outflow for the year ended 30 June 2020 was \$1.182 million.

The above disclosures should be read in conjunction with notes 1.1B, 1.1C and 2.3A.

#### Accounting Policy

Refer to Overview section for accounting policy on leases.

**OFFICE OF PARLIAMENTARY COUNSEL**

**Notes to and Forming Part of the Financial Statements for the year ended 30 June 2019**

**3. FUNDING**

**3.1: Appropriations**

	<b>2020</b>	2019
	<b>\$'000</b>	\$'000
<b><u>3.1A: Annual Departmental Appropriations ('Recoverable GST exclusive')</u></b>		
Ordinary annual services		
Annual Appropriation	<b>17,298</b>	15,935
PGPA Act - section 74	<b>7,902</b>	7,850
Capital Budget	<b>300</b>	200
<b>Total appropriation</b>	<b>25,500</b>	23,985
Appropriation applied	<b>(23,845)</b>	(21,354)
<b>Variance <sup>1</sup></b>	<b>1,655</b>	2,631

<sup>1</sup>The variance is mainly due to the surplus for the year, after adding back non-cost recovered depreciation, offset by the use of prior year departmental appropriation for the Federal Register of Legislation redevelopment.

	<b>2020</b>	2019
	<b>\$'000</b>	\$'000
<b><u>3.1B: Unspent Annual Departmental Appropriations ('Recoverable GST exclusive')</u></b>		
<i>Appropriation Act (No. 1) 2018-19</i>	-	17,285
<i>Appropriation Act (No. 1) 2019-20</i>	<b>11,303</b>	-
<i>Appropriation Act (No. 3) 2019-20</i>	<b>300</b>	-
<i>Supply Act (No. 1) 2019-20</i>	<b>7,032</b>	-
Cash at bank	<b>772</b>	2,348
<b>Total</b>	<b>19,407</b>	19,633

**OFFICE OF PARLIAMENTARY COUNSEL**

**Notes to and Forming Part of the Financial Statements for the year ended 30 June 2019**

<b>3.2: Net Cash Appropriation Arrangements</b>		
	<b>2020</b>	2019
	<b>\$'000</b>	\$'000
<b>Total Comprehensive Income less depreciation/amortisation expenses previously funded through revenue appropriation</b>	<b>2,083</b>	1,274
Less:		
Depreciation previously funded through revenue appropriation		
Depreciation and amortisation for the period	<b>(2,102)</b>	(976)
Depreciation right-of-use asset	<b>1,279</b>	-
Cost recovered amortisation	<b>76</b>	259
	<u>(747)</u>	<u>(717)</u>
Less:		
Impact of AASB 16 Leases <sup>1</sup>		
Depreciation right-of-use asset	(1,279)	-
Less: Principal repayments - leased assets	1,100	-
	<u>(179)</u>	<u>-</u>
<b>Total comprehensive income as per the Statement of Comprehensive Income</b>	<u>1,157</u>	<u>557</u>

In 2010-11, the Government introduced net cash appropriation arrangements where revenue appropriations for depreciation/amortisation expenses ceased. OPC receives a separate Departmental Capital Budget (**DCB**) provided through Departmental appropriation. DCBs are appropriated in the period when cash payment for capital expenditure is required.

The inclusion of amortisation expenses related to ROU leased assets, and the lease liability principal repayment amount, reflects the cash impact on implementation of AASB 16 Leases. It does not directly reflect a change in appropriation arrangements.

## OFFICE OF PARLIAMENTARY COUNSEL

### Notes to and Forming Part of the Financial Statements for the year ended 30 June 2019

#### 4. PEOPLE AND RELATIONSHIPS

<b>4.1: Employee Provisions</b>		
	<b>2020</b>	2019
	<b>\$'000</b>	\$'000
<b>4.1A: Employee provisions</b>		
Leave	<b>7,141</b>	6,869
<b>Total employee provisions</b>	<b>7,141</b>	6,869

#### **Accounting Policy**

##### **Employee provisions**

Liabilities for 'short-term employee benefits', and termination benefits expected within twelve months of the end of the reporting period, 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.

Long-term employee benefits are measured at total net present value of the defined benefit obligation at the end of the reporting period.

##### **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 will be 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 has been determined by reference to paragraph 24(a) of the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* using the shorthand method. 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 recognises a provision for termination when it has developed a detailed formal plan for 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 in the Department of Finance's administered schedules and notes. OPC makes employer contributions to the employees' defined benefit 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.

## OFFICE OF PARLIAMENTARY COUNSEL

### Notes to and Forming Part of the Financial Statements for the year ended 30 June 2019

#### 4.2: Key Management Personnel Remuneration

Key Management Personnel are those persons having authority and responsibility for planning, directing, and controlling, the activities of the entity, directly or indirectly. OPC has determined the Key Management Personnel to be the First Parliamentary Counsel, the two Second Parliamentary Counsel, the General Manager Corporate Services, the General Manager Corporate Services and Chief Information Officer, the General Manager Publications, and three SES Drafters. The General Manager Corporate Services was replaced by the General Manager Corporate Services and Chief Information Officer. These SES drafters were part of the Key Management Personnel for a period of more than three months, but no more than five months. Key Management Personnel remuneration is reported in the table below:

	2020	2019
	\$'000	\$'000
Short-term employee benefits <sup>1</sup>	2,012	1,690
Post-employment benefits <sup>2</sup>	336	249
Other long-term employee benefits <sup>3</sup>	75	199
<b>Total key management personnel remuneration expenses</b>	<b>2,423</b>	<b>2,138</b>

The total number of Key Management Personnel that are included in the above table are nine full-time employees (2019: 6 full time employees).

<sup>1</sup>Includes salary, performance bonuses, motor vehicle allowances, annual leave and SES experience loading.

<sup>2</sup>Includes superannuation.

<sup>3</sup>Includes long service leave.

#### 4.3: Related Party Disclosures

##### Related party relationships:

OPC is an Australian Government controlled entity. Related parties to this entity are Key Management Personnel.

##### Transactions with related parties:

Given the breadth of Government activities, related parties may transact with the government sector in the same capacity as ordinary citizens. Such transactions include the payment or refund of taxes, receipt of a Medicare rebate, or higher education loans. These transactions have not been separately disclosed in this note.

Giving consideration to relationships with related entities, and transactions entered into during the reporting period by the entity, it has been determined that there are no related party transactions to be separately disclosed.



## OFFICE OF PARLIAMENTARY COUNSEL

### Notes to and Forming Part of the Financial Statements for the year ended 30 June 2019

#### 5. MANAGING UNCERTAINTIES

##### 5.1: Financial Instruments

	Notes	2020 \$'000	2019 \$'000
<b>5.1A: Categories of financial instruments</b>			
<b>Financial Assets</b>			
Financial Assets at amortised cost			
Cash and cash equivalents		772	2,348
Goods and services receivables	2.1A	2,453	329
Contract assets	2.1A	85	-
<b>Total financial asset at amortised cost</b>		<b>3,310</b>	<b>2,677</b>
<b>Total financial assets</b>		<b>3,310</b>	<b>2,677</b>
<b>Financial Liabilities</b>			
Financial Liabilities measured at amortised cost			
Payables - suppliers	2.3A	190	1,508
Lease Liability	2.4A	6,802	-
<b>Total financial liabilities measured at amortised cost</b>		<b>6,992</b>	<b>1,508</b>
<b>Total financial liabilities</b>		<b>6,992</b>	<b>1,508</b>

##### Accounting Policy

###### Financial assets

Goods and services receivables, and contract assets, are held in order to collect the contractual cash flows. Goods and services receivables are recorded at face value less any impairment. They are recognised when OPC becomes party to a contract, and has a legal right to receive cash, and are derecognised on payment.

Financial assets at amortised cost are assessed for impairment at the end of each reporting period. Allowances are made when collectability of the debt is no longer probable. Comparatives have not been restated on initial application.

###### Financial liabilities

Suppliers are recognised at amortised cost to the extent that the goods or services have been received, irrespective of having been invoiced. Suppliers are derecognised on payment.

The lease is recognised at fair value, net of transaction costs. This liability is subsequently measured at amortised cost using the effective interest rate method, with interest expense recognised on an effective interest basis.

The net fair values of the financial assets and liabilities are at their carrying amounts. OPC derived no interest income from financial assets in either the current or prior year.

## OFFICE OF PARLIAMENTARY COUNSEL

### Notes to and Forming Part of the Financial Statements for the year ended 30 June 2019

#### 5.2: Fair Value

	2020 \$'000	2019 \$'000
<b>Non-financial assets<sup>1</sup></b>		
<b>Plant and equipment</b>		
Recurring	982	766
Non Recurring	-	-
<b>Leasehold improvements</b>		
Recurring	2,628	3,057
Non Recurring	-	-
<b>Total non-financial assets</b>	<b>3,610</b>	<b>3,823</b>

<sup>1</sup>OPC's assets are held for operational purposes and not held for the purposes of deriving a profit.

#### **Accounting Policy**

##### ***Fair Value Measurement***

OPC deems transfers between levels of the fair value hierarchy to have occurred at the end of each reporting period.

##### ***Revaluations***

All leasehold improvements, and plant and equipment, are measured at fair value in the Statement of Financial Position.

Following initial recognition at cost, leasehold improvements, and plant and equipment (excluding leased ROU assets), are carried at fair value less subsequent 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.

Each year, a review of the carrying amounts of assets is conducted. Where it is considered that the carrying amount of an asset at the date of reporting would materially differ from the fair value, an independent valuation is recommended. All leasehold improvements, and plant and equipment, is subject to a formal valuation at least once every three years.

An independent desktop valuation was undertaken in 2019-20 by AON Australia.

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.

A reconciliation of movements and impact of the valuation on leasehold improvements, and plant and equipment, has been included in Note 2.2A.

**OFFICE OF PARLIAMENTARY COUNSEL**

**Notes to and Forming Part of the Financial Statements for the year ended 30 June 2019**

**6. OTHER INFORMATION**

**6.1: Aggregate Assets and Liabilities**

	<b>2020</b>	2019
	<b>\$'000</b>	\$'000
<b>6.1: Aggregate Assets and Liabilities</b>		
<b>Assets expected to be recovered in:</b>		
No more than 12 months	<b>22,280</b>	20,358
More than 12 months	<b>14,434</b>	6,517
<b>Total assets</b>	<b>36,714</b>	26,875
<b>Liabilities expected to be recovered in:</b>		
No more than 12 months	<b>6,524</b>	3,976
More than 12 months	<b>11,816</b>	7,122
<b>Total liabilities</b>	<b>18,340</b>	11,098

# APPENDIX E: EXECUTIVE REMUNERATION

## Key management personnel (KMP)

During the reporting period ended 30 June 2020, OPC had nine executives who met the definition of key management personnel (KMP). Their names, positions and terms as KMP are summarised below:

<b>Name</b>	<b>Position</b>	<b>Term as KMP</b>
Peter Quiggin	First Parliamentary Counsel	Full year
Meredith Leigh	Second Parliamentary Counsel	Full year
Keith Byles	Second Parliamentary Counsel	Full year
Susan Roberts	General Manager Corporate, Chief Finance Officer	Part year - retired on 1 November 2019
Aasha Swift	General Manager Publishing	Full year
Stephen Campbell	General Manager Corporate, Chief Information Officer <sup>1</sup>	Full year
Rebecca Considine	Senior Executive Drafter <sup>2</sup>	Part year - 1 December 2019 to 30 April 2020
Louise Finucane	Senior Executive Drafter <sup>2</sup>	Part year - 1 March 2020 to 30 June 2020
Bronwyn Livermore	Senior Executive Drafter <sup>2</sup>	Part year - 1 May 2020 to 30 June 2020

### Notes

1: Replacement position for General Manager Corporate; Susan Roberts, upon her retirement.

2: Temporary rotating Senior Management Team member.

## KMP remuneration

Note 4.2 to OPC's Financial Statements in Appendix D discloses the key management personnel remuneration in aggregate for the reporting period ending 30 June 2020. In accordance with the PGPA Rule, this remuneration information is disaggregated as follows:

Name	Position title	Short-term benefits			Total	Post-employment benefits	Other long-term benefits		Total Remuneration
		Base salary <sup>1</sup>	Allowances <sup>2</sup>				Long service leave		
Peter Quiggin	First Parliamentary Counsel	483,097	1,820		484,917	72,701		19,868	577,486
Meredith Leigh	Second Parliamentary Counsel	403,833	1,820		405,653	70,427		14,469	490,548
Keith Byles	Second Parliamentary Counsel	397,990	1,820		399,810	54,502		13,936	468,248
Susan Roberts	General Manager Corporate, Chief Finance Officer	58,554	17,991		76,545	14,611		- 364	90,791
Aasha Swift	General Manager Publishing	165,324	52,298		217,622	41,336		9,484	268,441
Stephen Campbell	General Manager Corporate, Chief Information Officer	170,247	32,980		203,227	36,938		12,019	252,184
Rebecca Considine	Senior Executive Drafter	83,145	17,512		100,656	19,560		4,741	124,957
Louise Finucane	Senior Executive Drafter	55,777	24,265		80,042	18,156		- 1,050	97,147
Bronwyn Livermore	Senior Executive Drafter	36,798	7,064		43,863	7,767		1,944	53,574
Total		1,854,764	157,571		2,012,335	335,998		75,045	2,423,377

Notes

1. Includes salary paid, higher duties allowance, annual leave paid, and the movement between opening and closing annual leave liability.
2. Includes motor vehicle allowance.

## Senior executive remuneration

Remuneration bands	Number of senior executives	Short-term benefits <sup>3</sup>		Post-employment benefits <sup>4</sup>		Other long-term benefits <sup>5</sup>		Total remuneration
		Average base salary	Average other benefits and allowances	Average superannuation contributions	Average long service leave	Average total remuneration		
\$0- \$220,000	4	95,070	29,418	25,064	-3,775	145,777		
\$220,001- \$245,000	6	134,481	47,497	33,750	7,988	223,716		
\$245,001- \$270,000	5	173,997	41,810	37,520	5,996	259,323		
\$270,001- \$295,000	3	179,273	56,120	41,442	6,611	283,446		
\$295,001- \$320,000	5	188,087	68,068	45,089	7,163	308,407		

### Notes

1. This table is prepared on an accrual basis. In 2019-20, there was 26 fortnightly pays.
  2. This table reports the average total remuneration of senior executives who received remuneration during the reporting period. Officers acting as a senior executive for a period of less than three months during the reporting period have not been included in this table. Senior executives that have been classified as KMP have not been included in this table.
  3. The short-term benefits are comprised of:
    - a) the average base salary (including paid and accrued annual leave); and
    - b) average other benefits and allowances (such as the motor vehicle allowance).
  4. The post-employment benefits are the average of OPC's superannuation contributions, including the productivity component for the reporting period.
  5. The other long-term benefits are the average amount of long service leave accrued for the reporting period and the average salary paid while on leave.
- There were no other highly paid staff with total remuneration greater than \$220,000 during the reporting period.

# APPENDIX F: LIST OF REQUIREMENTS

PGPA Rule Reference	Part of Report	Description	Requirement	Location
<b>17AD(g)</b>	<b>Letter of transmittal</b>			
17AI		A copy of the letter of transmittal signed and dated by accountable authority on date final text approved, with statement that the report has been prepared in accordance with section 46 of the PGPA Act and any enabling legislation that specifies additional requirements in relation to the annual report.	Mandatory	
<b>17AD(h)</b>	<b>Aids to access</b>			
17AJ(a)		Table of contents	Mandatory	Pages i-ii
17AJ(b)		Alphabetical index	Mandatory	Index
17AJ(c)		Glossary of abbreviations and acronyms	Mandatory	Glossary
17AJ(d)		List of requirements	Mandatory	Appendix F
17AJ(e)		Details of contact officer	Mandatory	Chapter 6
17AJ(f)		Entity's website address	Mandatory	Chapter 6
17AJ(g)		Electronic address of report	Mandatory	Chapter 6
<b>17AD(a)</b>	<b>Review by accountable authority</b>			
17AD(a)		A review by the accountable authority of the entity.	Mandatory	First Parliamentary Counsel's Review
<b>17AD(b)</b>	<b>Overview of the entity</b>			
17AE(1)(a)(i)		A description of the role and functions of the entity.	Mandatory	Chapter 1
17AE(1)(a)(ii)		A description of the organisational structure of the entity.	Mandatory	Chapter 1
17AE(1)(a)(iii)		A description of the outcomes and programs administered by the entity.	Mandatory	Chapter 1
17AE(1)(a)(iv)		A description of the purposes of the entity as included in the corporate plan.	Mandatory	Chapter 1
17AE(1)(aa)(i)		Name of the accountable authority or each member of the accountable authority.	Mandatory	Chapter 1
17AE(1)(aa)(ii)		Position title of the accountable authority or each member of the accountable authority.	Mandatory	Chapter 1
17AE(1)(aa)(iii)		Period as the accountable authority or member of the accountable authority within the reporting period.	Mandatory	Chapter 1
17AE(1)(b)		An outline of the structure of the portfolio of the entity.	Portfolio departments– Mandatory	N/A

17AE(2)		Where the outcomes and programs administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other Portfolio Estimates Statement that was prepared for the entity for the period, include details of variation and reasons for change.	If applicable, Mandatory	N/A
<b>17AD(c)</b>	<b>Report on the Performance of the entity</b>			
	<b>Annual Performance Statements</b>			
17AD(c)(i); 16F		Annual Performance Statement in accordance with paragraph 39(1)(b) of the PGPA Act and section 16F of the PGPA Rule.	Mandatory	Chapter 2
<b>17AD(c)(ii)</b>	<b>Report on Financial Performance</b>			
17AF(1)(a)		A discussion and analysis of the entity's financial performance.	Mandatory	Chapter 2
17AF(1)(b)		A table summarising the total resources and total payments of the entity.	Mandatory	Appendix A
17AF(2)		If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results.	If applicable, Mandatory	Chapter 2
<b>17AD(d)</b>	<b>Management and Accountability</b>			
	<b>Corporate Governance</b>			
17AG(2)(a)		Information on compliance with section 10 (fraud systems).	Mandatory	Chapter 3
17AG(2)(b)(i)		A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared.	Mandatory	Chapter 3
17AG(2)(b)(ii)		A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the entity are in place.	Mandatory	Chapter 3
17AG(2)(b)(iii)		A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity.	Mandatory	Chapter 3
17AG(2)(c)		An outline of structures and	Mandatory	Chapter 3



		processes in place for the entity to implement principles and objectives of corporate governance.		
17AG(2)(d) and (e)		A statement of significant issues reported to Minister under paragraph 19(1)(e) of the PGPA Act that relates to non-compliance with Finance law and action taken to remedy non-compliance.	If applicable, Mandatory	N/A
<b>Audit Committee</b>				
17AG(2A)(a)		A direct electronic address of the charter determining the functions of the entity's audit committee.	Mandatory	Chapter 3
17AG(2A)(b)		The name of each member of the entity's audit committee.	Mandatory	Chapter 3
17AG(2A)(c)		The qualifications, knowledge, skills or experience of each member of the entity's audit committee.	Mandatory	Chapter 3
17AG(2A)(d)		Information about the attendance of each member of the entity's audit committee at committee meetings.	Mandatory	Chapter 3
17AG(2A)(e)		The remuneration of each member of the entity's audit committee.	Mandatory	Chapter 3
<b>External Scrutiny</b>				
17AG(3)		Information on the most significant developments in external scrutiny and the entity's response to that scrutiny.	Mandatory	Chapter 3
17AG(3)(a)		Information on judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner that may have a significant effect on the operations of the entity.	If applicable, Mandatory	N/A
17AG(3)(b)		Information on any reports on operations of the entity by the Auditor-General (other than report under section 43 of the PGPA Act), a Parliamentary Committee, or the Commonwealth Ombudsman.	If applicable, Mandatory	N/A
17AG(3)(c)		Information on any capability reviews on the entity that were released during the period.	If applicable, Mandatory	N/A
<b>Management of Human Resources</b>				
17AG(4)(a)		An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives.	Mandatory	Chapter 4
17AG(4)(a)		Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following:  (a) statistics on full-time employees;	Mandatory	Chapter 4 and Appendix B

		(b) statistics on part-time employees;  (c) statistics on gender;  (d) statistics on staff location.		
17AG(4)(b)		Statistics on the entity's APS employees on an ongoing and non-ongoing basis; including the following: <ul style="list-style-type: none"> <li>• statistics on staffing classification level;</li> <li>• statistics on full-time employees;</li> <li>• statistics on part-time employees;</li> <li>• statistics on gender;</li> <li>• statistics on staff location;</li> <li>• statistics on employees who identify as Indigenous.</li> </ul>	Mandatory	Chapter 4 Appendix B
17AG(4)(c)		Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the <i>Public Service Act 1999</i> .	Mandatory	Chapter 4 Appendix B
17AG(4)(c)(i)		Information on the number of SES and non-SES employees covered by agreements etc. identified in paragraph 17AG(4)(c).	Mandatory	Chapter 4 Appendix B
17AG(4)(c)(ii)		The salary ranges available for APS employees by classification level.	Mandatory	Appendix B
17AG(4)(c)(iii)		A description of non-salary benefits provided to employees.	Mandatory	Chapter 4
17AG(4)(d)(i)-(iv)		Information on performance payments: <ul style="list-style-type: none"> <li>• the number of employees at each classification level who received performance pay;</li> <li>• aggregate amounts of performance pay at each classification level;</li> <li>• the average amount of performance payment, and range of such payments, at each classification level;</li> <li>• aggregate amount of performance payments.</li> </ul>	If applicable, Mandatory	N/A
<b>Assets Management</b>				
17AG(5)		An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities.	If applicable, Mandatory	N/A

	<b>Purchasing</b>			
17AG(6)		An assessment of entity performance against the <i>Commonwealth Procurement Rules</i> .	Mandatory	Chapter 5
	<b>Consultants</b>			
17AG(7)(a)		A summary statement detailing the number of new contracts engaging consultants entered into during the period; the total actual expenditure on all new consultancy contracts entered into during the period (inclusive of GST); the number of ongoing consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting year on the ongoing consultancy contracts (inclusive of GST).	Mandatory	Chapter 5
17AG(7)(b)		A statement that <i>"During [reporting period], [specified number] new consultancy contracts were entered into involving total actual expenditure of \$[specified million]. In addition, [specified number] ongoing consultancy contracts were active during the period, involving total actual expenditure of \$[specified million]."</i>	Mandatory	Chapter 5
17AG(7)(c)		A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were selected and engaged.	Mandatory	Chapter 5
17AG(7)(d)		A statement that <i>"Annual reports contain information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website."</i>	Mandatory	Chapter 5
	<b>Australian National Audit Office Access Clauses</b>			
17AG(8)		If an entity entered into a contract with a value of more than \$100,000 (inclusive of GST) and the contract did not provide the Auditor-General with access to the contractor's premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract.	If applicable, Mandatory	N/A
	<b>Exempt contracts</b>			
17AG(9)		If an entity entered into a contract or there is a standing offer with a value greater than \$10,000 (inclusive of GST) which has been exempted from being published in AusTender	If applicable, Mandatory	N/A

		because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters.		
<b>Small Business</b>				
17AG(10)(a)		A statement that “[Name of entity] supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises and Small Enterprise participation statistics are available on the Department of Finance’s website.”	Mandatory	Chapter 5
17AG(10)(b)		An outline of the ways in which the procurement practices of the entity support small and medium enterprises.	Mandatory	Chapter 5
17AG(10)(c)		If the entity is considered by the Department administered by the Finance Minister as material in nature—a statement that “[Name of entity] recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury’s website.”	If applicable, Mandatory	N/A
<b>Financial Statements</b>				
17AD(e)		Inclusion of the annual financial statements in accordance with subsection 43(4) of the PGPA Act.	Mandatory	Appendix D
<b>Executive Remuneration</b>				
17AD(da)		Information about executive remuneration in accordance with Subdivision C of Division 3A of Part 2-3 of the PGPA Rule.	Mandatory	Chapter 4 and Appendix E
<b>17AD(f)</b>	<b>Other Mandatory Information</b>			
17AH(1)(a)(i)		If the entity conducted advertising campaigns, a statement that “During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity’s website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance’s website.”	If applicable, Mandatory	N/A
17AH(1)(a)(ii)		If the entity did not conduct advertising campaigns, a statement	If applicable, Mandatory	Chapter 6



		to that effect.		
17AH(1)(b)		A statement that “ <i>Information on grants awarded by [name of entity] during [reporting period] is available at [address of entity’s website].</i> ”	If applicable, Mandatory	N/A
17AH(1)(c)		Outline of mechanisms of disability reporting, including reference to website for further information.	Mandatory	Chapter 4
17AH(1)(d)		Website reference to where the entity’s Information Publication Scheme statement pursuant to Part II of FOI Act can be found.	Mandatory	Chapter 6
17AH(1)(e)		Correction of material errors in previous annual report.	If applicable, mandatory	N/A
<b>17AH(2)</b>	<b>Information required by other legislation</b>			
		Work health and safety (Schedule 2, Part 4 of the <i>Work Health and Safety Act 2011</i> ).	Mandatory	Chapter 4
		Ecologically sustainable development and environmental performance (section 516A of the <i>Environment Protection and Biodiversity Conservation Act 1999</i> ).	Mandatory	Chapter 6 and Appendix C

# GLOSSARY

<b>AASB</b>	Australian Accounting Standards Board
<b>AGLN</b>	Australian Government Legal Network
<b>ACT</b>	Australian Capital Territory
<b>APS</b>	Australian Public Service (OPC staff below Executive Level are classified as APS 1 to APS 6)
<b>APSC</b>	Australian Public Service Commission
<b>ASL</b>	average staffing levels
<b>assistant drafter</b>	a drafter other than a senior drafter
<b>BCM</b>	business continuity management
<b>CALC</b>	Commonwealth Association of Legislative Counsel
<b>ExCo</b>	Federal Executive Council
<b>FOI Act</b>	<i>Freedom of Information Act 1982</i>
<b>FPC</b>	First Parliamentary Counsel
<b>IPS</b>	Information Publication Scheme
<b>IT</b>	information technology
<b>Legislation Act</b>	<i>Legislation Act 2003</i>
<b>Legislation Register</b>	Federal Register of Legislation
<b>NABERS</b>	National Australian Built Environment Rating System
<b>NLPD</b>	Nominal Lighting Power Density
<b>OPC</b>	Office of Parliamentary Counsel
<b>PBC</b>	Parliamentary Business Committee (a committee of the Cabinet)
<b>PBS</b>	Portfolio Budget Statement
<b>PGPA Act</b>	<i>Public Governance, Performance and Accountability Act 2013</i>
<b>PGPA Rule</b>	<i>Public Governance, Performance and Accountability Rule 2014</i>
<b>RAP</b>	Reconciliation Action Plan
<b>senior drafter</b>	First Parliamentary Counsel, a Second Parliamentary Counsel or a drafter in the SES
<b>SES</b>	Senior Executive Service
<b>SME</b>	Small and Medium Enterprises
<b>SMT</b>	Senior Management Team
<b>WCC</b>	Workplace Consultative Committee
<b>WHS Act</b>	<i>Work Health and Safety Act 2011</i>

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