



Australian Government

Office of Parliamentary Counsel

Annual Report 2015-2016

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Australian Government
Office of Parliamentary Counsel

First Parliamentary Counsel

Senator the Hon George Brandis QC
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 2015 to 30 June 2016.

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 'P. Quiggin', written over a horizontal line.

Peter Quiggin PSM
First Parliamentary Counsel
7 October 2016

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First Parliamentary Counsel's Review



1 The year has been one of both change and consolidation for the Office of Parliamentary Counsel (*OPC*).

Move to new building

2 In August OPC moved into our new premises in Sydney Avenue, Forrest.

3 This was an important occasion as it was the first time in a number of decades that all of OPC's office space was located on one floor of one building.

4 In particular, it brought together staff who had been split

across 2 buildings a few kilometres apart.

5 The fitting-out of the building and the move went very smoothly and is a credit to all involved.

6 The new premises is extremely well suited to OPC.

Change to Legislation Act 2003

7 The *Acts and Instruments (Framework Reform) Act 2015* commenced on 5 March 2016.

8 This Act made a range of changes that are important to OPC.

9 A major change was to alter the name and scope of the *Legislative Instruments Act 2003*. This Act is now the *Legislation Act 2003 (the Legislation Act)*.

10 One result of these changes is that ComLaw has now become the Federal Register of Legislation (***the Legislation Register***).

11 In addition, I (as First Parliamentary Counsel) have been given limited editorial powers to correct legislation.

Bills

12 Over the year 143 Bills, totalling 5,213 pages, were introduced. These figures are less than some previous years due to there being a very short Winter sittings due to the election.

13 Major legislation that was introduced included:

- amendments to the electoral laws;
- laws regulating the cultivation of cannabis plants for medicinal purposes;
- laws dealing with counter-terrorism;
- laws dealing with courts;
- major reform of the *Defence Act 1903*;
- legislation for financial assistance for the construction of infrastructure in Northern Australia; and
- laws on the taxation of managed investment trusts.

14 Taxation and superannuation legislation continues to be an area of substantial demand.

Repeal Day

15 OPC had a substantial involvement in the 2015 Spring Repeal Day.

16 A Statute Law Revision Bill and a Spent and Redundant Repeal Regulation was prepared for the Repeal Day as part of OPC's ongoing commitment to maintaining the statute book and removing legislation that no longer has any operation.

17 The *Amending Acts 1990 to 1999 Repeal Act 2016* repealed 877 spent Acts. This Act was introduced in the 2015 Spring sittings and assented to on 11 February 2016.

18 The repeals of spent Acts remove a large amount of clutter from electronic databases such as the Legislation Register.

19 A range of other Bills were also introduced on Repeal Day including an Omnibus Bill containing material from most portfolios.

20 A number of instruments to repeal substantial numbers of redundant instruments were also tabled on Repeal Day.

Instruments

21 During the year, some 302 Federal Executive Council (**ExCo**) legislative and notifiable instruments, totalling 3,602 pages, drafted by OPC were made and registered on the Legislation Register.

22 OPC also drafted approximately 124 other legislative instruments, totalling 1,595 pages, for government agency clients. Major projects included instruments made in preparation for the commencement of the *Biosecurity Act 2015*, instruments dealing with cost recovery for matters relating to biosecurity and export control, the Parliamentary Injury Compensation Scheme Instrument and the Customs Australian Trusted Trader Programme Rule.

Sunsetting instruments

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

24 OPC worked closely with sunseting coordinators in all portfolios to encourage early action on instruments due to sunset. Key legislative instruments that were reviewed by portfolios and redrafted

by OPC before the instruments were due to sunset included the *Income Tax Assessment (1936 Act) Regulation 2015*, the *Legislation (Exemptions and Other Matters) Regulation 2015* and the *Electoral and Referendum Regulation 2016*.

25 OPC greatly improved the quality and readability of these instruments through this process.

26 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

27 In 2012 the obligation to encourage high standards in the drafting of legislative instruments under section 16 of 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 section 16 of the Legislation Act and enhance the Commonwealth's overall statute book.

28 In 2015-2016 OPC continued to engage actively with rule-making agencies to encourage high standards 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.

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

Drafting resources

30 OPC continued to have a slight reduction in drafting staff, however we have started recruiting new drafters to ensure that we will have sufficient capacity in the future.

31 During the year 2 new drafters started with OPC. We also started a process to hire 2 more drafters.

Publications

32 The Publications group functions include:

- managing the Legislation Register, including registering legislative instruments and lodging them for tabling in the Parliament;

- preparing compilations and reprints of, and information relating to, Commonwealth laws;
- publishing Commonwealth legislation and legislative information;
- preparing and publishing the Government Notices Gazette; and
- developing and operating the Legislation Register website (www.legislation.gov.au).

33 The main focus for the Publications group this year has been implementing the changes as required by amendments to the Legislation Act. This included:

- developing the new Legislation Register to incorporate the content of ComLaw and the Federal Register of Legislative Instruments;
- developing new functionality on the Legislation Register to manage the new instrument type of notifiable instruments as well as requirements for replacement and supplementary explanatory statements;
- developing internal processes to manage and accurately publish information about editorial changes; and

- updating the website reference material and the Instruments Handbook to inform the public and agencies about changes in requirements of the Legislation Act.

Documentation and training

34 This year focus continued to be given to documenting the matters that specifically related to the drafting of instruments.

35 To provide greater training, drafters were rotated through Bill and instrument drafting positions. This will ensure that drafters can take on the full range of work that is now undertaken by OPC.

36 The expansion of our functions has necessitated the rewriting of the legislation process course to cover the additional functions. This was completed and the first of the new courses were run. These have proved very popular with high enrolments and excellent feedback.

37 Substantial work was done during the election period on preparing training materials to assist those in agencies who are responsible for drafting a range of legislative instruments.

38 A number of new courses have been written and these will begin early in the new financial year.

39 Substantial work has been undertaken to prepare documentation of the processes and procedures of the Publications group. This has assisted in training new staff and staff who have been trained in additional duties.

Financial performance

40 Financially, OPC is in a good position. OPC had a small surplus for the year and is budgeting for a break-even position in 2016-2017.

Liaison outside OPC

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

42 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.

43 OPC also has regular meetings with the Department of Immigration and Border Protection to assist with the management of their legislative program.

44 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.

45 Staff involved in Publications and Information Technology continued to be involved in the Australasian Parliamentary Counsel's Committee IT Forum. This year the meeting was hosted by OPC. The feedback that we got was that it was a great success.

46 A special drafting workshop was held with OPC drafters and drafters from Hong Kong and Singapore, who came to the IT Forum.

47 I travelled to Malta to attend the Commonwealth Heads of Government Conference (CHOGM) and the associated People's Forum. This was done in my capacity as President of the

Commonwealth Association of Legislative Counsel.

48 We also met with delegations from South Korea, Thailand and Switzerland.

Corporate Services support

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

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

- finalising the fit-out of the new premises;
- relocating all staff to the new premises;
- reviewing and updating policies, procedures and processes, particularly to account for the relocation to the new premises;

- developing and implementing a new electronic IT Helpdesk system; and
- running short IT training courses for staff.

Retirement of Iain McMillan

51 Mr Iain McMillan retired from OPC this year.

52 Until his retirement, Iain held the position of Second Parliamentary Counsel.

53 Iain started work with OPC in 1984.

54 Iain worked on a vast range of legislation during his time with OPC. This included the *Petroleum Resource Rent Tax Assessment Act 1987*, the *Family Law Reform Act 1995*, and the Financial Sector Reform package of legislation which established the Australian Prudential Regulation Authority, and restructured the regulation of banks, insurers and other financial institutions.

55 He had also a substantial role on the *Corporations Act 2001* which re-enacted the Corporations Act on the basis of a referral of power from the States following the

Wakim and Hughes decisions of the High Court.

56 He made a substantial contribution to the *Workplace Relations (Work Choices) Act 2005*.

Other major projects included:

- the Fair Work Bill 2008 and subsequent Bills to deal with State referrals;
- the Military Justice (Interim Measures) Bills 2009; and
- the *Private Health Insurance (Prudential Supervision) Act 2015*.

57 In addition to his contribution through drafting, Iain made an enormous contribution as a member of OPC's Senior Management Team for 7 years.

58 Iain also made a wonderful contribution to the life of OPC over many years and in so many different ways.

Appointment of Meredith Leigh

59 Ms Meredith Leigh was appointed as Second Parliamentary Counsel on 1 March 2016.

60 Before her appointment, Meredith was a First Assistant Parliamentary Counsel at OPC. Meredith joined OPC in 1998.

61 She has extensive drafting experience including working on the *Military Rehabilitation and Compensation Act 2004*, the *Tobacco Plain Packaging Act 2011*, the *Australian Education Act 2013* and the recent amendments to the *Foreign Acquisitions and Takeovers Act 1975*.

Placements in House and Senate

62 During the year we continued the arrangements with each of the 2 Houses of Parliament to have drafters working in Parliament House.

63 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 of OPC providing some assistance to the Senate.

64 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 predominately working from OPC's offices.

Election projects

65 During election periods, there is a reduced amount of drafting work to be done. OPC takes advantage of these periods to undertake a range of projects.

66 In addition to preparing an incoming government brief, projects included preparing a number of training courses, reviewing our subscriptions to electronic legal resources, updating a range of notes on drafting issues, and preparing and presenting seminars on drafting issues.

Outlook for coming year

67 I believe that the next year will see a continuation of the very high level of demand for OPC's drafting resources.

68 At the same time, OPC will continue to concentrate on the need to recruit, train and retain the highest quality staff in order to meet the demands of the future. OPC will also need to recruit new drafters to ensure the long-term viability of OPC.

69 Work will also commence on the redevelopment of the Legislation Register and on continuing to improve the

effectiveness of the publications
functions of OPC. These are critical
in ensuring that the public has
ready access to legislation.

Peter Quiggin PSM
First Parliamentary Counsel

Chapter 1—Overview of OPC

Role and functions of OPC

70 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 Federal Register of Legislation (***the Legislation Register***) website.

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

- the drafting of proposed laws for introduction into either House of the Parliament;
- the drafting of amendments of proposed laws that are being considered by either House of the Parliament;
- the drafting of subordinate legislation;
- the preparing of compilations and reprints of, and information relating to, laws of the Commonwealth;
- the publishing, and the making of arrangements for the printing and publishing, of:
 - laws, and proposed laws, of the Commonwealth;
 - compilations and reprints of laws of the Commonwealth; and
 - information relating to laws of the Commonwealth;
- the preparing and publishing of 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—the provision of 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

72 OPC is headed by the First Parliamentary Counsel and two Second Parliamentary Counsel.

73 OPC has 3 groups: Drafting, Publications and Corporate Services.

74 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.

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

76 OPC's Publications group, headed by the General Manager Publishing, consists of:

- a team responsible for publishing policy, including preparation of sunseting and bulk repeal lists, the Legislation Register Helpdesk, performance management and contributions to OPC policies;
- a team responsible for preparing compilations, the operation of the Legislation Register, the publishing and the making of arrangements for the printing of Commonwealth legislation, and the publishing of the Government Notices Gazette;
- a team responsible for proofreading and editorial checking of all draft legislation drafted in OPC; and
- a team responsible for the development and operation of the Legislation Register website.

77 OPC's Corporate Services group, headed by the General Manager and Chief Finance Officer, consists of:

- an Information Technology (*IT*) section that manages, maintains and supports OPC's IT environment;
- staff providing human resources and financial services;

- staff providing administrative support, records management, and property and security services; and
- a legislation team responsible for arranging for Bills to be printed, tabled and related tasks.

Outcome and program structure

78 OPC's outcome for 2015-2016 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".

79 For 2015-2016, OPC had one program and 5 program components contributing to meeting the 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.

Purpose

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

81 OPC's purposes are to:

- enable government to carry out its legislative program through the drafting of all Bills, all 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

82 The annual performance statement has been prepared in accordance with section 39(1)(a) of the *Public Governance, Performance and Accountability Act*

2013 (*the PGPA Act*) for the 2015-16 financial year and accurately presents OPC's performance in accordance with section 39(2) of the PGPA Act.

OPC's purposes and results

Purpose 1—Legislative drafting

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

Results for Purpose 1

Performance criteria 1.1

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

Source: Corporate Plan 2015-16; Portfolio Budget Statement (**PBS**) 2015-16, page 489

Target	Result
100%	100%

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 2015-16; PBS 2015-16, page 488

Target	Result
≥ 4	4.8

Performance criteria 1.3

Criteria: Proportion of Bills and ExCo instruments where drafting standards and conventions are applied consistently

Source: Corporate Plan 2015-16; PBS 2015-16, page 489

Target	Result
100%	100%

Purpose 2—Publication

Ensure Commonwealth laws and instruments are freely available and accessible to everyone by publishing those laws and instruments on the Federal Register of Legislation (*the Legislation Register*) website

Results for Purpose 2

Performance criteria 2.1

Criteria: Proportion of legislative instruments and gazette notices that are registered on a specific date as required by lodging entities

Source: Corporate plan 2015-16; PBS 2015-16, page 489

Target	Result
100%	100%

Performance criteria 2.2

Criteria: Proportion of other legislative instruments and gazette notices that are registered no later than 2 business days after lodgement

Source: Corporate plan 2015-16; PBS 2015-16, page 489

Target	Result
98%	100%

Performance criteria 2.3

Criteria: Proportion of Acts that are registered on the Legislation Register no later than 2 working days after receipt of notification of Royal Assent

Source: Corporate plan 2015-16; PBS 2015-16, page 489

Target	Result
98%	100%

Performance criteria 2.4

Criteria: Proportion of Act and legislative instrument compilations required to be prepared by OPC that are registered on the Legislation Register by the later of 90 days after Royal Assent or making date, or 28 days after commencement of the prospective amendments

Source: Corporate plan 2015-16; PBS 2015-16, page 489

Target	Result
100%	82%

Analysis of performance against Purpose 1: Legislative Drafting

Overview

83 OPC's outcome for 2015-2016 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".

84 The first purpose that this gives rise to is to "enable the government to carry out its legislative program through the drafting of all Bills, all legislative instruments to be made or approved by the Governor-General (Federal Executive Council (**ExCo**) instruments) and a range of other instruments".

85 OPC meets 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.

86 OPC has met the targets for the performance criteria for this purpose in the 2015-2016 year.

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

88 Client feedback surveys during 2015-2016 indicated that all Bills and instruments reflected their sponsors' policy intentions.

89 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 2003* (**the Legislation Act**). Minor technical flaws detected in regulations are addressed using First Parliamentary Counsel's editorial power or through the next relevant drafting project.

90 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 4.8. Both of these are well above the target of 4.

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

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

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

94 Client feedback surveys during 2015-2016 indicated that all Bills and instruments were easy to understand, having regard to the inherent complexity of the subject matter.

Bills

95 Before each parliamentary sittings, the Government formulates the program of Bills that it requires to be drafted for the sittings. Since it may not be possible for all Bills on

the program to be drafted, a drafting priority is given to each Bill.

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

97 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. Then they draft the Bill in terms intended to give effect to the policy in as precise and clear a manner as possible.

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

99 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

100 Drafting resources were applied, and Bills were drafted, in

accordance with government priorities.

101 Most category T Bills were drafted and introduced. Several Bills retained category T status to ensure access to drafting resources throughout the sittings concerned. Many category A Bills, and 7 category B or C Bills, were drafted and introduced.

Statistics for Bills introduced

102 Over the year 143 Bills, totalling 5,213 pages, drafted in OPC were introduced into the Parliament.

103 The table following paragraph 107 gives more detailed figures for those Bills, broken down by parliamentary sittings periods.

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

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

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

106 Some Bills in categories A, B and C may not be intended for introduction in the sittings concerned. These are Bills that are very large, or are required for consultation purposes before introduction. Drafting of such Bills needs to be started well before the sittings proposed for introduction.

107 It should be noted that, due to the calling of the election, the Winter 2016 sittings was very short. Therefore, the figures for that sittings (and for the year) are not

directly comparable with other financial years.

Bill statistics

Category	Bills on original PBC program	Bills introduced
Spring 2015 (November—December 2015)		
T	39	50
A	38	31
B	15	1
C	3	2
Total	95	84
Autumn 2016 (February—March 2016)		
T	13	27
A	61	13
B	27	2
C	2	2
Total	103	44
Winter 2016 (May 2016)		
T	25	15
A	40	0
B	39	0
C	2	0
Total	106	15

Client feedback

108 OPC surveys its direct clients (agency instructors) about

all Bills drafted. Among other things, clients are asked whether the Bills as introduced reflect their policy intentions. Survey responses for 2015-2016 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.

109 The target in the Portfolio Budget Statements for the average response to "overall satisfaction" was 4.0 out of 5 (where 5 is the highest rating). The result for this year was 4.9 out of 5.

110 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:

"Their responsiveness, patience and professionalism throughout the drafting process, especially under sometimes difficult circumstances; e.g. where instructions were coming from a number of sources, where policy parameters were changing from day-to-day and where drafting was required urgently."

"Everything was done very quickly and easily. The whole process was very smooth."

"OPC drafters are flexible, intelligent and easy to talk to. They suggest great drafting options to meet our policy needs."

"I continue to be amazed at the flexibility and patience of OPC drafters when given ridiculous timeframes to work with. You are consummate professionals."

"The drafting team was always available to answer questions and consider other perspectives. Their calm and patience is outstanding."

"Great customer service, responsiveness, willingness to discuss and resolve issues, great working relationship."

"Our drafting team was very helpful in providing advice to help us resolve issues. They also identified a few issues that we hadn't considered and helped us resolve them. They also worked to very tight deadlines, which we greatly appreciated."

"I continue to be impressed by the excellent service provided by OPC and the exemplary performance of drafting teams."

“Responsiveness and can do attitude, together with excellent problem solving.”

Parliamentary amendments

111 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 following table.

112 The table also shows figures for reporting years since 2008-2009, to enable trends to be identified. The table relates to the numbers of amendments drafted in OPC, not all of which were moved in the Parliament.

Parliamentary amendment statistics

Number of amendments drafted (% of total)

Year	Government policy change	Government new policy	Government correction of drafting errors	Non-government amendments	Total
2015-2016	281 (74.7)	37 (9.8)	1 (0.3)	57 (15.2)	376
2014-2015	783 (88.0)	14 (1.6)	19 (2.1)	74 (8.3)	890
2013-2014	191 (81.6)	19 (8.1)	1 (0.4)	23 (9.9)	234
2012-2013	786 (71.6)	254 (23.2)	14 (1.3)	43 (3.9)	1,097
2011-2012	734 (86.6)	52 (6.1)	23 (2.7)	39 (4.6)	848
2010-2011	529 (79.4)	58 (8.7)	3 (0.5)	76 (11.4)	666
2009-2010	1,110 (81.6)	97 (7.1)	61 (4.5)	92 (6.8)	1,360
2008-2009	812 (67.4)	340 (28.2)	14 (1.2)	38 (3.2)	1,204

113 The number of amendments was lower than many previous years but similar to the previous years which included a substantial election period.

114 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.

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

116 The number of amendments to correct drafting errors was once again very low.

Instruments

117 OPC provides government agencies with drafting services for subordinate legislation.

118 OPC provides instrument drafting services that are tied to OPC under the *Legal Services Directions 2005* 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.

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

120 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.

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

122 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.

123 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

124 Under the *Legal Services Directions 2005* the drafting of regulations, Ordinances and regulations of non-self-governing Territories, and other legislative instruments made or approved by the Governor-General 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.

125 During the year, 302 ExCo legislative and notifiable instruments, totalling 3,602 pages, drafted by OPC were made and registered on the Legislation Register.

User-pays drafting services

126 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.

127 During the year, approximately 124 legislative and notifiable instruments, totalling 1,595 pages, were drafted by OPC on a user-pays basis for government agency clients and registered on the Legislation Register.

Client feedback

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

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

130 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:

“The attention given by the drafter to the project; willingness to discuss and consider different options; timely responses with drafts etc.; overall professional and friendly manner.”

“OPC have been incredibly easy to work with, and have provided timely, well considered advice.”

“OPC were responsive and patient during changing policy context, and provided good, practical advice on how to reflect this in a legislative sense.”

“OPC were particularly helpful during the drafting of this instrument, and were adaptable and provided innovative solutions to policy implementation problems. OPC were very quick to respond to new drafting instructions which was of great assistance close to finalisation deadlines.”

“The drafters have excellent work ethics and are very knowledgeable on general legal matters.”

“The team were easy to work with, up front about what they thought, quick to find solutions, and great at keeping us abreast of progress. We enjoyed the process.”

Legislative drafting capability

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

131 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.

132 In previous years, OPC’s turnover of drafting staff has been extremely low.

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

134 Since the transfer of the instrument drafting function, there has been an increase in the number of drafters leaving OPC.

During the year, a number of drafters left OPC through retiring or transferring to other positions.

135 OPC recruited 2 new drafters during the year.

136 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.

137 Drafters working on instruments generally work in a team arrangement with about 2 assistant drafters and one SES drafter. On any particular instrument, there will generally be 2 drafters working together with one doing the principal drafting and the other checking or settling the work.

138 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.

139 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.

140 A number of seminars were run during the election period when the drafting workload was lighter than normal.

Building instructor capability to enable efficient use of drafting resources and quality legislation

141 In past years, OPC has generally conducted around 10 legislation process courses each year, with an average of 138 participants per year.

142 The broadening of OPC's functions as a result of the transfer of functions meant that the materials needed to be rewritten. This was completed this year and courses recommenced.

143 During the year, 13

Legislation Process Courses were run with a total of 371 participants.

144 A total of 237 legislation process courses have been run since they began in 1994.

145 In addition, the election period was used to develop 3 new courses. These are an Advanced Legislation Process Course, a course on drafting basic instruments and a more advanced instrument drafting course. It is envisaged that more courses, possibly in the form of masterclasses on specific topics, will be developed.

146 OPC considers that running these courses is an important way that OPC can contribute to the improvement in the standard of instructing and instrument drafting.

Standardisation and quality control of legislation

Drafting standards and quality assurance

147 An important aspect of ensuring that drafting standards and conventions are applied consistently is the editorial checking and quality assurance processes.

148 Editorial checking ensured that drafting standards and conventions and the normal rules of

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 errors;
- grammatical errors (e.g. inconsistencies of tense or lack of agreement between subject and verb);
- incorrect cross-references;
- misdescribed amendments; and
- clashing amendments.

149 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.

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

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

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

153 Over the past few years, discussions have taken place amongst drafters on the desirability of even greater consistency in the drafting of provisions and ways in which such consistency could be achieved. This has led to a noticeable increase in consultation between drafting teams about the best drafting approach to adopt in particular cases.

154 The compilations team within the Publications group has continued with significant work to move the format of compilations of Commonwealth legislation into a standard style. The compilations team also continues to provide an important quality control function for Commonwealth legislation.

155 OPC has regular meetings of drafters, 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.

Maintenance of the statute book

156 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.

157 Two Statute Law Revision Bills were prepared in the financial year. The Statute Law Revision Bill (No. 3) 2015 was introduced in the Spring 2015 sittings and assented to on 11 February 2016 as the *Statute Law Revision Act (No. 1)*

2016. That Act included amendments to:

- make clear on the face of Acts that the Crown in right of the Australian Capital Territory and of the Northern Territory is bound and modernise the form of provisions about whether the Crown is liable to be prosecuted for an offence;
- modernise the expression of provisions by referring to people “committing” offences rather than “being guilty” of offences;
- modernise language by replacing references to “reference base” with references to “index reference period” and by removing gender specific language; and
- repeal spent and obsolete provisions and Acts, which will result in the repeal of approximately 37 pages of spent and obsolete provisions.

158 The Statute Law Revision Bill (No. 2) 2016 was introduced in the Autumn 2016 sittings. That Bill includes amendments to:

- reduce the need for reliance on substituted reference orders under sections 19B and 19BA of the *Acts Interpretation Act 1901*, and the need for such

orders to be made in the future by inserting generic references to Ministers and Departments in Commonwealth Acts; and

- repeal spent and obsolete provisions and Acts, which will result in the repeal of approximately 27 pages of spent and obsolete provisions, including one Act.

159 The *Amending Acts 1990 to 1999 Repeal Act 2016* repealed 877 spent Acts. This Act was introduced in the 2015 Spring sittings and assented to on 11 February 2016.

160 The Statute Update Bill 2016 was introduced in the Autumn 2016 sittings. That Bill includes amendments to:

- update references to penalties expressed as a number of dollars with penalties expressed as a number of penalty units;
- replace references to “maximum penalty” with “penalty”;
- amend provisions that deal with the evidentiary status of a certificate or other instrument, or of a register, to provide that it is prima facie evidence of the matters stated in it; and

- update references to aircraft registered in accordance with the *Civil Aviation Regulations 1988*.

161 Over 2015-2016, OPC continued to work with the Attorney-General’s Department to identify redundant legislative instruments and provide for their repeal in bulk. This work has enabled the repeal of approximately 18,000 instruments since legislation to enable bulk repeals was enacted in the Legislation Act in late 2012.

162 Amendments to the Legislation Act commenced on 5 March 2016 to allow minor editorial changes. Under Division 3 (Editorial changes and other changes) of Part 2 of Chapter 2 of the Legislation Act, First Parliamentary Counsel 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.

163 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 in the Act or instrument.

164 From March 2016 to 30 June 2016, First Parliamentary Counsel exercised this power in 21 compilations. A summary of the kinds of editorial changes made for the 21 compilations is as follows:

Item	Kind of editorial change	Number
1	Change to typeface	1
2	Removal of second occurrence of text	1
3	Change to punctuation	7
4	Give effect to the misdescribed amendment as intended	9
5	Correct an error in cross-referencing	1
6	Renumbering of provisions	7
7	Removal of redundant text	3
8	Correct a typographical error	6
9	Change to spelling	3

165 A report with details of all editorial changes made in 2015-2016 can be found on the

Legislation Register at www.legislation.gov.au/Content/EditorialChanges.

Sunsetting and review of legislative instruments

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

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

168 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.

169 In 2015-2016, 2 lists of instruments due to sunset soon were prepared for the Attorney-General to table in Parliament in accordance with the Legislation Act.

170 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.

171 Key legislative instruments that were reviewed by agencies and redrafted by OPC before the instruments were due to sunset included the *Income Tax Assessment (1936 Act) Regulation 2015*, the *Legislation (Exemptions and Other Matters) Regulation 2015*, the *Electoral and Referendum Regulations 2016*, the *Seas and Submerged Lands (Territorial Sea Baseline) Proclamation 2016* and the *Seas and Submerged Lands (Historic Bays) Proclamation 2016*, the *Census and Statistics Regulations 2016* and the *Reserve Bank Regulation 2016*.

172 The rewritten instruments greatly improved the quality and readability of these instruments and generally decreased the number of pages on the statute book.

173 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

174 In addition to the above deliverables for the standardisation and quality control of legislation, OPC also undertakes a broad range of measures to encourage high standards in the drafting of Commonwealth legislative and notifiable instruments.

175 First Parliamentary Counsel (*FPC*) causes these measures to be undertaken to fulfil his obligation under section 16 of the Legislation Act to promote the legal effectiveness, clarity, and intelligibility to anticipated users of legislative and notifiable instruments.

176 Since this obligation 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 instruments 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;

- developing 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 enable 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 Instrument (Framework Reform) Act 2015*.

177 In addition to continued work on the above measures, in 2015-2016, FPC fulfilled his 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, providing advice and training in drafting and related matters to agencies, and providing drafting precedents to guide agencies in drafting instruments in the future.

178 In 2015-2016, OPC increased the number of untied legislative instruments it drafted for agencies at the same time as increasing the number of instruments drafted for consideration by ExCo.

179 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.

180 In 2015-2016, OPC provided drafting services to settle

or check legislative instruments drafted by a number of agencies, including:

- the Attorney-General's Department;
- the Department of Agriculture and Water Resources;
- the Department of Health;
- the Department of Infrastructure and Regional Development;
- the Department of Finance;
- the Department of the Prime Minister and Cabinet; and
- the Department of Veterans' Affairs.

181 OPC also sought to increase our services to agencies in the drafting of precedents to guide agencies in preparing instruments in 2015-2016. This included preparing templates for Department of Agriculture and Water Resources, the Department of Defence, the Department of the Environment and the Department of Health.

182 OPC has also continued to provide advice concerning the drafting of legislative instruments through making OPC Client Advisers available to a number of agencies. In 2015-2016, OPC also provided further assistance to the

Department of the Environment in the drafting of the *List of Exempt Native Specimens Instrument 2001* and the Australian Accounting Standards Board in relation to accounting standards.

183 To improve the readability and standard of non-self-governing Territory instruments and promote greater consistency in the drafting of these instruments across Territories, OPC also worked in consultation with the Department of Infrastructure and Regional Development to further develop drafting policy in relation to these instruments.

184 In 2015-2016, after excellent feedback on training programs provided to particular agencies in previous financial years, OPC developed a Drafting Simple Instruments Course. The course covers the essential requirements for drafting simple instruments and will be 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.

185 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.

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

Analysis of performance against Purpose 2: Publication

Overview

187 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".

188 The Publications group meets this purpose by:

- managing the Legislation Register, including registering legislative instruments and lodging them for tabling in the Parliament;
- preparing compilations and reprints of, 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 (www.legislation.gov.au).

189 OPC has met all but one performance target for this purpose in the 2015-2016 year.

190 100% of new legislative instruments and gazette notices were registered promptly, and within timeframes set by client agencies, in accordance with statutory requirements.

191 This met the performance target for legislative instruments and gazette notices that were to be registered on a specific date as

required by lodging entities, and exceeded the target of 98% for other legislative instrument and gazette notices that were to be registered no later than 2 business days after lodgement.

192 100% of Acts were published on the Legislation Register no later than 2 working days after receipt of notification of Royal Assent exceeding the performance target of 98%.

193 Act compilations were accurate and generally published promptly on the Legislation Register in accordance with statutory requirements.

194 82% of Act and legislative instrument compilations required to be prepared by OPC were registered on the Legislation Register by the later of 90 days after Royal Assent or making date, or 28 days after commencement of the prospective amendments. This was lower than the performance target of 100%.

195 Analysis shows there was a significant increase in the number of Act and legislative instrument compilation pages published this year. In total there were 527,190 pages published in 2015-2016. This was an increase from 2014-2015

when a total of 429,474 pages were published.

196 Publications is working on mitigating strategies to better manage larger than expected volumes and peak times where large numbers of amendments commence on the same day. As a result, a revised performance indicator has been set for 2016-2017.

Staffing

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

198 Editorial staff and functions previously located in Corporate Services have been moved to the Publications group. Editorial and Publications staff have a similar skill and knowledge set. Being part of the same group has provided better opportunities for staff development and more flexibility for staff resourcing across all functions of the group.

The Legislation Act and Legislation Register

199 In July 2014, OPC introduced a new annual fee model for standard Legislation Register services to assist clients. Fees for some agencies have substantially declined over the last 2 years as they 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.

200 The demand for current versions of legislation continues to be met by free online public access provided by the Legislation Register. Commercially printed copies of versions, if required, can be ordered online using the print-on-demand function on the Legislation Register.

201 The Select Legislative Instrument (**SLI**) numbering series was discontinued on 1 January 2016. Historic SLIs are still available on the Legislation Register for reference.

202 The *Acts and Instruments (Framework Reform) Act 2015* made substantial amendments to

the *Legislative Instruments Act 2003 (LIA)* on 5 March 2016 to provide a single framework covering registration, publishing and management of all Commonwealth Acts and instruments. It repealed the *Acts Publication Act 1905* and incorporated the requirement for publishing Commonwealth Acts into the LIA.

203 Key changes were:

- the LIA was renamed to the *Legislation Act 2003*.
- the Federal Register of Legislative Instruments and the Acts database established under the *Acts Publication Act 1905* (accessible via ComLaw) was replaced with the Legislation Register website.
- a new instrument type, the notifiable instrument, was created. This category of instrument will include instruments that are not of a legislative character, but for which public accessibility and centralised management remains desirable.
- exemptions provided by the LIA and the *Legislative Instruments Regulation 2004* were consolidated into the *Legislation (Exemptions and Other Matters) Regulation 2015*

and the *Legislation (General) Regulation 2015*.

- sunseting exemptions data for all instruments was reviewed and in many cases updated as needed to reflect the new location of exemption.

204 System development and enhancements were completed to integrate the ComLaw website into the Legislation Register system to meet new requirements as a result of amendments to the Legislation Act.

205 The new Legislation Register incorporates all the material and essential functionality of the old ComLaw website but was given a more modern look and feel. Key improvements have been made to how material is viewed, as

well as the accessibility of key information, help material and menus.

206 OPC received many positive comments about the new Legislation Register as well as suggestions for future development. Some of the positive comments received were:

“Well done on the new website! More intuitive and seems a lot faster too. Thanks to all involved in the project for your hard work. A job well done.”

“Simple and easy to use. Good work on the seamless changeover.”

“Love the new-look website. It's great to navigate. Well done.”

Statistics—Publishing

Registration/Publication	Number of items		Number of pages	
	2014-2015	2015-2016	2014-2015	2015-2016
Legislative instruments	1,998	2,204	25,866	32,025
Notifiable instruments	N/A	14	N/A	35
Gazette notices	2,132	2,014	4,034	4,333
Numbered Acts	167	124	7,559	4,741
Act compilations	802	1,063	358,209	429,519
OPC prepared instrument compilations—budget-funded	243	375	71,265	97,671
OPC prepared instrument compilations—user-pays	244	225	45,338	34,135
Agency prepared instrument compilations	573	465	28,022	29,622

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

Statistics—Legislative instruments registered and repealed

Year	Number registered	Number repealed
2015-2016	2,204	2,292
2014-2015	1,998	2,418

Statistics—Federal Register of Legislation website

Year	Total visits	Total unique visits	Total page views
2015-2016	7,636,928	4,170,139	25,481,132
2014-2015	7,247,055	3,764,336	24,196,455

Note: Total unique visitors 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

The election period

207 The election period started in early May and ran through until the start of July.

208 This meant that there were less sitting weeks than usual and, therefore, less Bills were introduced than would be expected in a non-election year.

209 During election periods, there is a reduced amount of drafting work to be done. OPC takes advantage of these periods to undertake a range of projects.

210 In addition to preparing an incoming government brief, OPC did projects including:

- preparing a number of training courses;

- reviewing our subscriptions to electronic legal resources;
- updating a range of notes on drafting issues; and
- preparing and presenting seminars on drafting issues.

Demand for legislation from particular portfolios

211 There continued to be a substantial demand for the drafting of legislation for the Treasury and for the Attorney-General’s portfolio.

212 Other portfolios that required substantial resources were Immigration and Border Protection, Agriculture and Water Resources, Infrastructure and Regional Development, and Health.

213 Significant instrument projects for the year included, instruments for the *Biosecurity Act 2015*, Ordinances and other

instruments for the reform of governance arrangements for Norfolk Island, the simplification of student visas, telecommunication amendments to support the government's data retention legislation, insolvency law reform and court rules.

2015 Spring Repeal Day

214 On the 2015 Spring Repeal Day, the government introduced legislation and tabled documents to repeal hundreds of pieces of legislation.

215 During the Repeal Day sittings, OPC allocated significant drafting, publications and corporate services resources to prepare for the Repeal Day and respond to the resulting changes to legislation. The allocation of these resources reflected the size of the project and the high priority it was given by the government.

216 The legislation was successfully completed in time for the Repeal Day. Necessary changes to the Legislation Register arising from the enactment of repeals have also been successfully completed.

Exposure drafts

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

218 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.

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

220 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.

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

222 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.

223 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.

224 However, recently there has been more demand for instruments to be drafted and available with a Bill to assist with consideration of the package of changes by Parliament. After the transfer of functions, this work is

generally undertaken closely with the Bill drafter and can provide significant efficiencies for the broader project.

OPC's funding position

225 OPC's funding was reduced by \$0.568 million in the 2015-2016 year primarily for the ongoing budget measure *Attorney-General's—one-off efficiency savings to specific agencies*.

OPC's financial performance

226 The surplus attributable to the Australian Government for OPC for the 2015-2016 financial year was \$0.225 million (after adding back non-cost recovered depreciation, this resulted in a surplus of \$1.009 million). This compares to a surplus of \$0.129 million for 2014-2015 (after adding back non-cost recovered depreciation, a surplus of \$0.739 million).

227 Revenue from government decreased by \$1.294 million to \$14.139 million in 2015-2016, compared to \$15.433 million in 2014-2015. This was due to the termination of funding for the *National Security—additional counter-terrorism* 2014-15 budget

measure and the *Attorney-General's—one-off efficiency savings to specific agencies* measure announced during the 2015-16 Mid-Year Economic and Fiscal Outlook.

228 Own-source revenue increased by \$0.154 million to \$6.661 million in 2015-2016, compared to \$6.507 million in 2014-2015.

229 Total expenses decreased by \$1.236 million to \$20.575 million in 2015-2016, compared to \$21.811 million in 2014-2015.

230 Employee expenses decreased by \$0.077 million to \$15.066 million in 2015-2016, compared to \$15.143 million in 2014-2015.

231 Supplier expenses decreased by \$1.153 million to \$4.032 million in 2015-2016,

compared to \$5.185 million in 2014-2015. This is mainly due to savings in property costs as a result of co-locating staff to a single premise in August 2015.

232 At 30 June 2016, OPC had net assets (assets less liabilities) of \$13.656 million compared to \$12.943 million for the previous year.

233 At 30 June 2016, OPC had financial assets of \$15.040 million. This includes \$14.202 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 \$0.325 million.

234 The entity resource statement, and expenses by outcome statement, are set out in Appendix A.

Chapter 3—Management and accountability

Corporate governance

Accountability

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

Senior Management Team

236 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**).

237 The SMT consists of:

- First Parliamentary Counsel (Mr Peter Quiggin);
- the two Second Parliamentary Counsel (Ms Marina Farnan, Mr Iain McMillan until 4 January 2016, and Ms Meredith Leigh from 1 March 2016); and

- the General Manager, who is also the Chief Finance Officer (Ms Susan Roberts); and
- the General Manager Publishing (Ms Aasha Swift).

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

- finalising the fit-out and move to the new premises;
- State of the Service survey results;
- recruitment policies and strategies;
- corporate governance, including the Corporate Plan;
- enterprise bargaining;
- risk management and fraud control;
- financial management;
- workforce planning;
- performance management;
- training and development;
- health and wellbeing planning;
- review of library and online materials; and
- internal policies, practices and processes.

Workplace Consultative Committee

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

240 The membership for the WCC during 2015-2016 consisted of the members of the SMT and 6 employee representatives—one representing each of 2 drafter workgroups, 2 representing the publications workgroup, one representing the corporate services workgroup, and one general employee representative. The health and safety representative also attends meetings.

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

Audit Committee

242 OPC's Audit Committee consisted of:

- Mr Jeff Lamond, who was the Chair and an independent member;
- Ms Robyn McClelland who was an independent member; and
- Ms Sally Beasley who was the OPC member (an SES drafter).

243 In addition, there is a standing invitation to the Australian National Audit Office to participate in the Audit Committee meetings. The General Manager and the Director Finance also attend meetings.

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

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

Other committees

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

Staff meetings

246 Regular staff meetings are held monthly except in January and July.

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

Risk management and fraud control

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

249 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 2015-2016 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.

250 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.

251 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.

252 An integral element of OPC's risk management framework is business continuity management. In 2016-2017, OPC is undertaking a review of the business continuity management framework.

Operational risks

253 The major areas of operational risk are:

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

Drafting resources

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

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

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

resources requires all of the following:

- a recruitment program to ensure that high quality lawyers are recruited;
- an approach to training that ensures that recruits are given the opportunity to develop high-level drafting skills in the shortest possible time; and
- the retention of trained drafters through the provision of interesting work, good career opportunities, attractive working conditions and appropriate remuneration.

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

Information technology systems

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

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

260 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.

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

262 OPC continued to provide secure remote access to OPC's IT systems for staff who requested 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.

Maintenance of ethical standards

263 OPC has taken steps to ensure that staff are aware of their rights and obligations under the

Public Service Act 1999. These include training courses for all staff run by senior management and the circulation of materials throughout the office.

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

265 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.

266 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.

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

SES remuneration

268 During the year, remuneration for all SES staff was determined under the OPC SES Enterprise Agreement 2011-2014.

269 Under the Enterprise Agreement, SES staff are entitled to the same increases in their base salary as are payable to non-SES staff. In addition, the allowances previously paid to SES staff have been rolled into their base salary. On top of their base salary and in recognition of the value to OPC of retaining trained and experienced senior drafters, SES drafters are entitled to a loading that depends on the particular staff member's

drafting experience. The experience loading is subject to the staff member concerned being appraised as at least "fully effective" each year.

External scrutiny

270 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.

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

Chapter 4—Management of human resources

Survey of OPC staff

272 During May and June 2016 the Australian Public Service Commission (**APSC**) conducted the 2016 State of the Service Employee Census. Eighty one per cent of OPC staff participated in the survey ensuring that the results that we obtained were representative.

273 Overall OPC's results for 2016 were largely consistent with the 2015 results. There were some areas that we improved on and some areas where results were less positive. However, in nearly all areas the results were higher than the overall APS results for 2016.

274 The reporting below compares OPC's results (from staff who responded to the survey) for 2016 to OPC's results for 2015, and to the APS results for 2016. Where percentages/scores are set out below, the result in bold is the OPC percentage/score for 2016, the result in normal font is the OPC percentage/score for 2015 and the result in italics is the APS percentage/score for 2016.

Major change for OPC

275 For the 2016 survey, **78%** of staff agreed that the move to the new premises was the single biggest workplace change experienced. The subsequent response rates for change management of **70%** and **78%** for satisfaction with how well these changes were communicated, and the likely impact on the team's ability to do their work in the longer-term, were pleasing to see.

276 Further, **88%** of OPC staff agreed with the OPC specific question, that the new premises has had a positive effect on OPC's cohesiveness as an organisation.

Working environment

277 **73%** of OPC staff agreed that they were proud to work at OPC (compared to 77% for OPC in 2015 and 67% for the APS in 2016); and **86%** of OPC staff were satisfied with their non-monetary employment conditions, such as leave, flexible work arrangements and other benefits (compared to 82% for OPC in 2015 and 76% for the APS in 2016).

Employee engagement

278 Employee engagement elements measure the relationship staff have with 4 dimensions of their work: the job they do; the team they work with; their immediate supervisor; and the agency they work for. The levels of staff engagement in OPC for 2016 were similar to those for the previous year and higher than the APS results across most areas. The one exception was supervisor engagement where the results for OPC in 2016 were lower than the results for both OPC in 2015 and the APS in 2016.

279 Across the 4 areas, OPC staff rated engagement elements positively (between **50%** and **87%**, compared to between 59% and 83% for OPC in 2015, and between 41% and 81% for the APS in 2016).

Learning and development

280 **78%** of OPC staff were satisfied with access to effective learning and development (compared to 83% for OPC in 2015 and 63% for the APS in 2016).

Leadership: supervisors and senior leaders (SES)

281 In 2016, OPC staff were more satisfied with their immediate supervisor's leadership actions across most areas compared with the APS results for 2016, but had lower satisfaction levels in 2016 compared with OPC results for 2015 across most areas (between: **58%** and **85%**; 71% and 84%; and 64% and 75%).

282 For the 2016 survey, there was a change in wording for most senior leadership questions from asking about the "senior leadership" to asking about the "SES". This meant that the results for 2016 are not necessarily comparable to the 2015 results. However, in comparison to the APS results for 2016, OPC staff rated the SES leadership between 10 and 35 percentage points higher.

283 It was pleasing to see **83%** of OPC staff agreed that the most senior leaders are sufficiently visible, compared to 75% in 2015 and 48% for the APS in 2016. This was an area of focus for the Senior Management Team (**SMT**) in 2015-2016.

284 The move to a single premises and a greater involvement

by the SMT with the activities of the Corporate Services and Publications work groups, in particular, has likely contributed to the improvement in this result.

Health, safety and wellbeing

285 Another area where the results were quite pleasing was employee attitudes to health, safety and wellbeing in the workplace. This area is particularly important during a period of major change for OPC.

286 In 2016, OPC staff agreed that: the people in their workgroup were committed to workplace safety (**81%**, 84% and 84%); OPC genuinely cares about employees being healthy and safe at work (**83%**, 85% and 63%); and, considering their work and life priorities, that they were satisfied with their work-life balance (**85%**, 78% and 72%).

APS Values

287 Staff continued to indicate that people in OPC act in accordance with the APS Values. The 2016 results for senior leaders, supervisors and workgroup colleagues were in the range of **89% to 94%**, compared to 91% to

96% for OPC in 2015 and 68% to 89% for the APS in 2016.

Conclusion

288 Staff participation in these surveys is a very useful exercise as the results are directly comparable to those of the APS as a whole. The survey results provide information on areas in which we can improve.

Management and development of human resources

Training and development

289 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

290 OPC's Staff Development Plan establishes the following

institutional arrangements for OPC's staff development activities:

- a senior drafter is designated Director of Drafter Training;
- the Director of Drafter Training and the General Manager have joint responsibility for staff development matters generally (including monitoring expenditure on staff development activities);
- staff development decisions in relation to particular staff are, by and large, made by supervisors jointly with either the Director of Drafter Training for staff who are drafters or the General Manager for other staff;
- staff development decisions are made by reference to the development needs of staff as identified in the individual development plans for staff that are settled as part of the performance management programs;
- the Director of Drafter Training and the General Manager have the function of reviewing the Staff Development Plan to make sure it is up-to-date and properly focused on OPC's needs;
- the Director of Drafter Training has the function of ensuring

that a rolling program of internally provided training for drafters occurs.

291 These arrangements have the advantages of:

- involving supervisors in all aspects of staff development decision-making (including resource implications);
- linking staff development closely to the performance management programs;
- ensuring a high level of consistency in staff development decisions;
- ensuring there is proper equity and balance in the resources devoted to training staff who are drafters and those devoted to training other staff; and
- ensuring that the program of internally provided training for drafters is properly focused, well-planned and regular.

Program of internally provided training for drafters

292 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).

293 This year responsibility for drafter training was shared by 2 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.

294 During the year, the program included presentations on:

- section 55 of the Constitution;
- Commonwealth receipts and expenditure;
- the *Acts and Instruments (Framework Reform) Act 2015*;
- delegated legislation;
- avoiding drafting mistakes;
- various other technical drafting and IT issues.

295 OPC drafters attended OPC's International Drafting Workshop and presented a number of papers at the workshop.

296 OPC drafters also participated in a range of other external conferences and seminars organised by the Australian Government Solicitor (such as the AGS Constitutional Law Forum),

leading academic institutions and law firms.

Staff undertaking higher studies under Studies Assistance arrangements

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

Information technology training

298 OPC's legislative drafting capability relies heavily on our staff's proficiency with IT to undertake research and to prepare Bills and legislative instruments for the Australian Government.

299 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.

300 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.

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

Productivity gains

302 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 property and services.

Staffing statistics

303 The staffing statistics for OPC at 30 June 2016 are in Appendix B.

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

Coverage of workplace agreements

305 All non-SES employees are covered by an Enterprise Agreement which commenced on 12 May 2016 for a period of 3 years. SES employees are covered

by an Enterprise Agreement which commenced on 15 July 2011.

Salary ranges

306 The full range of salaries available under OPC's Enterprise Agreements as at 30 June 2016 is set out in Appendix B.

Non-salary benefits for APS employees

307 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.

308 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.

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

access, OPC pays an allowance to remote access users.

310 Other non-salary benefits available to staff were:

- employer-sponsored superannuation;
- the cost of prescription spectacles or other eyewear up to the value of \$530 every 2 years or each time a new prescription is issued if that happens sooner;
- an allowance of \$300 to eligible staff to spend on health and wellbeing activities or equipment; and
- dependant care costs arising from working arrangements that are required in specific circumstances.

Performance pay

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

312 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

313 During the year:

- Ms Meredith Leigh was appointed as Second Parliamentary Counsel;
- Ms Sally Beasley, Mr Andrew Freeman and Ms Olivia Gossip were promoted to Senior Assistant Parliamentary Counsel (SES Band 1); and
- the following staff were recruited/promoted:
 - five Assistant Parliamentary Counsel, Grade 3;
 - one Assistant Parliamentary Counsel, Grade 2;
 - one Assistant Parliamentary Counsel, Grade 1;
 - two Legislation Register Developers;
 - one Senior Finance Officer;
 - one Senior Editorial Officer;
 - seven Publishing Officers; and
 - five Assistant Editorial, Publications and Executive Support Officers.

Workforce planning

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

315 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 who do not have access to flex-time access to flexible working hours.

Effect of workplace agreements on staff retention

316 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

317 The objectives of OPC’s Workplace Diversity Program are:

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

318 At the end of 2015-2016, the APSC conducted the 2016 State of the Service Employee Census. Eighty one per cent of OPC’s employees participated in the survey.

319 The following table shows OPC’s results against the performance indicators for each objective:

	Objectives and Performance Indicators (PI)	% Agreed	
		OPC	PI
1	The people in my workgroup behave in an accepting manner towards people from diverse backgrounds.	81	75
	SES behave in an accepting manner towards people from diverse backgrounds.	76	75
	OPC is committed to creating a diverse workforce.	54*	75
2	Employees are satisfied with their work-life balance in OPC.	85	75
	Employees are satisfied with their ability to access and use flexible working arrangements.	82	75
	OPC’s workplace culture supports employees to achieve a good work-life balance.	83	75
3	OPC routinely applies merit in decisions	59*	75

Objectives and Performance Indicators (PI)	% Agreed	
	OPC	PI
regarding engagement and promotion.		
4 Communication between senior leaders and staff is effective.	75	75
Employees are satisfied with the workplace attributes that impact on job satisfaction.	76	75
5 I would recommend OPC as a good place to work.	76	75
Employees indicate that they have not been subjected to bullying or harassment.	88	90

320 OPC's results from the survey indicate that in most areas OPC is meeting the objectives of the Workplace Diversity Program.

321 However, there are some areas where the results are still below the performance indicator, although these areas have improved compared to the 2015 results (these are indicated by an * against the performance indicator in

the table above). There continued to be a substantial number of neutral responses of "neither agree nor disagree" for these survey questions which may mean that staff are unsure about these attributes of OPC.

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

OPC's Reconciliation Action Plan

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

324 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.

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

- refreshing the collection of Indigenous Australian art to display in public areas of OPC's new premises; and
- provision of information on OPC's RAP to all new employees as part of their induction program.

Breastfeeding Friendly Workplace accreditation

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

327 In May 2016, OPC's new premises was accredited as a "Breastfeeding Friendly Workplace" by the Australian Breastfeeding Association.

328 OPC maintains accreditation as a "Breastfeeding Friendly Workplace" 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.

Changes to disability reporting in annual reports

329 Since 1994, Commonwealth non-corporate entities have reported on their performance as policy adviser, purchaser, employer, regulator and provider under the Commonwealth Disability Strategy. In 2007-2008, reporting on the employer role was transferred to the APSC's *State of the Service Report* and the *APS Statistical Bulletin*. These reports are available at www.apsc.gov.au. From 2010-2011, entities have no longer been required to report on these functions.

330 The Commonwealth Disability Strategy has been overtaken by the National Disability Strategy 2010-2020, which sets out a 10-year national policy framework to improve the lives of people with disability, promote participation and create a more inclusive society. A high-level 2-yearly report will track progress against each of the 6 outcome areas of the Strategy and present a picture of how people with disability are faring. The first of these reports can be found at www.dss.gov.au.

Work health and safety

Policy

331 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. In ensuring their health and safety, 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 achieve 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.

Health and safety committee

332 The WHS Act requires the establishment of a health and safety committee at the request of a health and safety representative or 5 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.

333 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

334 On relocation to the new premises in August 2015, all staff received a workstation assessment to ensure their furniture and equipment set-up was

ergonomically appropriate and to discuss any adjustments with staff.

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

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

337 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 \$530 required as a result of the eye tests.

338 During the year, an allowance of \$300 was paid to eligible staff to spend on health and wellbeing activities or equipment.

339 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.

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

Health and wellbeing program

341 During the year, OPC committed to a new health and wellbeing program.

342 In consultation with staff, and with the assistance of the ACT Government service *Healthier Work*, OPC developed a 12-month Healthier Work Plan, with recognition to be received from *Healthier Work* on 1 July 2016.

343 The new Plan will be implemented in 2016-2017 and will promote and support the health areas of physical activity, healthy eating and social and emotional wellbeing.

Health and safety outcomes

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

- the provision of electronic sit-stand workstations in the new premises for all staff has given staff an accessible option for reducing sedentary behaviour at their desk;

- improvements were made to workplace safety;
- comprehensive workstation assessments by qualified health professionals ensured good outcomes for staff returning to work from injuries; and
- staff awareness of the importance of health and safety in the workplace was raised.

345 Although hard to measure, OPC considers that modest outlays on health promotion activities provide good value for money, given the potential lost work time

annually due to the effects of health issues.

Notifiable incidents

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

Investigations

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

Chapter 5—Purchasing and consultants

Purchasing

348 During the year, OPC finalised the construction services for the fit-out of OPC's new premises. Two open tenders were published for cleaning and printing services.

349 The majority of other purchasing continued to be 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.

350 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.

351 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.

352 OPC's Annual Procurement Plan for the 2016-2017 financial year was published on the AusTender website at www.tenders.gov.au in June 2016.

Procurement initiatives to support small business

353 OPC supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (**SME**) and Small Enterprise participation statistics are available on the Department of Finance's website at www.finance.gov.au/procurement/statistics-on-commonwealth-purchasing-contracts/.

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

Consultants

355 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.

356 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.

357 During 2015-2016, one new consultancy contract for internal audit services was entered into with

estimated expenditure of \$150,000 (including GST) over 3 years. There was nil actual expenditure for this consultancy contract during 2015-2016.

358 The procurement method for the consultancy contract was by prequalified tender from a shortlist of potential suppliers that responded to an initial open approach to market on AusTender.

359 In addition, one ongoing consultancy contract for internal audit services was active during the 2015-2016 year, involving nil total actual expenditure.

360 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 at www.tenders.gov.au or from the OPC Documents menu on OPC's website at www.opc.gov.au.

Chapter 6—Miscellaneous

Freedom of information

361 Agencies subject to the *Freedom of Information Act 1982 (FOI Act)* are required to publish information to the public as part of the Information Publication Scheme (*IPS*). This requirement is in Part II of the 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.

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

363 During 2015-2016, no money was paid by, or on behalf of, OPC to any advertising agency, market research organisation, polling organisation, direct mail

organisation or media advertising organisation.

Ecologically sustainable development and environmental performance

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

Additional information

365 The contact officer for additional information about OPC is the General Manager, Ms Susan Roberts, who can be contacted by telephone on (02) 6120 1486, by fax on (02) 6120 1403 and by email at admin@opc.gov.au.

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

Appendix A—Entity resource statement and Expenses by outcome

Entity resource statement

	Actual available appropriation for 2015-16 \$'000	Payments made 2015-16 \$'000	Balance remaining 2015-16 ² \$'000
ORDINARY ANNUAL SERVICES			
Departmental appropriation			
Prior year appropriations	16,230	16,230	-
Departmental appropriation ¹	14,627	100	14,527
s 74 retained revenue receipts	7,625	7,625	-
Total ordinary annual services	38,482	23,955	14,527
Total net resourcing and payments for entity	38,482	23,955	14,527

¹ Includes an amount of \$0.488 million for the Departmental Capital Budget. For accounting purposes, this amount has been designated as “contributions by owners”.

² The remaining balance is made up of the operating surplus attributable to OPC and outstanding liabilities.

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 those laws and instruments	Budget 2015-16¹ \$'000	Actual expenses 2015-16 \$'000	Variance 2015-16 \$'000
	(a)	(b)	(a) - (b)
Program 1.1: Legislative drafting and publication			
Departmental expenses			
Ordinary annual services (Appropriation Bill No. 1)	14,707	13,130	1,577
Retained revenue receipts (section 74)	6,290	6,603	(313)
Expenses not requiring appropriation in the budget year	624	842	(218)
Total for Program 1.1	21,621	20,575	1,046
Total expenses for Outcome 1	21,621	20,575	1,046

	Actual 2014-15	Actual 2015-16
Average staffing level (number)	91.9	91.3

¹ Estimated expenses as disclosed in the 2015-16 Portfolio Budget Statement.

Appendix B—Staffing statistics and salary ranges

Ongoing and non-ongoing employees as at 30 June 2016

As at 30 June 2016, OPC had 4 non-ongoing employees and no employees who identified as Indigenous.

As at 30 June 2015, OPC had 3 non-ongoing employees and no employees who identified as Indigenous.

Full-time and part-time employees as at 30 June 2016

Category	Total staff		Full-time		Part-time	
	15	16	15	16	15	16
Statutory office holders	3	3	3	3	0	0
SES Band 2	5	4	5	4	0	0
SES Band 1	18	18 ⁴	12	10	6	8
Assistant Parliamentary Counsel Grade 3	15 ¹	15 ⁵	10	10	5	5
Assistant Parliamentary Counsel Grade 2	4 ²	2	3	2	1	0
Assistant Parliamentary Counsel Grade 1	0	2	0	2	0	0
Executive Level 2	6	8	6	8	0	0
Executive Level 1	6	7	6	7	0	0
OPC Broadband B (APS 4 - 6)	42 ³	43 ⁶	35	32	7	11
OPC Broadband A (APS 1 - 3)	0	0	0	0	0	0
Totals	99	102	80	78	19	24

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

Male and female employees as at 30 June 2016

Category	Total staff		Male		Female	
	15	16	15	16	15	16
Statutory office holders	3	3	2	1	1	2
SES Band 2	5	4	3	3	2	1
SES Band 1	18	18 ⁴	4	4	14	14
Assistant Parliamentary Counsel Grade 3	15 ¹	15 ⁵	8	9	7	6
Assistant Parliamentary Counsel Grade 2	4 ²	2	2	0	2	2
Assistant Parliamentary Counsel Grade 1	0	2	0	1	0	1
Executive Level 2	6	8	4	6	2	2
Executive Level 1	6	7	4	5	2	2
OPC Broadband B (APS 4 - 6)	42 ³	43 ⁶	11	9	31	34
OPC Broadband A (APS 1 - 3)	0	0	0	0	0	0
Totals	99	102	38	38	61	64

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

Salary ranges as at 30 June 2016

Category	Minimum (\$)	Maximum (\$)
Salary ranges—SES positions		
First Assistant Parliamentary Counsel (SES Band 2), Senior Assistant Parliamentary Counsel (SES Band 1) and General Manager (SES Band 1)	147,234	243,318
Salary ranges—Non-SES drafting positions		
Assistant Parliamentary Counsel Grade 3	113,609	136,774
Assistant Parliamentary Counsel Grade 2	98,765	119,926
Assistant Parliamentary Counsel Grade 1	60,898	113,609
Salary ranges—Non-SES non-drafting positions		
Executive Level 2	113,609	136,774
Executive Level 1	98,765	119,926
OPC Broadband B:		
APS 6	77,720	89,278
APS 5	71,956	76,304
APS 4	64,514	70,049
OPC Broadband A:		
APS 3	57,885	62,477
APS 2	50,820	56,358
APS 1	44,907	49,631

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

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

2 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*.

3 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 Act outcome contributing to ecologically sustainable development

4 OPC has only one Appropriations Act outcome: "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

5 OPC's operations have direct and indirect effects on the environment, particularly through the use of energy, transport, office equipment and materials in office equipment. The following table, which relates to some of those commodities in the year, gives an indication of those effects and a comparison with the 2014-2015 year.

Commodity	Amount bought in 2015-2016	Amount bought in 2014-2015	Comments
Electricity used on OPC's Forrest premises	111,671 kWh	1,391 kWh	In 2015-2016, 9,121 kWh of the electricity was "green power". OPC was granted access to our new premises in Forrest on 1 May 2015 to commence the fit-out construction works. OPC relocated from the Barton and Deakin premises to the Forrest premises on 10 August 2015. This accounts for the substantial increase in electricity usage at the Forrest premises and substantial decreases at the Barton and Deakin premises. Electricity at Forrest and Barton does not include electricity used in air-conditioning and lift services supplied by the lessor of the premises.
Electricity used on OPC's Barton premises	15,258 kWh	108,858 kWh	In 2015-2016, 1,335 kWh of the electricity was "green power". The Deakin lease is for an entire building with OPC responsible for the costs of central services such as air-conditioning and lifts. In 2015-2016, 7,164 kWh of the electricity was "green power".
Electricity used on OPC's Deakin premises	71,644 kWh	278,365 kWh	
Copy paper	6.2 t	1.1 t	The copy paper is used in office printers and copiers. The substantial increase in paper bought is mostly attributed to the replenishment of back-up stocks after relocating to the new premises in the 2015-2016 year.

6 These figures do not include energy and paper used by the contractor engaged by OPC to

print Bills for introduction into the Parliament.

7 No figures on OPC's use of water are available for the Forrest

or Barton premises, as there is no separate metering of water used by OPC. Figures for OPC's use of water on the Deakin premises were not available for this financial year.

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

8 In 2015-2016, OPC moved to new premises at Level 4, 28 Sydney Avenue, Forrest. The building is new A Grade office accommodation. The design of the building provides a balance between commercial and sustainable development with a targeted 5 star NABERS energy rating.

9 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.

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

- energy efficiency is routinely taken into account in decisions about acquiring equipment;
- double-sided printing and photocopying facilities are available, and staff are encouraged to use them;
- where possible, OPC is moving to online publication of documents to reduce the number of copies being printed;
- work procedures are modified 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;
- OPC has arrangements to collect toner cartridges, paper, glass, plastic and aluminium used in the office for recycling;
- staff are encouraged to turn off lights and office equipment when not in use.

Appendix D—Financial Statements 2015-2016

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Auditor-General's Report on Financial Statements

Certification of Financial Statements

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INDEPENDENT AUDITOR'S REPORT

To the Attorney-General

I have audited the accompanying annual financial statements of the Office of Parliamentary Counsel for the year ended 30 June 2016, which comprise:

- 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 significant accounting policies and other explanatory information.

Opinion

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

- (a) comply with Australian Accounting Standards and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Office of Parliamentary Counsel as at 30 June 2016 and its financial performance and cash flows for the year then ended.

Accountable Authority's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor

considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Accountable Authority of the entity, as well as evaluating the overall presentation of the financial statements.

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

Independence

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

Australian National Audit Office



Ron Wah
Audit Principal

Delegate of the Auditor-General

Canberra
6 October 2016

Statement by First Parliamentary Counsel and Chief Finance Officer

In our opinion the attached financial statements for the year ended 30 June 2016 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 PSM
First Parliamentary Counsel

6 October 2016



.....
Susan Roberts
Chief Finance Officer

6 October 2016

OFFICE OF PARLIAMENTARY COUNSEL
STATEMENT OF COMPREHENSIVE INCOME for the period ended 30 June 2016

		Actual	Original Budget	Actual
	Notes	2016 \$'000	2016 \$'000	2015 \$'000
NET COST OF SERVICES				
EXPENSES				
Employee benefits	1.1A	15,066	15,848	15,143
Supplier expenses	1.1B	4,032	4,507	5,185
Depreciation and amortisation	2.2A	1,472	1,266	1,295
Finance costs	1.1C	-	-	7
Write-down and impairment of assets	1.1D	5	-	175
Loss from asset sales		-	-	6
Total expenses		20,575	21,621	21,811
LESS:				
OWN-SOURCE INCOME				
Own-source revenue				
Sale of goods and rendering of services	1.2A	6,409	6,290	6,289
Other revenue	1.2B	251	42	218
Other gains	1.2C	1	-	-
Total own-source revenue		6,661	6,332	6,507
Total own-source income		6,661	6,332	6,507
Net cost of services		(13,914)	(15,289)	(15,304)
Revenue from Government	1.2D	14,139	14,707	15,433
Surplus attributable to the Australian Government		225	(582)	129
OTHER COMPREHENSIVE INCOME				
Changes in asset revaluation surplus		-	-	(109)
Total comprehensive income attributable to the Australian Government	3.2	225	(582)	20

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

OFFICE OF PARLIAMENTARY COUNSEL
STATEMENT OF FINANCIAL POSITION as at 30 June 2016

		Actual 2016 \$'000	Original Budget 2016 \$'000	Actual 2015 \$'000
	Notes			
ASSETS				
Financial Assets				
Cash and cash equivalents		325	391	387
Trade and other receivables	2.1A	<u>14,715</u>	11,595	16,475
Total financial assets		<u>15,040</u>	11,986	16,862
Non-Financial Assets				
Buildings - leasehold improvements	2.2A	3,888	4,131	1,737
Plant and equipment	2.2A	830	1,092	465
Intangibles	2.2A	1,248	1,269	1,994
Other non-financial assets	2.2B	<u>205</u>	237	278
Total non-financial assets		<u>6,171</u>	6,729	4,474
Total Assets		<u>21,211</u>	18,715	21,336
LIABILITIES				
Payables				
Suppliers	2.3A	188	287	164
Other payables	2.3B	<u>1,496</u>	791	1,532
Total payables		<u>1,684</u>	1,078	1,696
Provisions				
Employee provisions	4.1A	5,871	6,017	6,069
Other provisions	2.4A	<u>-</u>	-	628
Total provisions		<u>5,871</u>	6,017	6,697
Total Liabilities		<u>7,555</u>	7,095	8,393
Net Assets		<u>13,656</u>	11,620	12,943
EQUITY				
Parent Entity Interest				
Contributed equity		7,260	7,260	6,772
Reserves		1,495	1,604	1,495
Retained surplus		<u>4,901</u>	2,756	4,676
Total Equity		<u>13,656</u>	11,620	12,943

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

OFFICE OF PARLIAMENTARY COUNSEL
STATEMENT OF CHANGES IN EQUITY for the period ended 30 June 2016

	Contributed Equity		Retained Earnings		Asset Revaluation		Total Equity	
	Original		Original		Original		Original	
	Actual 2016	Actual 2015	Actual 2016	Actual 2015	Actual 2016	Actual 2015	Actual 2016	Actual 2015
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
CONTRIBUTED EQUITY								
Opening balance	6,772	5,842	4,676	4,022	1,495	1,604	12,943	11,993
Balance carried forward from previous period								
Adjusted opening balance	6,772	5,842	4,676	4,022	1,495	1,604	12,943	11,993
Comprehensive income								
Changes to asset revaluation surplus/(loss)	-	-	-	-	-	(109)	-	(109)
Surplus (Deficit) for the period	-	-	225	(582)	129	-	225	(582)
Total comprehensive income	-	-	225	(582)	129	-	225	(582)
Transactions with owners								
Distributions to owners								
Returns of capital – funds set aside for future Federal Register of Legislation software development	-	-	-	(684)	-	-	-	(684)
Contributions by owners								
Departmental capital budget	488	488	930	-	-	-	488	930
Sub-total transactions with owners	488	488	930	(684)	-	-	488	930
Closing balance at 30 June	7,260	6,772	4,901	2,756	1,495	1,604	13,656	12,943

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.

OFFICE OF PARLIAMENTARY COUNSEL
CASH FLOW STATEMENT for the period ended 30 June 2016

		Original	
	Actual	Budget	Actual
	2016	2016	2015
Notes	\$'000	\$'000	\$'000
OPERATING ACTIVITIES			
Cash received			
Appropriations	23,405	20,513	19,537
Sales of goods and rendering of services	6,696	6,290	7,425
Net GST received	787	190	261
Total cash received	30,888	26,993	27,223
Cash used			
Employees	15,674	16,121	14,903
Suppliers	4,893	4,614	5,055
Section 74 receipts transferred to the Official Public Account	7,625	6,290	7,223
Total cash used	28,192	27,025	27,181
Net cash from (used by) operating activities	2,696	(32)	42
3.3			
INVESTING ACTIVITIES			
Cash received			
Net proceeds from sale of assets	4	-	-
Total cash received	4	-	-
Cash used			
Purchase of leasehold improvements, plant and equipment	3,214	488	1,922
Purchase of intangibles	36	-	108
Total cash used	3,250	488	2,030
Net cash from (used by) investing activities	(3,246)	(488)	(2,030)
FINANCING ACTIVITIES			
Cash received			
Contributed equity	488	488	2,030
Total cash received	488	488	2,030
Net cash from (used by) financing activities	488	488	2,030
Net increase (decrease) in cash held	(62)	(32)	42
Cash and cash equivalents at the beginning of the reporting period	387	423	345
Cash and cash equivalents at the end of the reporting period	325	391	387

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 2016**

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**OFFICE OF PARLIAMENTARY COUNSEL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2016**

OVERVIEW

1 Objectives of Office of Parliamentary Counsel (OPC)

OPC is an Australian Government controlled entity. It is a not-for-profit entity. The objectives of OPC are:

- to enable the government to carry out its legislative program through the drafting of all Bills, all legislative instruments to be made or approved by the Governor-General (Federal Executive Council instruments) and a range of other instruments; and
- 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 (the Legislation Register) website.

OPC is structured to meet one outcome:

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 those laws and instruments.

OPC's activities contributing toward this outcome are classified as departmental.

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

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

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

2 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 Act 2013 (Financial Reporting) Rule 2015* for reporting periods on or after 1 July 2015; and
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

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

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

**OFFICE OF PARLIAMENTARY COUNSEL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2016**

3 New Australian Accounting Standards

Adoption of new Australian Accounting Standard requirements

In 2014-15, OPC elected to apply AASB 2015-7 *Amendments to Australian Accounting Standards - Fair Value Disclosures of Not-for-Profit Public Sector Entities*. This election continues for the current reporting period.

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

Future Australian Accounting Standard requirements

The new standards, any amendments to standards and interpretations which have been issued have been reviewed.

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

Standard	Applicable from	Nature of impending change/s in accounting policy and likely impact on initial application
AASB 16 Leases	1 July 2019	Lessees will be required to bring all leases on the Statement of Financial Position as the distinction between operating and finance leases has been eliminated.

4 Contingent Liabilities and Contingent Assets

OPC has no quantifiable or unquantifiable contingent assets or liabilities as at 30 June 2016 (2015:nil).

5 Taxation

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

Revenues, expenses and assets are recognised net of GST:

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

6 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 2016**

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.

OPC's drafting work is regulated by the Legal Services Directions. All Bill and regulation drafting is tied to OPC and budget funded. OPC delivers legislative publishing services to and on behalf of the whole of the Australian Government through the Federal Register of Legislation.

OPC recovers the cost of core services from Government entities that publish legislation on the Federal Register of Legislation 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.

OPC co-located staff to a single new premises in Forrest in August 2015. At the time of preparing the 2015-16 budget, the schedule for construction of fit-out, final fit-out costs and allocation of these costs between the 2014-15 and 2015-16 financial years had not been finalised. The actual schedule for fit-out was slightly delayed and resulted in some costs and payments that had originally been budgeted for in 2014-15 being recognised and paid early in 2015-16. This accounts for many of the major variance explanations below.

The following is an explanation of the major variances between the original budget presented in the 2015-16 Portfolio Budget Statements and the 2015-16 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

Supplier expenses

Actual supplier expenses are lower than budget in line with the impact of the Attorney-General's one-off efficiency savings to specific agencies budget measure of \$0.563 million.

Depreciation and amortisation

Actual depreciation is higher than budget due to the timing, categorisation and cost of the new office fit-out.

Own-source income

Other gains and some other revenue was incorrectly categorised as sale of goods and rendering of services in the budget.

Statement of Financial Position

Trade and other receivables

Actual trade and other receivables are higher than budget mainly due to higher appropriations, offset by lower trade receivables. Appropriations receivable was higher than budget due to higher than expected surplus (after adding back non-cost recovered depreciation) for the 2015-16 year (\$1.009 million); an increase in payables mainly due to early recognition of property rent (\$0.966 million); and funds set aside for future Federal Register of Legislation development (\$0.688 million) being incorrectly categorised as distributions to owners in the budget. Trade receivables was incorrectly overstated in the budget as the change to annual billing arrangements for legislation registration results in these receivables being nil at the end of the financial year.

**OFFICE OF PARLIAMENTARY COUNSEL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2016**

Plant and equipment

Actual plant and equipment is lower than budget due to a valuation and impairment review at 30 June 2015. The result was an impairment of surplus assets that would not be relocated to the new premises (\$0.175 million).

Other payables

Actual other payables are higher than budget due to the quantum for recognition of rent payable for the new premises (\$0.966 million) in accordance with AASB accounting standards was unknown at the time of preparing the budget.

Cash, other non-financial assets and suppliers

The immaterial variances for cash, other non-financial assets and suppliers were due to timing differences for receipts and payments.

Statement of Changes in Equity

Returns of capital - funds set aside for future Federal Register of Legislation software development

The adjustment to retained earnings was incorrectly categorised in the budget. The correct categorisation for funds set aside for future Federal Register of Legislation software development is an increase in appropriations receivable.

Cash Flow Statement

Operating Activities - Appropriations

Appropriations received was higher than budget due to the appropriation drawdown for final construction costs for the fit-out paid in the 2015-16 year (\$3.214 million); the funds set aside for future Federal Register of Legislation software development (\$0.688 million) being incorrectly categorised in the budget; and offset by higher than expected surplus for the 2015-16 year (\$1.009 million).

Operating Activities - Net GST received

The actual net GST received is higher than budget due to the payment of construction costs for the fit-out delayed to 2015-16.

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

The actual is higher than budget due to an additional GST refund and higher sales of goods and services revenue.

Operating Activities - Purchase of leasehold improvements, plant and equipment

The actual is higher than budget as recognition and payment of construction of fit-out costs occurred in 2015-16 (\$3.214 million) and not in 2014-15 as budgeted.

OFFICE OF PARLIAMENTARY COUNSEL
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2016

1. FINANCIAL PERFORMANCE

1.1: Expenses

	2016 \$'000	2015 \$'000
1.1A: Employee benefits		
Wages and salaries	10,907	11,020
Superannuation:		
Defined contribution plans	523	459
Defined benefit plans	2,096	2,203
Leave and other entitlements	1,398	1,423
Separation and redundancies	142	38
Total employee benefits	15,066	15,143

Accounting Policy

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

1.1B: Supplier expenses

Goods and services

IT & telecommunications	1,177	1,074
Consultancies	-	311
Human resources	295	261
Printing	266	214
Property	162	188
Staff training & development	130	177
Library	140	140
Accounting/audit services	64	96
Travel general	44	61
Insurance	35	31
Legal	31	37
Other	247	141
Total goods and services	2,591	2,731

Goods and services are supplied and rendered in connection with

Provision of goods - related parties	-	-
Provision of goods - external parties	107	71
Rendering of services - related parties	243	412
Rendering of services - external parties	2,241	2,248
Total goods and services	2,591	2,731

Other supplier expenses

Operating lease rentals – external parties:		
Minimum lease payments	1,138	1,935
Contingent rentals	156	186
Onerous rent	-	263
Workers compensation expenses	147	70
Total other supplier expenses	1,441	2,454
Total supplier expenses	4,032	5,185

OFFICE OF PARLIAMENTARY COUNSEL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2016

1.1: Expenses

Leasing commitments

Lease for office accommodation and car parking

OPC in its capacity as lessee entered into a new lease which commenced on 1 October 2015 for a term of 10 years with annual increases of 3.6%. The next increase is on 1 October 2016. There is an option to extend the lease by three years.

Licence agreement for offsite parking

A licence agreement was entered into for car parking from 1 August 2015 for a term of 1 year. There is no option to extend.

Leases for motor vehicles

OPC leases 4 vehicles under the Government Executive Vehicle Scheme, each for a term of the lesser of 2 years or 40,000kms.

	2016	2015
	\$'000	\$'000
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Within 1 year	1,214	983
Between 1 to 5 years	5,077	4,896
More than 5 years	6,433	7,777
Total operating lease commitments	<u>12,724</u>	<u>13,656</u>

Accounting Policy

Leases

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

1.1C: Finance costs

Unwinding of discount	-	7
Total finance costs	-	7

Accounting Policy

Borrowing Costs

All borrowing costs are expensed as incurred.

1.1D: Write-Down and Impairment of Assets

Write-down of receivables	-	22
Impairment of plant and equipment	-	111
Write-down of plant and equipment	3	42
Write-down of intangibles	2	-
Total write-down and impairment of assets	<u>5</u>	<u>175</u>

Change in Accounting Policy

OPC changed the asset recognition threshold for purchases of leasehold improvements, plant and equipment, and intangibles to \$2,000 (2015: \$1,000). The write down due to the change in policy was \$4,985 (2015:nil).

OFFICE OF PARLIAMENTARY COUNSEL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2016

1.2: Income

	2016	2015
	\$'000	\$'000
<i>Own-source Revenue</i>		

1.2A: Sale of goods and rendering of services

Sale of goods and rendering of services in connection with

Sale of goods - related parties	101	95
Sale of goods - external parties	85	93
Rendering of services - related parties	6,211	6,098
Rendering of services - external parties	12	3
<i>Total sale of goods and rendering of services</i>	6,409	6,289

Accounting Policy

Sale of goods

Revenue from the sale of goods is recognised when the risks and rewards of ownership have passed to the buyer and the costs incurred can be reliably measured. Risk and rewards of ownership are considered passed to the buyer at the time of delivery of the goods to the customer.

Rendering of services

Revenue is recognised when OPC has the right to be compensated for services performed and the stage of completion can be reliably measured. It is recorded at the amount likely to be received for the provision of that service.

1.2B: Other revenue

Reimbursement of expenses	193	164
Resources received free of charge		
Remuneration of auditors	58	54
<i>Total other revenue</i>	251	218

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.

1.2C: Other gains

Gain on disposal	1	-
<i>Total other gains</i>	1	-

Revenue from Government

1.2D: Revenue from Government

Appropriations:		
Departmental appropriation	14,139	15,433
<i>Total revenue from Government</i>	14,139	15,433

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.

OFFICE OF PARLIAMENTARY COUNSEL
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2016

2. FINANCIAL POSITION

2.1: Financial Assets

	2016	2015
	\$'000	\$'000
<u>2.1A: Trade and other receivables</u>		
Goods and services receivable	510	381
Appropriations receivable	14,202	15,843
GST receivable from the Australian Taxation Office	3	251
<i>Total trade and other receivables</i>	<u>14,715</u>	<u>16,475</u>
Receivables are expected to be recovered in:		
No more than 12 months	14,715	16,475
More than 12 months	-	-
<i>Total trade and other receivables</i>	<u>14,715</u>	<u>16,475</u>
Receivables are aged as follows:		
Not overdue	14,566	16,461
Overdue by:		
Less than 30 days	68	5
30 to 60 days	81	6
61 to 90 days	-	-
More than 90 days	-	3
<i>Total trade and other receivables</i>	<u>14,715</u>	<u>16,475</u>

Accounting Policy

Goods and services receivable

Receivables for goods and services are recognised at the nominal amounts due less any impairment allowance account. Credit terms are 30 days. Collectability of debts is reviewed at balance date and an allowance is 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 2016

2.2: Non-Financial Assets

2.2A: Reconciliation of opening and closing balances of property, plant and equipment, and intangibles 2016

	Buildings - Leasehold Improvements	Plant & Equipment	Internally developed software	Computer software purchased	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2015					
Gross book value	1,737	465	4,443	578	7,223
Accumulated depreciation and impairment	-	-	(2,614)	(413)	(3,027)
Net book value 1 July 2015	1,737	465	1,829	165	4,196
Additions:					
By purchase	2,616	598	34	2	3,250
Revaluations and impairments recognised in other comprehensive income	-	-	-	-	-
Revaluations and impairments recognised in net cost of services	-	-	-	-	-
Depreciation and amortisation	(465)	(227)	(688)	(92)	(1,472)
Disposals:					
Other disposals	-	(6)	-	(2)	(8)
Net book value 30 June 2016	3,888	830	1,175	73	5,966
Net book value as of 30 June 2016 represented by:					
Gross book value	4,267	1,004	4,477	569	10,317
Accumulated depreciation and impairment	(379)	(174)	(3,302)	(496)	(4,351)
	3,888	830	1,175	73	5,966
As at 1 July 2014					
Gross book value	701	992	4,443	514	6,650
Accumulated depreciation and impairment	(311)	(411)	(1,929)	(362)	(3,013)
Net book value 1 July 2014	390	581	2,514	152	3,637
Additions:					
By purchase	-	229	-	108	337
Revaluations and impairments recognised in other comprehensive income	7	(30)	-	-	(23)
Revaluations and impairments recognised in net cost of services	-	(153)	-	-	(153)
Depreciation and amortisation	(311)	(204)	(685)	(95)	(1,295)
Net book value 30 June 2015	86	423	1,829	165	2,503
Net book value as of 30 June 2015 represented by:					
Gross book value	86	423	4,443	578	5,530
Accumulated depreciation and impairment	-	-	(2,614)	(413)	(3,027)
	86	423	1,829	165	2,503
Work in progress	1,651	42	-	-	1,693
	1,737	465	1,829	165	4,196

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 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2016

2.2: Non-Financial Assets

Accounting Policy

Acquisition of Assets

Leasehold improvements, plant and equipment, and intangibles are recorded at cost on acquisition except as stated below.

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).

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. No leasehold improvements, plant and equipment or intangibles are expected to be sold or disposed of within the next 12 months.

Impairment

All leasehold improvements, plant and equipment, and intangibles were assessed for impairment at 30 June 2016. 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, and intangibles.

Leasehold improvements, plant and equipment

Depreciation

Depreciable leasehold improvements, 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:

	2016	2015
Leasehold improvements	Lease term	Lease term
Plant and equipment	3 to 25 years	3 to 25 years

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:

	2016	2015
Purchased software	4 to 5 years	4 to 5 years
Internally generated software	7 years	7 years

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 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2016

2.2: Non-Financial Assets

	2016	2015
	\$'000	\$'000
<u>2.2B: Other non-financial assets</u>		
Prepayments	<u>205</u>	<u>278</u>
<i>Total other non-financial assets</i>	<u>205</u>	<u>278</u>
Total other non-financial assets are expected to be recovered in:		
No more than 12 months	<u>197</u>	<u>275</u>
More than 12 months	<u>8</u>	<u>3</u>
<i>Total other non-financial assets</i>	<u>205</u>	<u>278</u>

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

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 for the year ended 30 June 2016

2.3: Payables

	2016	2015
	\$'000	\$'000
2.3A: Suppliers		
Trade creditors and accruals	140	125
FBT payable	48	39
Total suppliers	188	164
Settlement is usually made in 30 days.		
2.3B: Other Payables		
Salaries and wages	312	715
Bonuses	65	96
Salary packaging	37	22
Unearned income	116	89
Rent Payable	966	610
Total other payables	1,496	1,532
Total other payables are expected to be settled in:		
No more than 12 months	530	928
More than 12 months	966	604
Total other payables	1,496	1,532

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2.4: Other Provisions

	2016	2015
	\$'000	\$'000
2.4A: Other provisions		
Provision for restoration obligations	-	365
Provision for onerous contract	-	263
Total other provisions	-	628

Other provisions are expected to be settled in:

No more than 12 months	-	628
More than 12 months	-	-
Total other provisions	-	628

	Provision for restoration	Provision for onerous contract	Total
	\$'000	\$'000	\$'000
Carrying amount 1 July 2015	365	263	628
Amount reversed	-	(7)	(7)
Amount used	(365)	(256)	(621)
Closing balance 2016	-	-	-

The provision for restoration and the onerous contract relating to the Barton premises was paid out during the financial year.

OFFICE OF PARLIAMENTARY COUNSEL
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2016

3. FUNDING

3.1: Appropriations

	2016	2015
	\$'000	\$'000
3.1A: Annual Departmental Appropriations ('Recoverable GST exclusive')		
Ordinary annual services ¹	14,707	15,433
Capital Budget	488	930
PGPA Act - section 74	7,625	7,223
Total appropriation	22,820	23,586
Appropriation applied	(23,955)	(21,526)
Variance ²	(1,135)	2,060

¹ Includes \$567,808 for 2015-16 departmental appropriation that has been withheld and quarantined for administrative purposes. A determination was made on 17 June 2016.

² The variance is mainly due to the surplus for the year after adding back non-cost recovered depreciation, offset by prior year departmental appropriation used for new office fitout.

3.1B: Unspent Annual Departmental Appropriations ('Recoverable GST exclusive')

<i>Appropriation Act (No. 1) 2013-14</i> ¹	23	23
<i>Appropriation Act (No. 1) 2014-15</i>	-	15,820
<i>Appropriation Act (No. 1) 2015-16</i>	14,179	-
Cash at bank	325	387
Total	14,527	16,230

¹This amount of \$23,000 is departmental appropriation which has been quarantined. No formal determination has been made.

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2016

3.2: Net Cash Appropriation Arrangements

	2016	2015
	\$'000	\$'000
Total Comprehensive Income less depreciation/amortisation expenses previously funded through revenue appropriation¹	1,009	630
Less:		
Depreciation and amortisation for the period	(1,472)	(1,295)
Add:		
Cost recovered amortisation	<u>688</u>	<u>685</u>
Depreciation and amortisation expenses previously funded through revenue appropriation	<u>(784)</u>	<u>(610)</u>
Total comprehensive income as per the Statement of Comprehensive Income	<u><u>225</u></u>	<u><u>20</u></u>

¹From 2010-11, the Government introduced net cash appropriation arrangements, where revenue appropriations for depreciation/amortisation expenses ceased. OPC now receives a separate capital budget provided through equity appropriations. Capital budgets are to be appropriated in the period when cash payment for capital expenditure is required.

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 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2016

3.3: Cash Flow Reconciliation

	2016	2015
	\$'000	\$'000
Reconciliation of cash and cash equivalents as per Statement of Financial Position to Cash Flow Statement		
Cash and cash equivalents as per:		
Cash Flow Statement	325	387
Statement of Financial Position	<u>325</u>	<u>387</u>
<i>Difference</i>	<u>-</u>	<u>-</u>
Reconciliation of net cost of services to net cash from operating activities:		
Net cost of services	(13,914)	(15,304)
Add revenue from government	14,139	15,433
Adjustments for non-cash items		
Depreciation /amortisation	1,472	1,295
Impairment of assets	5	153
Gain on disposal of assets	(1)	-
Increase (decrease) in asset revaluation surplus due to change in makegood liability	-	(86)
Movements in assets/liabilities		
Assets		
(Increase) in net receivables	1,760	(2,429)
(Increase) in prepayments	73	(46)
Liabilities		
(Decrease) in employee provisions	(198)	(6)
Increase / (Decrease) in supplier payables	24	785
(Decrease) in other payables	(36)	(109)
Increase/(Decrease) in other provisions	<u>(628)</u>	<u>356</u>
<i>Net cash from / (used by) operating activities</i>	<u>2,696</u>	<u>42</u>

Accounting Policy

Cash

Cash is recognised at its nominal amounts and includes deposits on demand in bank accounts.

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4. PEOPLE AND RELATIONSHIPS

4.1: Employee Provisions

	2016	2015
	\$'000	\$'000
4.1A: Employee provisions		
Leave	5,871	6,069
Total employee provisions	5,871	6,069
Employee provisions are expected to be settled in:		
No more than 12 months	1,839	1,544
More than 12 months	4,032	4,525
Total employee provisions	5,871	6,069

Accounting Policy

Employee provisions

Liabilities for 'short-term employee benefits' (as defined in AASB 119 *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 by the Department of Finance as an administered item.

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

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

Accounting Judgements and Estimates

The long service leave provision at balance date required management judgement including:

- future salary and wage increases, and
- past patterns of promotions and departures.

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4.2: Senior Management Personnel Remuneration

	2016	2015
	\$	\$
Short-term employee benefits:		
Salary	3,409,283	3,430,107
Performance bonus	92,000	96,208
Allowances ¹	1,106,319	1,033,163
Other	97,969	71,645
Total short-term employee benefits	<u>4,705,571</u>	<u>4,631,123</u>
Post-employment benefits:		
Superannuation	1,121,389	1,117,160
Total post employment benefits	<u>1,121,389</u>	<u>1,117,160</u>
Other long-term employee benefits:		
Annual leave	332,121	310,616
Long service leave	144,556	88,789
Total other long-term employee benefits	<u>476,677</u>	<u>399,405</u>
Total senior management personnel expenses	<u>6,303,637</u>	<u>6,147,688</u>

The total number of senior management personnel that are included in the above table are 17 full-time employees and 8 part-time employees (2015: 18 full-time employees and 5 part-time employees).

¹Allowances includes motor vehicle, SES experience loading and retention allowances.

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 for the year ended 30 June 2016

5. MANAGING UNCERTAINTIES

5.1: Financial Instruments

	Notes	2016 \$'000	2015 \$'000
5.1A: Categories of financial instruments			
Financial Assets			
Loans and receivables			
Cash and cash equivalents		325	387
Goods and services receivables	2.1A	<u>510</u>	<u>381</u>
Total financial assets		<u>835</u>	<u>768</u>
Financial Liabilities			
Other Liabilities			
Payables - suppliers	2.3A	140	125
Other payables	2.3B	<u>1,496</u>	<u>1,532</u>
Total financial liabilities		<u>1,636</u>	<u>1,657</u>

Accounting Policy

Financial assets

Trade receivables and other receivables are classified as 'loans and receivables' and are recorded at face value less any impairment. Trade receivables are recognised when OPC becomes party to a contract and has a legal right to receive cash. Trade receivables are derecognised on payment.

Loans and receivables are assessed for impairment at the end of each reporting period. Allowances are made when collectability of the debt is no longer probable.

Financial Liabilities

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

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.

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5.1: Financial Instruments

5.1B: Credit risk

OPC is exposed to minimal credit risk as loans and receivables are cash and trade receivables. The maximum exposure to credit risk is the risk that arises from potential default of a debtor. This amount is equal to the total trade receivables in 2016: \$510,262 (2015: \$380,708). OPC has assessed the risk of the default on payment and has not recognised any impairment allowance for doubtful debts in 2016 (2015: \$nil).

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

	Not Past Due Nor Impaired 2016 \$'000	Not Past Due Nor Impaired 2015 \$'000	Past due or impaired 2016 \$'000	Past due or impaired 2015 \$'000
Loans and receivables				
Cash and cash equivalents	325	387	-	-
Trade & other receivables	361	367	149	14
Total	686	754	149	14

Ageing of financial assets that are past due but not impaired for 2016

	0 to 30 days \$'000	31 to 60 days \$'000	61 to 90 days \$'000	90+ days \$'000	Total \$'000
Loans and receivables					
Trade receivables	68	81	-	-	149
Total	68	81	-	-	149

Ageing of financial assets that are past due but not impaired for 2015

	0 to 30 days \$'000	31 to 60 days \$'000	61 to 90 days \$'000	90+ days \$'000	Total \$'000
Loans and receivables					
Trade receivables	5	6	-	3	14
Total	5	6	-	3	14

There are no financial assets which are impaired.

5.1C: Liquidity risk

OPC has sufficient financial assets to meet all financial liabilities at 30 June 2016.

**OFFICE OF PARLIAMENTARY COUNSEL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2016**

5.2: Fair Value

5.2A: Fair Value Measurements, Valuation Techniques and Inputs Used

	Fair value measurements at the end of the reporting period		Category (Level 1, 2 or 3) ²	Valuation Technique(s)	Inputs Used ³
	2016 \$'000	2015 \$'000			
Non-financial assets¹					
Plant and equipment					
Recurring	663	182	2	Market	Adjusted prices of, and market transactions for, second hand equipment.
Recurring	157	184	3	Cost	Replacement cost new, useful life.
Recurring	10	10	3	Market	Adjusted prices of, and market transactions for, second hand equipment.
Non Recurring	-	46	2	Market	Adjusted prices of, and market transactions for, second hand equipment.
Non Recurring	-	1	3	Cost	Replacement cost new, useful life.
Leasehold improvements					
Recurring	3,888	-	3	Cost	Replacement cost new, lease term.
Non Recurring	-	86	3	Cost	Replacement cost new, lease term.
Total fair value measurements of non-financial assets					
	4,718	509			
Work in Progress					
Leasehold improvements	-	1,651			
Plant and equipment	-	42			
Total non-financial assets in the Statement of Financial Position					
	4,718	2,202			

¹OPC's assets are held for operational purposes and not held for the purposes of deriving a profit. The highest and best use of all non-financial assets is the same as their current use.

²Level 2 measurements use inputs to estimate fair value where there are observable markets other than quoted prices in active markets for identical assets and level 3 measurements use inputs to estimate fair value where there are no observable market prices for the assets being valued.

³The future economic benefits of OPC's plant and equipment and leasehold improvements are not primarily dependent on their ability to generate cash flows. OPC has not disclosed quantitative information about the significant unobservable inputs for the level 3 measurements in these classes.

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

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

An officer's valuation was undertaken in 2015-16. An independent valuation was undertaken in 2014-15 by Australian Valuation Solutions.

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 2.2.

OFFICE OF PARLIAMENTARY COUNSEL
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2016

5.2: Fair Value

5.2B: Reconciliation for Recurring Level 3 Fair Value Measurements

Recurring Level 3 fair value measurements - reconciliation for assets

	Non-financial assets					
	Leasehold		Plant and equipment		Total	
	Improvements					
	2016	2015	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July	1,737	390	194	178	1,931	568
Total (losses) recognised in net cost of services ¹	(465)	(311)	(42)	(86)	(507)	(397)
Total gains/(losses) recognised in other comprehensive income ²	-	7	-	(24)	-	(17)
Purchases	2,616	1,651	15	120	2,631	1,771
Transfers into Level 3	-	-	-	6	-	6
Total as at 30 June	3,888	1,737	167	194	4,055	1,931

¹These losses are presented in the Statement of Comprehensive Income under depreciation, write-down and impairment of assets.

²These gains/(losses) are presented in the Statement of Comprehensive Income under changes in asset revaluation surplus.

OFFICE OF PARLIAMENTARY COUNSEL
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2016

6. OTHER INFORMATION

6.1: Reporting of Outcomes

6.1: Net Cost of Outcome Delivery

	Outcome 1	
	2016	2015
	\$'000	\$'000
Expenses	20,575	21,811
Own source income		
Sale of goods and rendering of services	6,409	6,289
Other revenue	251	218
Other gains	1	-
Total own source income	6,661	6,507
Net cost of outcome delivery	13,914	15,304

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

Appendix E—List of requirements

PGPA Rule Reference	Part of Report	Description	Requirement	Location
17AD(g)	Letter of transmittal			
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	
17AD(h)	Aids to access			
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 E
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
17AD(a)	Review by accountable authority			
17AD(a)		A review by the accountable authority of the entity.	Mandatory	First Parliamentary Counsel's Review
17AD(b)	Overview of the entity			
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 corporate plan.	Mandatory	Chapter 1
17AE(1)(b)		An outline of the structure of the portfolio of the entity.	Portfolio departments – Mandatory	N/A
17AE(1)(a)(iv)		Where outcome 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

PGPA Rule Reference	Part of Report	Description	Requirement	Location
17AD(c) Report on the Performance of the entity				
<i>Annual Performance Statements</i>				
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
17AD(c)(ii) Report on Financial Performance				
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
17AD(d) Management and Accountability				
<i>Corporate Governance</i>				
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 processes in place for the entity to implement principles and objectives of corporate governance.	Mandatory	Chapter 3

PGPA Rule Reference	Part of Report	Description	Requirement	Location
17AG(2)(d) - (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
<i>External Scrutiny</i>				
17AG(3)		Information on the most significant developments in external scrutiny and the entity's response to the 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
<i>Management of Human Resources</i>				
17AG(4)(a)		An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives.	Mandatory	Chapter 4
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"> • statistics on staffing classification level; • statistics on full-time employees; • statistics on part-time employees; • statistics on gender; • statistics on staff location; • statistics on employees who identify as Indigenous. 	Mandatory	Chapter 4 Appendix B
17AG(4)(c)		Information on any enterprise agreements, individual flexibility arrangements, Australian workplace	Mandatory	Chapter 4 Appendix B

PGPA Rule Reference	Part of Report	Description	Requirement	Location
		agreements, common law contracts and determinations under subsection 24(1) of the <i>Public Service Act 1999</i> .		
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)		Information on the number of employees at each classification level who received performance pay.	If applicable, Mandatory	N/A
17AG(4)(d)(ii)		Information on aggregate amounts of performance pay at each classification level.	If applicable, Mandatory	N/A
17AG(4)(d)(iii)		Information on the average amount of performance payment, and range of such payments, at each classification level.	If applicable, Mandatory	N/A
17AG(4)(d)(iv)		Information on aggregate amount of performance payments.	If applicable, Mandatory	N/A
Assets Management				
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
Purchasing				
17AG(6)		An assessment of entity performance against the <i>Commonwealth Procurement Rules</i> .	Mandatory	Chapter 5
Consultants				
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	Mandatory	Chapter 5

PGPA Rule Reference	Part of Report	Description	Requirement	Location
		GST).		
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
<i>Australian National Audit Office Access Clauses</i>				
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
<i>Exempt contracts</i>				
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 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.	If applicable, Mandatory	N/A

Appendix E—List of requirements

PGPA Rule Reference	Part of Report	Description	Requirement	Location
Small Business				
17AG(10)(a)		A statement that “[Name of entity] supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) 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
Financial Statements				
17AD(e)		Inclusion of the annual financial statements in accordance with subsection 43(4) of the PGPA Act.	Mandatory	Appendix D
17AD(f)	Other Mandatory Information			
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 to that effect.	If applicable, Mandatory	Chapter 6
17AH(1)(b)		A statement that “Information on grants awarded to [name of entity] during [reporting period] is available at [address of entity’s website].”	If applicable, Mandatory	N/A

PGPA Rule Reference	Part of Report	Description	Requirement	Location
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)(d)		Correction of material errors in previous annual report	If applicable, mandatory	N/A
17AH(2)	<i>Information required by other legislation</i>			
		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

AASB	Australian Accounting Standards Board
ACT	Australian Capital Territory
AGD	Attorney-General's Department
ANAO	Australian National Audit Office
APS	Australian Public Service (OPC staff below Executive Level are classified as APS 1 to 6)
APSC	Australian Public Service Commission
assistant drafter	a drafter other than a senior drafter
ExCo	Federal Executive Council
FOI Act	<i>Freedom of Information Act 1982</i>
FPC	First Parliamentary Counsel
IPS	Information Publication Scheme
IT	information technology
Legislation Act	<i>Legislation Act 2003</i>
Legislation Register	Federal Register of Legislation
LIA	<i>Legislative Instruments Act 2003</i>
OPC	Office of Parliamentary Counsel
PBC	Parliamentary Business Committee (a committee of the Cabinet)
PBS	Portfolio Budget Statement
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i>

<i>PGPA Rule</i>	<i>Public Governance, Performance and Accountability Rule 2014</i>
<i>RAP</i>	Reconciliation Action Plan
<i>senior drafter</i>	First Parliamentary Counsel, a Second Parliamentary Counsel, or a drafter in the SES
<i>SES</i>	Senior Executive Service
<i>SLIs</i>	Select Legislative Instruments
<i>SME</i>	Small and Medium Enterprises
<i>SMT</i>	Senior Management Team
<i>WCC</i>	Workplace Consultative Committee
<i>WHS Act</i>	<i>Work Health and Safety Act 2011</i>

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