



LEGISLATIVE ASSEMBLY

ANNUAL REPORT 2005/06

DEPARTMENT OF THE LEGISLATIVE ASSEMBLY

© New South Wales Parliament

This work is copyright. Apart from any use as permitted under the Copyright Act 1968, no part may be reproduced by any process without the written permission from the Clerk of the Legislative Assembly. Inquiries should be sent to Parliament House, Macquarie Street, Sydney 2000.

New South Wales Parliamentary cataloguing-in-publications data:

New South Wales Parliament. Legislative Assembly

Annual report, 2005/06 New South Wales Department of the Legislative Assembly — Sydney (N.S.W): Dept. of the Legislative Assembly, (2006). — 153p.; 30 cm.

ISSN 1037-4868

1. New South Wales. Parliament. Legislative Assembly—Periodicals
2. Legislative bodies—Lower chambers—New South Wales—Periodicals (LCSH)
(2.LOWER HOUSES-NEW-SOUTH-WALES (Parl. Thesaurus))
- I. Title

328.944972 (DDC 20)

Published by the New South Wales Legislative Assembly

Contact Details

The Department of the Legislative Assembly is located at:
Parliament House
Macquarie Street
Sydney NSW 2000

Inquiries may be directed to:

	Telephone:	E-mail:
Switchboard	9230 2111	assembly@parliament.nsw.gov.au
Office of the Clerk	9230 2666	russell.grove@parliament.nsw.gov.au
Procedure Office	9230 2225	ronda.miller@parliament.nsw.gov.au
Employee and Corporate Services	9230 2226	elaine.schofield@parliament.nsw.gov.au
Chamber Support	9230 2277	greg.kelly@parliament.nsw.gov.au
Committee Office	9230 2224	les.gonye@parliament.nsw.gov.au
Financial Controller	9230 2292	greg.mcgill@parliament.nsw.gov.au

Contact details for members of the Legislative Assembly and their electorate offices can be obtained through the Procedure Office, telephone 9230 2616 or email jeff.page@parliament.nsw.gov.au.

Detailed information about the Parliament of New South Wales and the members of the Legislative Assembly is available on the Internet at the Parliament's home page, www.parliament.nsw.gov.au.

Legislative Assembly Operating Hours:

The Legislative Assembly is open between 9.00 am and 5.00 pm weekdays on non-sitting days (excluding public holidays).

The Procedure Office is open from 8.30 am until the rising of the House on sitting days.

Tours are available at the following times:

Non-sitting days (weekends and public holidays excluded) — 9.00 am to 3.00 pm. Tours are of approximately 45 minutes duration.

Sitting days — Tuesdays only. Tours commence at 1.30 pm and are followed by the opportunity to view Question Time (bookings essential).

Tours may be arranged by inquiring at the Legislative Assembly reception desk, located on the ground floor, Parliament House, Macquarie Street, Sydney or by phoning 9230 3444.

Wheelchair access is available. Please phone 9230 2219 before arrival so that assistance can be arranged.

Hearing loops have been installed in the Legislative Assembly Public Gallery and in the Theatrette to assist the hearing impaired.



November 2006

The Honourable John Aquilina MP
Speaker of the Legislative Assembly
Parliament House
Macquarie Street
SYDNEY 2000

Dear Mr Speaker

I have pleasure in submitting to you the Annual Report of the Department of the Legislative Assembly for the year ended 30 June 2006.

Officers of the Department have continued to work hard during the 2005/06 financial year to maintain existing services and to deliver new and improved services to members and our clients.

I acknowledge with appreciation the commitment of the staff of the Legislative Assembly during the year. The General Election on 24 March 2007 will create an intense period of work for the staff of the Department. In addition, the Treasurer has announced that the 2006/07 budget will include further reductions in funding to the Parliament and the requirement for the savings to be found from the Parliament's operational services. This will present a significant challenge for the Parliament to address in the next reporting period.

We look forward to working together to consolidate this year's achievements and to meet the challenges that lie ahead.


Russell D. Grove
Clerk of the Legislative Assembly



Parliament House Sydney 2000

Phone: 9230 2201 Fax: 9230 2846

SPEAKER'S FORWARD

I am pleased to accept the Annual Report for the Department of the Legislative Assembly for the year ending 30 June 2006.

The annual report provides a useful statistical summary of the work of the Chamber and committees, and clear information on the administrative and corporate programs that support members in carrying out their parliamentary and representative duties.

During the year we celebrated the Sesquicentenary of Responsible Government in New South Wales, which culminated in the opening of Parliament on 22 May 2006, exactly 150 years after the first meeting of the Legislative Assembly in 1856. This is a remarkable achievement for any institution and I would like to thank the staff for their contributions to the many projects and activities that made the Sesquicentenary celebrations the success that they were.

I would also like to thank the Clerk and all the staff of the Department for successfully meeting the challenges they faced and for their ongoing and outstanding commitment to providing a professional service to the Parliament and the citizens of New South Wales.

John Aquilina MP
Speaker

Contents

Overview	8
Clerk's Review	13
Performance	16
Annual Report 2005/06.....	16
Outcome and Results Structure.....	17
Working Toward our Outcome for the People of New South Wales.....	18
Reporting on our Planned Outcome.....	19
Activities at a Glance.....	24
Sub-Result Area 1: Chamber Operations.....	26
Sub-Result Area 2: Committee Operations.....	32
Sub-Result Area 3: Services to Members and the Parliament.....	35
Outlook	47
Future Outlook for the Legislative Assembly.....	47
Management	49
Corporate Governance.....	49
Parliament House Organisation Chart.....	50
Organisational Structure.....	51
Legislative Assembly Organisation Chart.....	52
Management/Corporate Governance.....	53
Management Committees.....	62
Risk Management and Fraud Control.....	63
Staff.....	64
Occupational Health and Safety.....	68
Assets.....	70
Purchasing.....	71
Consultants.....	71
Appendix A - Procedural Statistics	72
Appendix B - Individual Committee Operations	73
Appendix C - Legislative Assembly Publications	90
Appendix D - Parliamentary Supported Travel	95
Appendix E - Official Visitors	105
Appendix F - Energy and Waste Management/Environment	110
Appendix G - Equal Employment Opportunity	111
Financial Statements	113

Overview

Our History

The Legislative Assembly was constituted in 1856 as the fully elected Lower House of the bicameral Parliament of New South Wales.

Because the colonists were drawn from Britain (three quarters of the members of the 1856 Parliament had migrated from the British Isles) and because the Constitution Act, which allowed for the setting up of the Parliament of New South Wales as we know it, was passed as a schedule of an Act of the Imperial Parliament, the new Parliament adopted the Westminster system of government. This meant that the practices of the Imperial Parliament in the Palace of Westminster were adopted, from the way the Houses operated procedurally to the colours of the Chamber.

A writer of the time suggested that the Parliament was an 'ancient institution renewed in another land'. The modes of address, the arrangement of the Chambers, the Clerks-at-the-Table and division bells were all reflections of the Parliament at Westminster.

Responsible government was established in 1856. Under the doctrine of responsible government, the Executive holds office subject to the sanction and control of Parliament and the Governor's powers are mostly exercisable only on the advice of and through the Ministers responsible to Parliament.

In 1856 the Constitution allowed for 54 members of the Legislative Assembly. Since March 1999 there have been 93 members in the Legislative Assembly, each representing a single constituency.

Our Purpose

The Parliament of New South Wales, under the *Constitution Act 1902*, is comprised of a Legislative Council and a Legislative Assembly, and has the following roles in providing for a system of representative and responsible government for the people of the New South Wales:

1. Making laws for the peace, welfare and good government of New South Wales, with the consent of the Governor
2. Providing a forum for supervision and scrutiny of the Executive Government and accountability to the people of New South Wales
3. Providing a forum for debate, discussion and review of issues of public policy and issues of concern to the people of New South Wales.

In fulfilling the above roles, the Parliament works toward the achievement of a number of results for the people of New South Wales, including:

1. Ensuring the efficient and effective functioning of the two Houses of Parliament, their committees and members of the Houses
2. Providing access by the community to the Parliament and its proceedings, committees and members so that the people can fully participate in the processes of Parliament
3. Ensuring that members of Parliament can fulfil their public duties as elected representatives of the people.

Our Mission

To service and enhance the operations of the New South Wales Parliament by providing an apolitical, innovative and integrated support service to members both within and outside Parliament House and relevant services to the people of New South Wales.

Our Vision

To provide an innovative, coordinated and integrated service to the Legislative Assembly, its members and other clients.



Overview

Our Functions

In fulfilling our mission, we undertake the following functions:

- Providing impartial and professional advice in both written and oral form to the Speaker and members in the Chamber and committees
- Recording the proceedings of the House on a daily basis through the preparation of House Papers
- Preparing publications such as Standing and Sessional Orders and Speakers Rulings
- Servicing the needs of Legislative Assembly administered parliamentary committees
- Providing a comprehensive range of administrative, corporate and other services to support members while at Parliament House and in the operation of the electorate offices.
- Managing the Parliamentary Joint Services.

Our Corporate Goals

1. Provide the procedural support, advice and research necessary for the effective functioning of both Houses and their committees
2. Provide effective services to members and other client groups
3. Promote awareness of the purposes and functions of the Parliament and facilitate community access
4. Provide a functional, safe and secure working environment for members, staff and visitors
5. Enhance organisational capability in planning and service delivery.

Our Corporate Values

All staff of the Department of the Legislative Assembly observe the standards of professional behaviour which are set out in our Code of Conduct. In addition our staff strive to work in accordance with the following corporate values.

Staff will:

- Be strongly customer focused
- Maintain consistently high levels of service delivery
- Exercise discretion and respect confidentiality in all dealings with members, staff and other agencies
- Provide an apolitical service at all times
- Be flexible and adaptable in order to accommodate ever-changing and emergency situations
- Exhibit a high degree of professionalism in all work activities
- Provide services which are accurate, efficient and effective
- Respect the right of all staff to a workplace free of all forms of intimidation and harassment
- Respect the cultural diversity of the community we serve, visitors to the Parliament and our major client groups.

Overview

Key Clients and Stakeholders

The Department of the Legislative Assembly provides complex and wide ranging services which are primarily aimed at meeting the needs of:

- Members, as they discharge their duties as representatives of the people of New South Wales in the House, in committees and in their electorates;
- Members involved in the management of the business of the House;
- Citizens of New South Wales and others to be informed about the debates and decisions made by the members in the House and its committees.

The services are provided within the Parliament House building and also beyond.

In Parliament House, we work with our colleagues in the Department of the Legislative Council and with the Joint Services (Archives, Building Services, Education and Community Relations, Food and Beverage Services, Hansard, Information Technology Services, Library Services, Printing and Security) to ensure that members and the public have access to a large variety of services.

Beyond Parliament House, we support 94 offices across NSW so that members are well supported in their local communities while carrying out their electoral duties.

We aim to ensure that the services provided by the Legislative Assembly are of the highest practical quality, with clear accountabilities and responsibilities, within tight fiscal constraints.

Highlights For the Year



A significant highlight of 2005/06 was the celebration of the Sesquicentenary of Responsible Government in New South Wales. The New South Wales Government provided funding through its Sesquicentenary Committee chaired by Mr Rodney Cavalier for a number of projects and activities.

On 22 May 1856 the New South Wales Parliament sat as a bicameral parliament for the first time. The Legislative Council members were appointed by the Governor and the Legislative Assembly members were elected to represent 54 separate electorates and so establish our democratic and representative system of government. More details are published in the 'Our History' section on page 8 of this report.

You will note in this year's annual report a commitment to reporting on performance in achieving the outcomes identified in our Results and Services Plan. The highest level outcome sought for the people of New South Wales is that *New South Wales has a strong democratic and representative system of government*. Celebrating 150 years of our democratic and representative government is a significant milestone and a measure of the stability of our system of government.

The celebrations involved a series of events and commissioned works which are detailed later in the report. Notably the Open Days and exhibitions attracted large numbers of the public. The Opening of the 2nd session of the 53rd Parliament on 22 May 2006 was attended by the Lieutenant-Governor of New South Wales, His Excellency James Jacob Spigelman AC.

An internal committee was established to organise the sesquicentenary celebrations and I extend my congratulations and thanks to the members and staff who contributed to the success of the events.

Other achievements in the year were:

The review and redrafting of new standing orders was completed during the year. At the end of the reporting period the new standing orders had been forwarded to the Standing Orders and Procedure Committee for its consideration. The project has taken significant time and commitment from the staff in the Office of the Clerk and, if adopted by the House in the next period, the outcome will be standing orders for the procedures of the House that are in plain English and reflect modern parliamentary practice.

The production of the records of the House and other House papers continued to meet high standards of timeliness in publication and availability to members and public. Considerable progress was made towards providing the Questions and Answers Paper online, improving searching capability.

The management and administration of members' entitlements has again presented challenges to staff and management. The volume of claims continues to increase.

Clerk's Review

Initiatives to streamline processing, to establish a precedents database and to enhance the business systems for recording members' entitlements and reporting of entitlements have been successfully introduced.

In providing support for members' electorate officers, a new training program was developed and piloted during the year. The program invites a number of New South Wales public sector agencies to brief electorate officers and clarify the contact points and procedures that agencies offer. The pilot program received very positive assessments by both participating staff and agencies.

Significant progress was made on a project to review the support services to the Legislative Assembly and Joint Committees. Currently 30 staff are employed to support Committee activities through a structure of 7 discrete secretariats. Mr Jim Pender, a former Clerk-Assistant of the House of Representatives, was engaged to conduct the review.

At the end of the reporting period a significant consultation process had been completed and a discussion paper had been distributed. The final report is to be released early in the next reporting period.

We were disappointed not to have achieved our targeted outcomes in three significant areas:

The Parliament's budget and planning processes need to be reviewed. At the end of the period the Legislative Assembly and the Parliament were over expended against our budget and this is unsustainable into the future as the Government is increasingly insistent on implementation of the global savings imposed through the budget process.

The Legislative Assembly was not able to implement all the major recommendations made in last year's internal audit reports. Some progress was made and as resources become available we hope to address these issues over the next reporting period.

A planned project to update the occupational health and safety programs and management plans in electorate offices was unable to be completed. The consultant who drafted the report relocated interstate and we are currently sourcing another company to assist with implementation.

Major Future Challenges

Next year the Department of the Legislative Assembly will have a significant number of projects associated with the end of the 53rd Parliament, the General Election to be held in March 2007, and the commencement of the new Parliament. Planning and resourcing many of these projects will commence early in the new year and we will build on our past experiences. However much planning occurs, there is an increased workload around a General Election and it is a challenge to achieve all the desired outcomes and expectations of retiring members, new members and staff.

Budget and Savings Plan

The Treasurer, the Hon. Michael Costa MP, in announcing the budget for 2006/07 confirmed the withdrawal of funding for the operations of the Food and Beverage Services Section of the Parliament, and also stressed the need for the Parliament to achieve its savings target. In 2006/07 significant reviews of service levels, staffing and structures will be required across all sections of the Parliament (excluding members' programs) to achieve sustainable budget outcomes.



Performance

Annual Report 2005/06

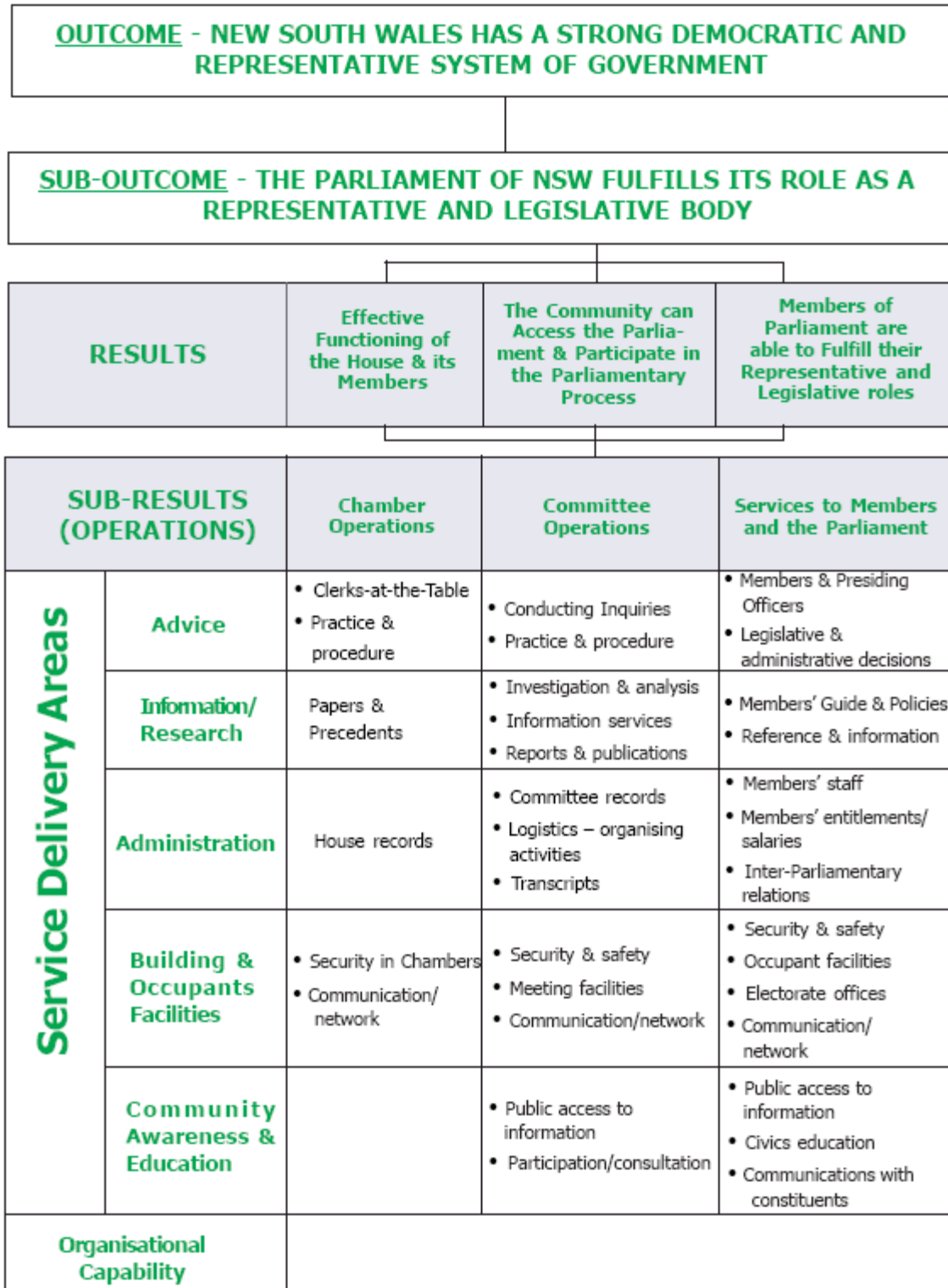
This report represents a change from previous annual reports of the Department of the Legislative Assembly. In a joint initiative, the Public Bodies Review Committee and the Public Accounts Committees published a report and guidelines in 2006 to improve the annual reports of public sector agencies and bodies. In order to meet the expectations for annual reporting expressed in the Committees' report, we have reviewed our content and report format.

This has posed challenges for us as we seek to align the annual report with the Parliament's Results and Services Plan and budget papers. The key challenge is that, as the Parliament is not part of the Executive Government, it is impossible for us to 'fit' our operations, planning, performance and budget information into the Executive Government model as it is outside some of the key directions and priority statements of the Government.

The Results and Services Plan, performance information and measurement and this annual report are therefore a "work in progress" and we will continue to review and refine our reporting each year.

The Annual Report chapters represent the three sub-result areas identified in our Results and Services Plan: Chamber Operations; Committee Operations; and Services to Members and Parliament (shaded on the 'Outcome and Results Structure' diagram on page 17), plus reporting on management and other activities.

Outcome and Results Structure, 30 June 2006



Performance

Working Toward our Outcome for the People of New South Wales

In the Parliament's Results and Services Plan our principal outcome and sub-outcome are expressed as follows.

OUTCOME: NEW SOUTH WALES HAS A STRONG DEMOCRATIC AND REPRESENTATIVE SYSTEM OF GOVERNMENT

SUB-OUTCOME: THE PARLIAMENT OF NEW SOUTH WALES FULFILS ITS ROLE AS A REPRESENTATIVE AND LEGISLATIVE BODY

To achieve this outcome and sub-outcome there are three result areas that are the focus of our activities:

Effective Functioning of the House and its Members	The Community can Access the Parliament and Participate in the Parliamentary Process	Members of Parliament are able to Fulfil their Representative and Legislative roles
--	--	---

In working to achieve the above results the Legislative Assembly has identified three areas where our activities are measurable and resources are allocated:

Chamber Operations: This encompasses the Parliament's representative and legislative function and its role in ensuring the accountability of the Executive Government to the people of New South Wales. The main services provided are the activities, provision of advice, and creation and distribution of the records that support the operation of the Chamber and related community access.

Committee Operations: Committees of the Legislative Assembly and Joint committees carry out a diverse range of inquiries and activities on behalf of the House. Committees encourage community participation by individuals, interest groups and organisations in their enquiries and their activities inform members on issues under inquiry or proposed legislation and they make reports and recommendations to the House and to the Executive Government.

Services to Members and the Parliament: Services provided by the Legislative Assembly to members include administration of their salary and entitlements, provision of accommodation, equipment and services at Parliament House and provision of accommodation, equipment and services at their electorate offices, including the provision of staff.

Reporting on our Planned Outcome: 'New South Wales has a Strong Democratic and Representative System of Government'

The above outcome, in reality, is a shared outcome derived from all elements that make up a system of government, including the Executive, the judiciary and the whole of the public sector. The Parliament, and the Legislative Assembly in particular, are key institutions and the focus of our democracy and they are intrinsically identified with the role played by our elected representatives.

It is for others to assess the performance of our system of government and the strength of our democracy. However, by carrying out our administrative and other activities well, the Legislative Assembly can ensure that the Parliament is capable of fulfilling its function and role.

Introduction

Indirect performance indicators of a strong democracy and a representative system of government are found around an institution's longevity and its ongoing membership renewal; its ability to be a role model to other jurisdictions; and its investment in community and school education to increase the knowledge and understanding of our system of government.

Under each of the above indicators, the following will be reported on:

Longevity - The Sesquicentenary of Responsible Government in New South Wales.

Ongoing membership - Electing new members.

Role Model - Inter-parliamentary relations and advice to other jurisdictions.

Community Education - The Legislative Assembly Education and Tours program.

Performance

Institutional Longevity

Sesquicentenary of Responsible Government in New South Wales Celebrations

Monday 22 May 2006 was the 150th anniversary of Responsible Government in New South Wales. Sesquicentenary celebrations included a special opening of Parliament, a series of launches for publications funded by the Committee for the Sesquicentenary of Responsible Government, an Open Weekend, which included a history seminar, behind the scenes tours, special exhibitions and music in the Assembly Chamber.

The Parliament House Committee for the Celebration of the Sesquicentenary of Responsible Government was set up by the Presiding Officers in 2005. It was decided to have an Open Day for the public on Saturday 20 and Sunday 21 May, the weekend before the actual 150th anniversary of the first meeting of the new bi-cameral Parliament in 1856.

On both days the building was full with a large number of visitors and, based on the feedback received, the weekend was widely regarded as being a great success.

Open Weekend highlights included:

- Open Rooms - The Legislative Assembly and the Legislative Council Chambers, the Jubilee Room, Parkes Room and Fountain Court were open to visitors, with parliamentary staff on hand to provide information and supervise.
- Guided Tours - Regular tours were conducted by parliamentary staff through the public areas and into some 'behind the scenes' areas not usually accessible to the general public.
- Former Members' Database - The Former Members' Database was made available for viewing and searching in the Parkes Room.
- Exhibitions in the Fountain Court

Two special exhibitions were mounted -

The Parliamentary Archives Exhibitions - 'The First Parliament 1856' and 'Women in Parliament'.

Artworks from the Parliamentary Collection - 'Treasures', many not previously on view to the public.

- Sydney Writers' Week Colloquium - A 'Writing Party History' workshop, organised by the Henry Mayer Foundation and the Sesquicentenary Committee, was held in the Strangers' Lounge from 9 am to 4 pm on Saturday, 20 May in conjunction with the Sydney Writers' Festival. The papers for this event have been published by Federation Press.

- Centenary of the Jubilee Room - Talks on the history of the parliamentary premises, including the Library and the Jubilee Room, were given by Greig Tillotson from the Parliamentary Library on Sunday, 21 May.
- Ecumenical Church Service - An Ecumenical Church Service at St Stephen's Uniting Church, Macquarie Street was held on Monday, 22 May.

Ongoing Membership

Electing new representatives to the Legislative Assembly - By-elections 2005

In 2005, four new members were elected to the Legislative Assembly at by-elections, following the resignations of the Hon. Craig Knowles, the Hon. Robert Carr, the Hon. Dr. Andrew Refshauge and Mr John Brogden.

On 11 October 2005:

- Mr Steven Chaytor MP was sworn in as Member for Macquarie Fields;
- Mr Michael Daley MP was sworn in as Member for Maroubra; and
- Ms Carmel Mary Tebbutt MP was sworn in as Member for Marrickville.

On 15 December 2005:

- Mr Alexander McTaggart MP was sworn in as Member for Pittwater.

Our Inter-parliamentary Relations and Advice to Other Parliaments

Gift of a Mace to the National Assembly of Wales

On 1 March 2006, the New South Wales Parliament presented a gift of a Mace to the National Assembly of Wales, on the occasion of the opening of the Senedd, a new building purpose built for the Assembly. The opening was attended by Her Majesty Queen Elizabeth II, the Duke of Edinburgh, the Prince of Wales and the Duchess of Cornwall.

The Deputy Presiding Officers, the Hon. John Price MP and the Hon. Amanda Fazio MLC attended the opening ceremony and presented the Mace, accompanied by the Serjeant-at-Arms, Ms Ronda Miller.

Parliament to Parliament Advice for the Cook Islands

The Legislative Assembly has a long history of providing assistance and advice to other parliaments both in Australia and overseas.

Performance

Late in 2005, the Cook Islands Parliament sought assistance from the Legislative Assembly on how its newly established Special Select Committee on Public Finance and Expenditure might operate.

Mr Leslie Gönye, Clerk-Assistant (Committees), and Ms Vicki Buchbach, Manager of the Public Accounts Committee, travelled to the main island Rarotonga in late December to conduct a two-day workshop on the possible roles and modes of operation for the committee and how it would relate to the other accountability mechanisms of the country such as the Audit Office, the Public Service Commission and to the Parliament itself.

The thirty five participants in the workshop included the members of the new committee, several members of Parliament, parliamentary staff, senior public servants and the Director of Audit.

Strengthening our Community's Knowledge of our Democracy and Representative Government

Legislative Assembly Tours and Education

During the past year the Legislative Assembly conducted various programs to support community interest in the operation of the Parliament.

Interaction with teachers and the presentation of Chamber programs that demonstrate the functions and role of the institution assist in building a bond between the Parliament and the community.

It is evident through open days that educational programs presenting the Parliament to the community are increasing the awareness of the role and functions of the institution.

The Parliament continues to focus on the involvement of communities where English is the second language, through presentations and tours. Information brochures about the Parliament have been translated into Arabic, Chinese, Korean, Spanish, Vietnamese, Greek, Dinka, Russian and Japanese languages.

A total of 27,213 people (711 groups) participated in organised tours and educational programs offered by the Legislative Assembly.

The Parliamentary Education and Community Relations Section's education and civics activities for 2005/06 are described below:

- Member involvement in programs was high and supportive with 160+ member involvements in 2005/06.
- The Section continued to expand its range of community programs. In all, more than 30 public activities were conducted with upwards of 5,000 participants.
- In 2005/06, the Section conducted student activities (mostly full day events) amounting to 20 major events involving almost 2,000 students.
- In 2005/06 the Section conducted 10 days of civics and citizenship professional development activities for approximately 400 teachers.
- The Section also hosted or assisted with 15 activities involving about 750 teachers at Parliament House, primarily conducted by other educational bodies.

The activities of the Parliamentary Education and Community Relations Section are described in greater detail in the 2005/06 Joint Services Annual Report.

Performance

Activities at a Glance

Sub-Result Area 1: Chamber Operations

Outcome/Result	Activity/Output
The Legislative Assembly fulfils its legislative role	127 bills were introduced and 111 bills were passed and became Acts
Supervision and scrutiny of the Executive Government is undertaken	2040 Questions on Notice were lodged 1377 Answers to Questions on Notice were provided 452 Questions without Notice were asked during Question Time
Quality and accuracy of advice on Parliamentary procedure and practice	Written advices were prepared for the Speaker and members At least one Clerk was available at all times the House was sitting to provide advice to members <i>Procedural Precedents and Decisions from the Chair</i> were both updated and published in February 2006 Preparation of the major procedural publication <i>New South Wales Legislative Assembly Practice, Procedure and Privilege</i> continued
Parliamentary processes are in place to facilitate the carriage of House business	Draft new standing orders were completed during the year for consideration by the Standing Orders and Procedure Committee in the next reporting period
The records of the House are published	The Questions and Answers database on the Parliament's website became operational during this reporting period. This allows the public to search by the member asking, the portfolio/minister or date All records of the House were produced in accordance with the Standing Orders and on time 162 bound volumes of Votes and Proceedings, Sessional Papers, Joint Volumes, Questions and Answers and Notices of Motion were produced

Sub-Result Area 2: Committee Operations

Activity	Output
Number of committees	14 committees operated
Committee reports tabled	48 – including 16 Legislation Review Digests
Committee hearings	45
Committee witnesses	280
Outcome – skilled and flexible staff to support committees	A review of committee staffing commenced in October 2005, undertaken by an external consultant. An initial discussion paper was completed and circulated and the final report is due in the next reporting period

Sub-Result Area 3: Services to Members and the Parliament

Outcome/Result	Activity/Output
<p>All members are provided with suitable offices in their electorates to facilitate the carriage of their electorate duties</p> <p>The offices are the front line of interaction between members and their electorates and are a key resource to enable members to fulfil their representative role</p>	<p>Lease and fitout activity: 17 leases reviewed and 6 new leases entered into and consequently 6 fitout and relocations were undertaken</p> <p>Property and equipment maintenance: 653 jobs valued at \$157,000 were undertaken. Response time target of 24 hours generally met</p>
<p>Members' salary and entitlements are administered effectively</p> <p>Members' entitlements are subject to external audit</p> <p>Members' entitlements are administered according to the Parliamentary Remuneration Tribunal Determination and Parliament's policies</p>	<p>There is a high level of accuracy and timeliness achieved in the administration of Members' salary and entitlements</p> <p>The 2004/05 audit report was received in February 2006. There were 4 observations made relating to administration system improvements and 4 observations relating to administrative errors</p> <p>A comprehensive review of the Members' entitlement Handbook was completed and the new Handbook will be published in the next year</p>
<p>Members have access to the latest equipment and technology in the electorate office, at Parliament House and elsewhere</p>	<p>New equipment rollouts this year:</p> <ul style="list-style-type: none"> BlackBerry handheld devices Mobile phone upgrade New computers and operating system New facsimile machines
<p>Members' electorate office staff are able to support their Member in their representative and Parliamentary roles</p>	<p>Submission completed to the Parliamentary Remuneration Tribunal's annual review into Members' staff resources</p> <p>Induction training was delivered to new staff</p> <p>A new course 'Vital Information' was piloted to provide staff with information and access about public sector agencies. The course was well received by staff and public sector agencies and will continue</p>
<p>Strengthen the community knowledge of our system of government and the Parliament</p>	<p>A total of 711 groups (27,213 people) accessed education tours mainly from primary, secondary schools and TAFE</p>

Performance

Sub-Result Area 1: Chamber Operations

DESCRIPTION

The procedure services provided to members are structured around the activities of three offices of the Department – the Office of the Clerk, the Procedure Office and the Committee Office. Each provide different and specialist services either of a direct or a support nature.

Office of the Clerk

The Office of the Clerk provides:

- Clerks at the Table, who are responsible for providing procedural advice to members on both sides of the House. The Office assists in the drafting of motions and amendments; maintains records of certain proceedings, procedural precedents and rulings of the Chair; and maintains the standing and sessional orders.
- Procedural research capacity, including:
 - ✧ Precedents systems;
 - ✧ Papers for conferences and other events;
 - ✧ Advice to other parliaments;
 - ✧ A procedural library; and
 - ✧ Research capacity.
- The *New South Wales Legislative Assembly Practice, Procedure and Privilege* publication.
- Records of Speakers' Rulings.

Advice

The Office of the Clerk also provides advice to the Speaker and members on the practice and procedures of the Legislative Assembly. Detailed advice on complex issues must be provided in a timely manner, particularly during sittings of the House. This requires high quality research.

Oral and written advice to members includes the immediate support in the Chamber and the preparation of guidelines for occupants of the Chair.

Advice is provided to the Speaker on the application of the standing orders and precedents in the House. This includes the drafting of considered rulings for the Speaker.

Advice is also provided to other parliaments and members of the public on the operations of the House.

The Office of the Clerk is responsible for the drafting of papers for conferences attended by members and Table Officers. This work involves quality research and writing.

Research and Publications

The Office of the Clerk is responsible for the collection, storage (in the procedural library), analysis and publication of a range of procedural information. Much of the information is maintained on the procedural database, which comprises procedural precedents, rulings of the Chair and procedural publications.

Procedure Office

The Procedure Office assists with the running of the Chamber by:

- Co-ordinating the program for the business items of the House;
- Processing legislation;
- Maintaining the official record of Votes and Proceedings;
- Recording the Business of the Session and other procedural statistics;
- Maintaining a register of Tabled Papers and online information about members' bills and the Parliament;
- Document production – Business Paper, Questions and Answers Paper, Daily Program;
- Providing secretariat support for the Standing Committee on Parliamentary Privilege and Ethics; and
- Giving information and advice to members, staff and the public about proceedings and members.

PERFORMANCE - CHAMBER OPERATIONS

Chamber Operations activities as reported below impact on two Result Areas:
Effective Functioning of the House and its Members and *The Community can Access the Parliament and Participate in the Parliamentary Process*.

Publications

During 2005/06 the Office of the Clerk produced its first *Procedural Digest*. This publication provides a summary of selected articles on parliamentary issues of a procedural, legal or general nature from various jurisdictions both within Australia and overseas.

Performance

The Office of the Clerk has continued its work in preparing the procedural publication *New South Wales Legislative Assembly Practice, Procedure and Privilege*. The publication has been held back in order to incorporate new standing orders that are anticipated will be adopted in October 2006. When completed, this publication, which builds extensively on existing publications, will provide comprehensive procedural information on the operations of the House and laws relating to Parliament.

The Office publishes and distributes two documents derived from the procedural database: *Procedural Precedents* and *Decisions from the Chairs*. These are published at the end of each session or as required. The most recent editions were published in February 2006.

Advice Provided by the Office of the Clerk - Statistics 2005/06

Task	Number
Advice to the Speaker on requests for citizens' right of reply	3
Papers prepared for conferences	3
Responses to Australian inquiries	13
Responses to international inquiries	37
Responses to inquiries from other parliaments	7
Responses to inquiries from members' offices	3
Responses to other inquiries	3
Briefing papers prepared on procedural issues	3

Selected Procedural Statistics - 2004/05 and 2005/06

	2004/05	2005/06
Sitting days	54	48
Total sitting hours	454.9	428.6
Average hours per sitting	8.42	8.92
Questions on notice	1909	2040
Questions on notice (answers)	1940	1377
Questions without notice	470	452
Bills introduced	114	127
Bills passed	112	111

Comprehensive procedural statistics for 2005/06, as well as previous years, can be found at Appendix A (page 72) of this report.

Records of the House: Questions and Answers Database

The Questions and Answers database on the Parliament's website became operational this year. The database can be searched by 'members asking', 'portfolio/minister', 'date asked', and 'date answer due'. Production of published papers from the database remains problematic and new software is being purchased in 2006/07 to improve the reporting function.

Records of the House: Publication and Binding of Parliamentary Papers and Annual Reports

Major progress was made in binding volumes of Parliamentary Papers and House Papers this year. The House Papers for session 2003/06 are being checked for binding in the coming year.

Parliament and Aboriginal Reconciliation Pamphlet

A draft version of a pamphlet about the Parliament and Aboriginal Reconciliation was prepared. Discussion continues with regard to the text of the pamphlet.

Access for the Hearing Impaired

To assist persons with hearing impairment, there are three fully functioning hearing loops installed in Parliament House - the Speaker's Gallery in the Legislative Assembly Chamber, the Public Gallery in the Legislative Council Chamber and in the Jubilee Room. The Front of House Attendants are trained in the operation of the hearing loop facilities.

The purchase of a portable hearing loop system and appropriate testing equipment is being investigated for use within Parliament House and also by committees when travelling throughout New South Wales for public hearings.

Performance

During the reporting period the educational DVD on the Parliament that is played in the Legislative Assembly Lobby was upgraded to display subtitling.

In the next year the Parliament will investigate options to improve access to the existing facilities. The advice of a Department of Commerce disability consultant has been sought and a review of the in-house lift facilities, and particularly improving access to emergency information for visitors within the lifts, will form part of the overall investigation.

Electronic Resources

Website development during the reporting period has expanded the information resources that are available to schools and the general public, with a substantial part of the printed information available in the schools pack for teachers now being made available electronically.

Through the website teachers can also access the online tour booking system.

IMPROVING PERFORMANCE - CHAMBER OPERATIONS

Staff Development - Procedural Debriefing

Chamber knowledge is disseminated to those officers who work at the Table through a number of activities, including attendance at a procedural debriefing at the end of each sitting week. This debriefing is organised by the Deputy Clerk and provides an opportunity to build up the knowledge which underpins the rules guiding the activities of the House.

Replacement of Vellum Copies of Bills Destroyed by Flooding at the Department of Lands

Resources have not been available this year to undertake this project. Recommendations made by State Archives with a view to avoiding similar risks in the future have been implemented.

Community Access - Wheelchair Access

Heritage buildings often present difficult challenges to public access by people with physical disabilities. Whilst general access to the site and the public areas of the building was improved during refurbishment, suitable viewing of the Chamber activities remains limited to the Northern Gallery.

TARGETS 2006/07 - CHAMBER OPERATIONS

Chamber Operations and Advice

The Office of the Clerk and the Procedure Office will continue to provide advice and services to support the Chamber and members. The 2006/07 reporting phase will include:

- The adoption of new standing orders for the Legislative Assembly. This will require the editing of many of the procedural publications and changes to online databases and information pamphlets.
- Publication of *New South Wales Legislative Assembly Practice, Procedure and Privilege*, which will provide an invaluable source of information for all members, officers of the Legislative Assembly and others.

Training and Induction for New Members

The General Election to be held on 24 March 2007 will see the election of a number of new members who will be offered training and induction sessions on both parliamentary procedure and administration.

In addition, 2006/07 will see the production of a short guide for members on the procedures related to the Chamber, tentatively titled *How to be an Effective Member in the House*.

Performance

Sub-Result Area 2: Committee Operations

DESCRIPTION

Parliamentary committees allow both members of Parliament and the public (through submissions and evidence) to play an important role in the formulation of public policy. Committees also enable Parliament to more effectively scrutinise the Executive, thereby making it more responsible to the people of New South Wales.

Parliamentary committees:

- Give detailed consideration to issues of concern to the House, including proposed new laws and policies;
- Help keep the Government and the public service accountable to the Parliament by scrutinising their activities;
- Provide opportunities for the public to have direct input into the Parliament and for the Parliament to be better informed of community views;
- Give the Parliament access to expert advice and the views of community, professional, business, academic, government and other organisations;
- Provide a forum for public debate on issues before the Parliament;
- Fulfill legislative functions; and
- Provide a link of accountability between the Parliament and the Auditor-General, the Ombudsman, the Independent Commission Against Corruption, the Police Integrity Commission, the Commission for Children and Young People and the Health Care Complaints Commission.

PERFORMANCE - COMMITTEE OPERATIONS

Committee Operations activities, as reported below, impact on two Result Areas: *Effective Functioning of the House and its Members* and *The Community can Access the Parliament and Participate in the Parliamentary Process*.

Committees operate within the constraints of their terms of reference, statutory framework and the standing orders of the Legislative Assembly.

Within those constraints it is difficult to evaluate committee performance, due to the diverse nature of the committees. Their activities vary according to whether they are joint or Assembly only, how many members they have, whether they have self-referencing power, their functions, the difference in the functions of the bodies being oversighted and, to some extent, the different styles of individual chairmen.

Committee Operations - General

In 2005/06 there were fewer committee reports tabled and fewer meetings held than in 2004/05. However, there was an increase in the number of hearings conducted and witnesses examined. This reflects the 4-year electorate cycle, demands on members' time in being available for committee meetings and the imperative to complete inquiries by the end of the Spring Sittings in November/December prior to the dissolution of the Parliament.

A pronounced trend noted in 2005/06 has been that submissions from Government agencies are not forthcoming in a timely manner. As a result, a number of committees have experienced delays in their inquiry work plans.

Procedure

The Speaker has made a detailed submission to the Premier requesting legislative changes to standardise the varied use of 'Chairman', 'Chair' and 'Chairperson' in the relevant statutes. The title 'Chair' has been recommended on the basis of its more common usage and it is gender neutral. It has been incorporated into the new proposed standing orders.

Selected Committee Statistics - 2004/05 and 2005/06

	2004/05	2005/06
Committees	14	14
Committee reports tabled	55*	48*
Committee meetings	132	113
Committee hearings	40	45
Committee witnesses	217	280

* Figure includes 16 Legislation Review Digests.

Performance

IMPROVING PERFORMANCE - COMMITTEE OPERATIONS

Pender Review - Management

For the past 15 years the Legislative Assembly, as a matter of policy, employed its committee managers (and before that, committee directors) on contract. In early 2005 the contracts of the most recent committee managers expired and the opportunity was taken to review their employment status, and make recommendations for the future.

A former Clerk-Assistant of the House of Representatives was engaged to conduct the review. He commenced work on the project in October 2005 with individual and group meetings with staff and other key stakeholders including chairmen and members.

The structure and delivery of secretariat support services were the subjects of the review, and it was not intended to result in a major restructure of positions.

A discussion paper was prepared following the above mentioned meetings and circulated in December for feedback. A management response was also prepared and submitted. The responses and comments were incorporated into a discussion paper which informed the final report of the review. The report is to be released early in the next reporting period.

Arising from the discussion paper a number of suggestions have already been implemented. These include mechanisms for greater formal and informal interaction between committee secretariats and Legislative Assembly administration, more formal performance assessments to be conducted with committee managers and greater sharing of staff across secretariats. This last mentioned practice has also increased as a result of the staff recruitment freeze imposed by the Presiding Officers just prior to the end of the financial year.

TARGETS 2006/07 - COMMITTEE OPERATIONS

Review of Committee Staffing Structure

In the year ahead it is hoped that a new committee staffing structure will be in place for the start of the new Parliament.

It is planned that any new framework will provide a more equitable and efficient means of servicing unforeseen additional workloads resulting from extra inquiries and any new committees, by utilising existing committee resources.

Sub-Result Area 3: Services to Members and the Parliament

DESCRIPTION

The Legislative Assembly provides the following advice and administrative services:

- Management of members' entitlements;
- Management of electorate offices;
- Provision of equipment and furniture;
- Staff in electorate offices and in Parliament House; and
- Education and tours program.

PERFORMANCE - SERVICES TO MEMBERS AND THE PARLIAMENT

Services to Members and the Parliament activities, as reported below, impact on two Result Areas: *Members of Parliament are able to Fulfill their Representative and Legislative Roles* and *The Community can Access the Parliament and Participate in the Parliamentary Process*.

Induction of New Members

During the year the new members for Pittwater, Maroubra, Macquarie Fields and Marrickville received briefings and induction by the Legislative Assembly.

Management of Members' Entitlements

Members of Parliament Salaries and Entitlements

Apart from salary and expense allowances for officeholders, all Legislative Assembly members receive an Electoral Allowance, Logistic Support Allocation (LSA) and Electorate Mail-out Account (EMA). Members whose principal place of residence is located in a non-metropolitan electorate, also receive a Sydney Allowance for overnight stays in Sydney. These entitlements are determined by the NSW Parliamentary Remuneration Tribunal (PRT) annually, with effect from 1 July each year.

For the 2005/06 financial year the PRT granted the following increases to these additional entitlements.

Performance

Electoral Allowance	2.4%
Logistic Support Allocation	3.5%
Sydney Allowance	11.0%
Electorate Mail-out Account	no increase
Electorate to Sydney travel	no increase

Further details of amounts, conditions and guidelines pertaining to these entitlements are available on the Parliamentary Remuneration Tribunal website at the following address, www.remtribunals.nsw.gov.au or from the Parliament's website www.parliament.nsw.gov.au.

New Precedent Database and Procedures for Logistic Support Allocation (LSA) and Electorate Mail-out Account (EMA) Processing

A noticeable feature of 2005/06 has been the increase in work involved in the administration of the members' LSA and EMA entitlements. This was particularly evident in the month of June when 119 EMA requests alone were processed. Unused EMA funding does not carry forward to 2006/07.

The additional workload was brought about by the extension of the range of items available to members through their LSA and the increase in use by members of the EMA.

In response to this workload problem, the EMA approval process has been streamlined by the introduction of a facsimile approval sheet rather than a letter being generated in response to each request. During the year we also established and continue to maintain a precedents system which is used to quickly reference similar publications.

Staff aim to process LSA requests, from approval to responses to members, within one or two days, if the request falls into a category for which there are past precedents. If the request is one that has not been made by members in the past, the response may take some additional time. EMA requests are dealt with in the same fashion, except that each publication receiving funding must be approved by the Clerk. This means that they are read by the Clerk and either the Deputy Clerk or the Financial Controller before approval to publish is given.

White Pages Directory Entries

A great deal of work was undertaken during the year to negotiate with the provider of White Pages, Sensis, for a new system for compilation of the entries, the costing and billing for members' electorate office telephone directory entries.

The savings generated from the successful completion of project were \$24,252.

Services to Former Members

Members' Services continues to provide assistance and guidance in response to enquiries received from former members in relation to the entitlements and services extended for their use.

Enquiries related to superannuation; access to in-house services such as parking; eligibility for travel entitlements; and issue of the annual State Travelcards and individual rail travel warrants, including the spouse travel warrants. There is extensive liaison with the relevant contact officers and/or travel agents including Countrylink offices regarding travel arrangements and account payments.

In conjunction with the above, Members' Services is also responsible for updating the former members module of the Members Entitlement System (MES) Accounts database.

Management of Electorate Offices

Electorate Office Lease Management

During the year 17 electorate office leases expired and were reviewed, 6 new leases were negotiated and 60 leases required some action to be taken by Members' Services staff.

A number of new initiatives were commenced to address OHS issues in electorate offices through the lease process:

- We have undertaken pre-lease OHS inspections on several occasions with a view to having rectification work undertaken as a condition of entering into the lease contract. Members' Services staff try to anticipate issues that may arise in the future at the offer/acceptance stage of negotiations.
- In addition, although it is difficult to negotiate standard leases because of the different types of premises that are used for electorate offices, and the fact that often the lessor's solicitor has the lease drafted, wherever possible a standard clause requiring the lessor to address OHS issues is inserted in leases.

During the year work commenced on updating an important management tool, the lease diary system, which is used to alert the leasing officer of impending renewals and rent reviews.

Performance

Repairs and Maintenance in Electorate Offices

Six hundred and fifty three repairs and maintenance jobs in electorate offices were undertaken during the reporting period. The combined value of the jobs was \$157,257.

As a general rule, the response time to requests for repairs and maintenance jobs was 24 hours.

Management of the Fitout of Electorate Offices

During the year 6 fitouts were undertaken at a total cost of \$653,000. The average cost was \$108,000, which is an increase of \$8,150 from the average cost in 2004/05. There are a number of reasons for this increase:

- Increased building costs;
- Inflation;
- Increased project management fees; and
- The effects of occupational health and safety legislation on fitouts.

The increasing cost of fitouts has led Members' Services to look at the possibility of introducing a different approach to the delivery of a fitted out electorate office - contracting for a complete service from design through to fitout, removal and completion. Such an approach will reinforce 'whole of life' accountabilities, streamline work processes, identify areas of expertise/knowledge, allow audit of responsibilities and result in process improvement.

During the year there was an underexpenditure in the capital budget for fitouts to the extent of \$147,000. This was largely due to two fitouts not being completed by the end of the financial year and only being part paid and one fitout not being undertaken as a result of delays in leasing an appropriate property.

Provision of Equipment and Furniture

Members' Office Equipment Upgrades

Separate from the capital expenditure on asset acquisitions, the Legislative Assembly upgraded a number of office equipment items for Members, which had reached the end of their effective life cycle. The cost of replacing these items was met from the Legislative Assembly's recurrent budget and comprised:

• Replacement of 195 personal computers in the 94 electorate offices throughout the State (Murray Darling has two offices)	\$333,000
• Replacement of 94 electorate office facsimile machines	\$94,000
• Replacement of members' mobile telephones	\$44,000
• Replacement of members' Parliament House desk chairs	\$62,000
	\$533,000

Implementation and Roll Out of Equipment

During the year, Members' Services was involved in the provision of the following equipment/ services to each member:

- BlackBerry hand held devices;
- Mobile phone upgrades;
- New computers and operating systems (electorate offices) and the disposal of the old computers to charitable and community organisations; and
- New facsimile machines (electorate offices).

Other actions taken include:

- A new cleaning contract for electorate offices (January 2006) including Webclean feedback line. The former cleaning contract was difficult to manage because it is tailored to school cleaning. There are now new companies also involved in the contract; and
- An upgrade of the Members' Entitlement System.

Staff in Electorate Offices and Parliament House

Electorate Office Training

A full program of our existing induction training and 'Thriving in the Electorate Office' was presented through the year. In response to staff feedback and comments, a new course entitled 'Vital Information for Electorate Officers' was developed and a pilot program run in June 2006.

The new program invites public sector agencies who have a high interaction with electorate offices, or which receive a large number of representations from members to address electorate office staff. The sessions provide information about policy and programs, how to access the agency and how the agency deals with representations from members. The pilot was well received and the program will continue to be developed in the next year.

Performance

Submission on Members' Staff Resources to the Parliamentary Remuneration Tribunal Annual Determination

The Tribunal indicated this year that its annual review of entitlements would include an examination of staff resources provided to members. The electorate officer representative on the Occupational Health and Safety Committee designed a survey of staff to assess the claim of high workloads and the need for extra resources. The survey summary and analysis was included in the Speaker's submission to the Tribunal.

The Speaker's submission requested an increase in staff resources and increased flexibility for members' utilisation of staff. An increase in staff would facilitate work in busy or peak workload times, on special projects and would ensure that two electorate officers remain in the office during opening hours.

The Tribunal had not reported at the end of the reporting period.

Staff Recruitment and Turnover

The staff separation rate for electorate officers was 18% during the year, up from 15% last year, compared to 14% for the Legislative Assembly as a whole. The high turnover places an increased workload on all administrative support processes and Employee Services staff have made some changes to processing appointments in order to streamline commencement processes and the issuing of computer system login and security passes.

Parliamentary Stenographers

The Determination of the Parliamentary Remuneration Tribunal provides that 'All Members shall receive at Parliament House, Sydney, a fitted out, equipped and maintained office, and secretarial services'.

Members' Services manages the Parliamentary Stenographers who provide members' secretarial services at Parliament House.

During the year there have been ongoing discussions with the stenographers and the Public Service Association regarding the duties of the stenographers and their workload, with a view to updating their position descriptions prior to job evaluation. The Legislative Assembly takes the view that the stenographers should be available to undertake work for the Department generally when they do not have work from members.

Education and Tours Program

During the past year the Legislative Assembly continued various community and public related programs supporting community involvement in the operation of Parliament.

As the meeting place for elected representatives, the Parliament has a responsibility to facilitate ready access for the general public and those wishing to conduct business with members. To this end, we make meeting rooms and associated facilities available to members.

The Parliament's open access policy is further promoted through impromptu tours for individuals and small groups.

Educational programs such as *A Little Night Sitting*, the first Thursday in the month lunch time tours and participation in Eastside City Precinct functions attract large crowds on historically significant days such as Australia Day, Heritage Week and the Sesquicentenary Open Weekend.

The open days and educational programs presenting the Parliament to the community have played a significant role in increasing wider awareness of the role and functions of the institution.

Performance

Tour Statistics

Group Type	2004/05		2005/06	
	No. of Visitors	No. of Groups	No. of Visitors	No. of Groups
Primary schools (Years K-6)	12,497	240	13,012	263
Secondary schools (Years 7-12)	6,478	156	4,805	138
Special schools	31	3	16	2
Central schools			130	3
ESL colleges/TAFE	1,504	71	1,875	90
Universities	506	23	670	25
Business colleges	225	9	255	7
Probus clubs and seniors groups	1,075	39	667	26
Education and Community Relations	3,239	58	3,198	58
Guests of members	1,446	41	1,535	41
Monthly lunchtime tours			340	10
Other	1,052	57	710	39
Total	28,053	697	27,213	711

IMPROVING PERFORMANCE - SERVICES TO MEMBERS AND THE PARLIAMENT

Workforce Planning and Staff Development in Members' Services

During the year a minor restructure of Members' Services was effected in order to make the unit more responsive to client requirements and at the same time to build in more flexibility through staff multi-tasking.

The staff establishment of Members' Services was increased by one temporary appointment through a secondment from Building Services and certain duties were re-assigned for the period leading up to and immediately following the General Election in 2007. The restructure was brought about by a number of factors:

- The need to increase the numbers of staff having first contact with members. Two officers are now the primary contact for members and consequential tasks are allocated by them.
- The requirement to have one of the senior members of staff exclusively dealing with policy and projects (such as the ongoing production of the Members' Handbook), particularly in the lead up to the next General Election.
- The need to bolster the number of staff responsible for asset management, particularly in light of the roll out of additional equipment to members, such as personal computers, fax machines and mobile phones in 2006/07 and the need to have a more streamlined system in place for asset tracking and stocktaking in the lead up to and immediately following the 2007 General Election.

Staff Multi-Tasking

It has been an ongoing aim of Members' Services to enhance service delivery through multi-tasking of staff. It is clearly easier to reach a position where staff can undertake aspects of each other's jobs if they are accommodated in such a way to facilitate learning and sharing of information. To this end, a renovation program was planned at the end of the year to reconfigure office space on level 8 to accommodate three Members' Services staff together.

To a large extent multi-tasking had already commenced within Members' Services with each aspect of the work of the unit able to be undertaken by at least one other officer. The next stage in the process will allow staff resources to be moved into work where demand is the highest.

Performance

TARGETS 2006/07 - SERVICES TO MEMBERS AND THE PARLIAMENT

Management of Entitlements

New Publication - Members' Handbook

A major project that commenced during the year was the review of the Members' Handbook, with a view to publishing a new edition following the release of the Parliamentary Remuneration Tribunal's *Annual Determination of Additional Entitlements for Members of the Parliament of New South Wales* and in the lead up to the 2007 General Election.

When completed, this will be the first comprehensive review since 2003. A consultant was engaged to review the handbook and provide advice on publishing a more user-friendly version. The view was that the current version could be confusing because like information was not necessarily found in the one place, there were instances of repetition in the text, the language used in places needed to be simplified, and in many instances there was simply too much detail. The online version of the book will be updated whenever changes are made to entitlements and the paper version will be issued to members once a year following the PRT Determination. A smaller pocket version for members' ready reference will also be produced for the first time in the lead up to the new Parliament in 2007. An officer has been given the specific task of keeping the online Handbook up to date at all times.

Members' Mobile Phones

In relation to members' mobile phones, a new provisioning system is being investigated for implementation after the 2007 General Election which will provide members with much greater flexibility in regard to phone model and plan selection.

Development of an Issues/Jobs Database

In order to be able to better manage the myriad of requests for services and advice and to ensure that information on matters being handled is shared, work has commenced on the development of a issues/jobs database in Members' Services. The database is expected to enable better management of members' and other customers' service requirements.

One expected outcome of the issues/jobs database is a better delineation of the areas of responsibility between business areas in the Legislative Assembly and in the Parliament, and Members' Services.

Management of Electorate Offices

Electorate Offices 2006/07

In the lead up to the 2007 General Election, 55 leases will require renewal or some other action because members will be required to relocate offices, due to the redistribution of electoral boundaries.

In order to better manage the capital budget for fitouts a forward plan to 2007/08 was developed and approved by the Speaker. This plan takes into account the effects of the electoral redistribution from 2007, lease expiry dates and members' expressed intentions.

The physical stocktakes of all electorate offices, which are undertaken once each Parliament, will also include an OHS inspection by the Asset Manager who has received the required training. This inspection will be undertaken with the aim of reporting and advising on obvious OHS issues from a revised checklist.

Occupational Health and Safety in Electorate Offices

A strategy was developed to better address Members' Services obligation to effect repairs and maintenance flowing from the OHS inspections of electorate offices.

The OHS inspection program necessarily generates requests for repairs and maintenance in electorate offices and, as a result there were 109 jobs undertaken specifically as a result of the inspection program during the reporting period.

The OHS process in electorate offices has been a complicated issue for a number of reasons:

- o The Legislative Assembly commissioned a review of the OHS inspection process in electorate offices and the recommendations made involve a departure from current practices, with the emphasis shifting from total management responsibility for OHS to shared employee/management responsibility. Unfortunately the consultant who drafted the report and was to be involved in its implementation has relocated interstate. The consultant was also used to provide technical advice on OHS issues and to undertake pre-lease OHS inspections of prospective electorate office premises.

Performance

- o As a result, we are currently in the process of sourcing another company to take over this role.
- o In the meantime, the inspections have been suspended until the backlog of repairs and maintenance actions have been completed. The backlog has been created because:
 - It is not always clear, without a risk analysis being undertaken, whether or not the identified issue does actually have to be addressed or not. Two recent examples have been the installation and location of exit signs and the need for emergency lighting.
 - In many cases the repair/modification is the responsibility of the lessor and not the Legislative Assembly.
 - In many cases remedying the problem may involve the purchase of special equipment that is not included in the list of standard equipment provided in electorate offices.
 - Sometimes the completion of the recommended action involves not only a repair or office modification, but also a change of behaviour which is difficult to effect.

Overall, Members' Services has not performed well in the area of OHS in electorate offices during the year. However, we are confident that once an adviser is sourced the program will get back on track.

Education and Tours Program

Tours Program

While the primary aim of the tour program is to educate students, interests within the community are diverse and, as a result, proposals are under development for the introduction of alternative tours to provide an insight into the historical aspects, architecture, artworks and collections and a 'behind-the-scenes' look at the Parliament.

Direct feedback from visitors, tour groups, tour co-ordinators and teachers indicate that the service provided is one that excels expectations. The booking system however remains cumbersome and has resulted in numerous delays. Several changes have been made which partly address the delays, however, bookings need to be confirmed by contact with the school and teachers to ascertain learning levels and to confirm the tour program. It is anticipated that initiatives put in place this year will further decrease delays in the booking process.

In the next reporting period it is proposed that a feedback/comments system for teachers/co-ordinators on the tours program be formalised to facilitate better program reviews.

Future Outlook for the Legislative Assembly

Security

The Legislative Assembly is actively aware that in a changed world security environment, with the increased sophistication and diversity of potential threats, it is all the more important to safeguard the role of the Parliament and its members in the State's system of parliamentary government. To this end, security arrangements at Parliament House and in electorate offices are continually being reviewed.

Building Maintenance and Heritage Requirements

The building tower block housing members' offices is now 25 years old and in need of a major refit to remain appropriate for use and in order to address public safety and OHS requirements. The implications for adaptability of the heritage listing of the historic parts of the building are unclear. Building infrastructure will become increasingly of an unacceptable standard for use and this increases the risk to safety of the public attending functions and the health and safety of members and staff.

Information and Communications Technology

New technologies provide opportunities for members to engage with constituents and communicate more efficiently. Members have increased expectations concerning access to new technologies, which must be balanced by the security requirements of the parliamentary network and the capacity of the Parliament to support their use.

Community Expectations - Participation and Consultation

There are increased community expectations for participation in the parliamentary process and for consultation in the development of policy and legislation.

Opportunities have emerged to enhance interaction of members with constituents and to enhance the public's participation in the parliamentary process, through contributions to committee inquiries, participation in forums and the viewing of House proceedings online.

Outlook

Business Cycle Issue 2006/07: March 2007 General Election

With the end of 53rd Parliament, the March 2007 General Election and the commencement of the new Parliament, the Department of the Legislative Assembly will have a significant number of new projects and an increased workload.

There will be changes in the membership of the House and in members' staff, which inevitably lead to a different mix of key clients.

Significant additional expenditure of unused carry-over funds in members' Logistic Support Allocations, with a budgetary impact of at least \$2m, is expected in 2006/07 (due to additional LSA expenditure and redundancy payments for members' staff).

Projects to deliver the relocation of members' electorate offices due to redistribution of electorate boundaries and in consultation with new members will take time to implement and are due to be undertaken in the last quarter of the next period.

Parliament House accommodation and modifications to members' office accommodation are due to take place in 2007 and will involve liaison with all stakeholders and Parliamentary Building Services.

A key project will be the development and delivery of an induction program for new members and staff.

Corporate Governance

The Clerk of the Legislative Assembly is responsible for managing the Department and in that role reports to the Speaker.

LEGISLATIVE STRUCTURES

The principal Act governing the Legislative Assembly is the *Constitution Act 1902*.

Constitution Act 1902 s5 - General legislative powers

'The Legislature shall, subject to the provisions of the Commonwealth of Australia Constitution Act, have power to make laws for the peace, welfare, and good government of New South Wales in all cases whatsoever:

Provided that all Bills for appropriating any part of the public revenue, or for imposing any new rate, tax or impost, shall originate in the Legislative Assembly.'

Constitution Act 1902 s15 - Standing Rules and Orders to be laid before Governor

This section gives the House the authority to make standing orders for approval by the Governor for the conduct of proceedings in the House.

Constitution Act 1902 s14A - Disclosure of Pecuniary Interests and Other Matters by Members, and the Constitution (Disclosures by Members) Regulation 1983

Other Important Legislation

Parliamentary Remuneration Act 1989

Parliamentary Precincts Act 1997

ETHICAL STANDARDS

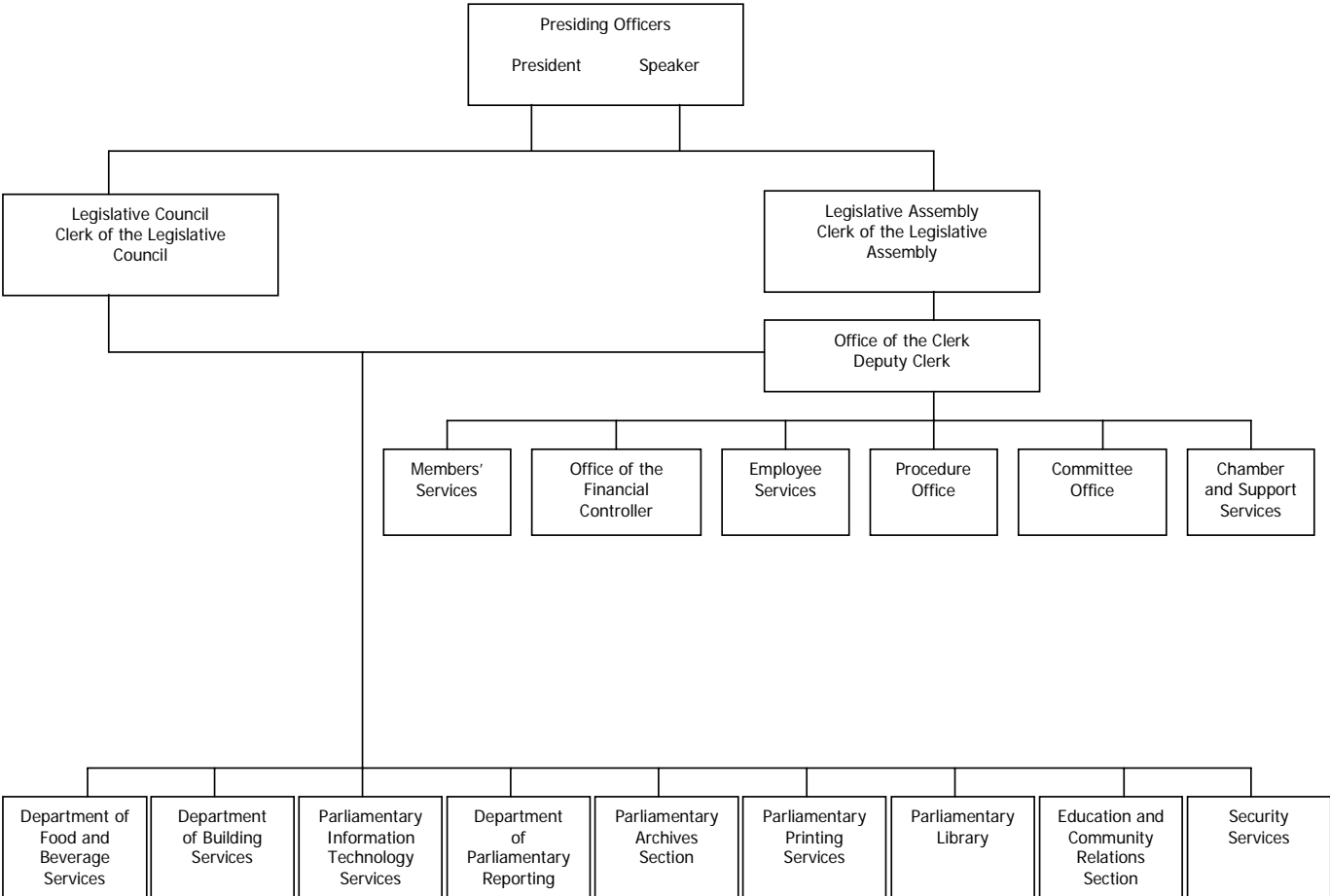
The *Parliament of New South Wales Parliamentary Staff Code of Conduct* (May 2005) provides a framework for the Department's ethical conduct.

The Department actively promotes sound ethical behaviour. During the reporting period, the Department distributed the *Parliamentary Staff Code of Conduct* to all staff and published regular educational articles in the staff newsletter *Assembly Lines*.

Management

Parliament House Organisation Chart

Parliament House Organisation Chart, 30 June 2006



Organisational Structure

In the 2005/06 financial year, the departmental structure remained constant. It comprised of 6 offices managed by the Executive of the Department: the Clerk, the Deputy Clerk, the Clerk-Assistant (Committees), the Clerk-Assistant (Procedure) and Serjeant-at-Arms, the Manager, Employee and Corporate Services, the Financial Controller and the Deputy Serjeant-at-Arms.

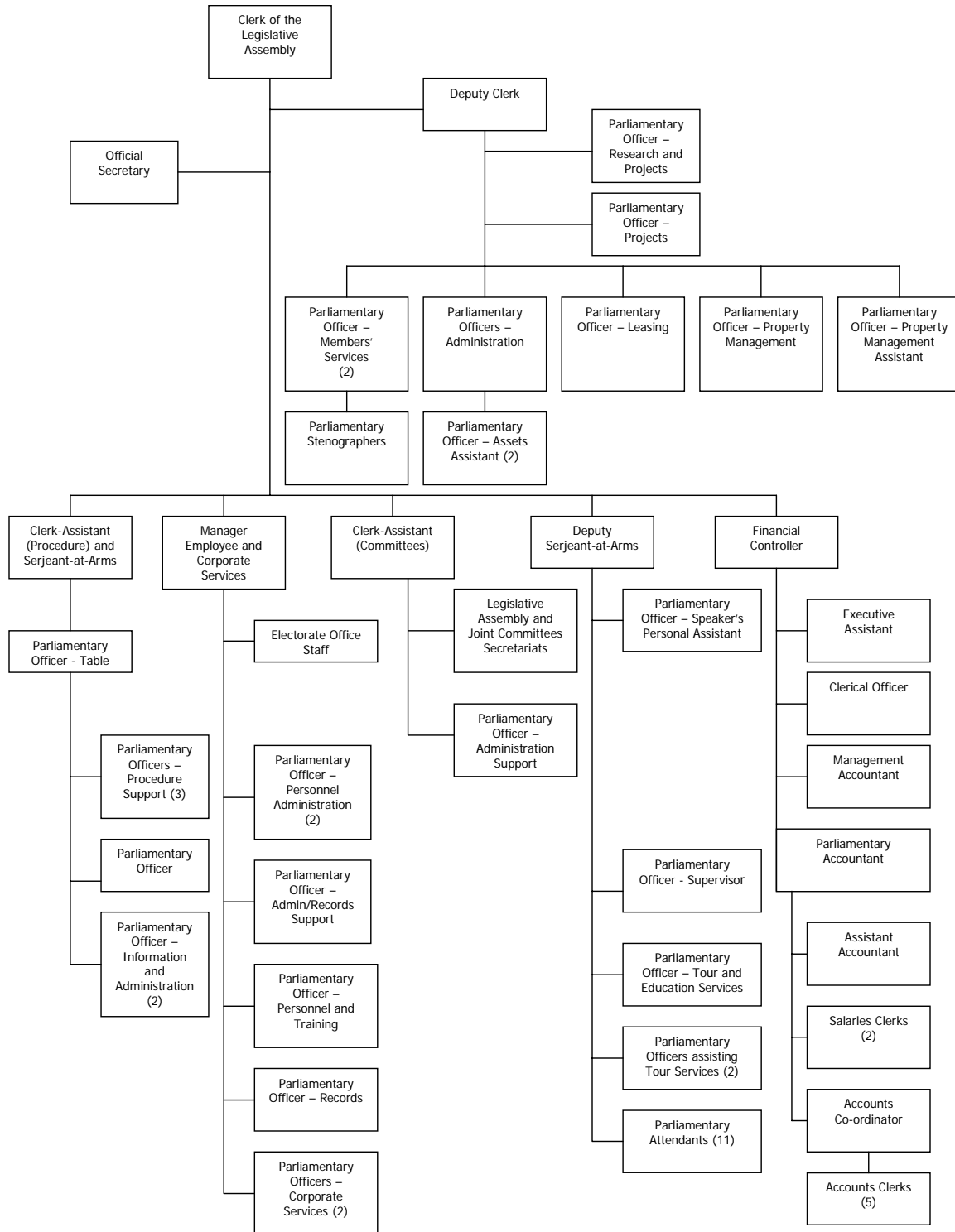
Senior Staff, 30 June 2006

	Roles/Areas Managed
Russell Grove, BA, PSM Clerk of the Legislative Assembly	Clerk of the House Chief Executive Officer
Mark Swinson, BA, BLegS Deputy Clerk	Office of the Clerk Members' Services Clerk-at-the-Table Standing Orders and Procedure Committee
Leslie Gönye, MA Clerk-Assistant (Committees)	Committee Office Committee Secretariats Clerk-at-the-Table
Ronda Miller, BA, Dip Lib, BLegS, MBT Clerk-Assistant (Procedure) and Serjeant-at-Arms	Procedure Office Parliamentary Privilege and Ethics Committee Serjeant-at-Arms Clerk-at-the-Table
Elaine Schofield, BEc, Grad Dip Employment Relations Manager, Employee and Corporate Services	Human Resources/Industrial Relations Electorate Office Staff Corporate Services
Gregory McGill, FCPA Financial Controller	Finance and Accounts Risk Management and Internal Audit Administration of Members' Entitlements
Gregory Kelly Deputy Serjeant-at-Arms	Chamber and Support Services Education and Tours

Management

Legislative Assembly Organisation Chart

Legislative Assembly Organisation chart, 30 June 2006



Management/Corporate Governance

DESCRIPTION

Parliament as a Whole

The Parliament's management systems are based around:

- (1) The Heads of Departments and Sections (HODS) meetings;
- (2) A 1974 memorandum signed by the then Presiding Officers whereby each House Department has been conferred administrative (including personnel) responsibility for certain Joint Services [referred to as the 'channels of communication' arrangement];
- (3) The continuation of a co-operative working relationship with the Legislative Council, including the formation and functioning of the Clerks' Reference Group; and
- (4) A structured internal and external audit process.

Legislative Assembly

The Legislative Assembly's management systems are based around:

- (1) Communication to the Assembly managers and staff of the matters discussed at the Heads of Departments and Sections (HODS) meetings and at Reference Group meetings and of other matters of a corporate nature at the monthly managers' meetings and the subsequent office staff meetings; and
- (2) Full and active participation in working groups/meetings in respect of Parliament whole matters or departmental matters.

PERFORMANCE

Factors Affecting the Delivery of Good Management and Corporate Governance to the Parliament

Accommodation in Parliament House

Lack of sufficient accommodation in the Parliament building continues to cause problems in regard to service delivery. In the Legislative Assembly, parliamentary committee secretariats are required to be housed outside the building in leased accommodation, which is unsuitable from a management perspective and Members' Services staff continue to be located in two different parts of the department, which can sometimes result in communication difficulties.

Management

Knowledge Management

In March 2006 Standards Australia released a world first national knowledge management standard (AS 5037-2005 Knowledge Management - A Guide) which has practical application in all organisations for, *inter alia*:

- Fostering innovation;
- Connecting the organisation both internally and with its stakeholders;
- Managing risks;
- Leveraging new technologies;
- Growing social networks;
- Improving the flow of information around an organisation; and
- Building new capabilities.

The Legislative Assembly is convinced that corporate knowledge, particularly in this organisation which is knowledge dependant, should be considered as one of the key drivers to managing a successful organisation. To this end, the Department has had an information policy for some 10 years. Throughout 2005/06, the Department pursued an objective of introducing knowledge management into Parliament House. Unfortunately the vehicle chosen through which to pursue this objective across the organisation was not accepted by the Legislative Council. However, the Reference Group as part of its corporate reform agenda will be exploring the potential of knowledge management initiatives in 2006/07 .

Business Continuity Planning (BCP)

After the internal audit review in March 2004 a working party was established to create a BCP for the Parliament's core activity, the sittings of the Houses. This plan was completed and submitted to the Premier's Department within the required timeframe. The next step will be extending the plan down to the Department/Section level.

The plan did not proceed in as expeditious a manner as hoped due to a lack of staff resources to assign to the project.

Despite the internal audit recommendation, the Parliament still does not have a defined budget for the full introduction of BCP.

In addition, the Parliament does not have a separate formal IT business continuity plan as yet.

Internal Audit

Internal audit services for the Legislative Assembly and the Parliament as a whole are provided under a contract arrangement by Deloitte Touche Tohmatsu, which is due to expire in May 2007. Audits undertaken during the year were based on the Internal Audit Plan developed following the business risk assessment undertaken in 2000/01 and later updated in 2002/03. This audit plan was approved by the Parliament's Internal Audit Committee, which also approves the terms of reference for each individual audit.

Audits undertaken during the reporting year comprised:

- Members of Parliament and Staff Payrolls;
- Internal Audit Controls Processes in Food and Beverage Services;
- FBT, GST, PAYG Withholding and Payroll Tax and Related Processes Audit;
- Heritage Assets and Asset Management Follow Up; and
- Systems Supporting Members' of Parliament Offices.

Apart from undertaking the abovementioned audits, Deloitte's also undertook a Strategic Risk Assessment at the request of the Parliament's Audit Committee, which has been used to formulate the Internal Audit Program for the subsequent three year period. This new program covers the following major areas:

- Financial;
- Operational; and
- Strategic.

Heads of Departments and Sections (HODS) Meetings

There were 11 Heads of Departments and Sections (HODS) meetings held during the year. The Clerk attended each meeting and the Deputy Clerk and the Financial Controller were each absent from two.

In accordance with the recommendations of the internal auditors in the 2004 Deloitte Report on Corporate Governance (*Review of Corporate Planning and Governance*), the management meetings were slightly revamped in order to place a greater emphasis on governance issues. Discussion of governance issues are now a permanent item on the agenda, along with occupational health and safety. In addition, both House Department corporate services managers now attend each meeting.

Management

By way of example, some of the governance issues discussed during the year at the HODS meetings were: a proposition for a new monthly reporting format (this galvanised into an idea to develop separate online operational reports and strategic management reports for Departments and Sections (yet to be put in place); the strategic management framework project; the IT business continuity plan; the Results and Services and Total Asset Management Plans; the Accounting Policies and Procedures Manual; the Significant Audit Issues Register; asset management; the Risk Management Assessment; the sustainability of the Parliament's water and energy savings program; food and beverage service changes; the transfer of Joint Services personnel staff to the House departments; front of house security arrangements; Internet tokens; the Parliament's Asset Acquisition Program and the memorandum of understanding with the Department of Commerce concerning the Recurrent Expenditure Public Buildings (REPB) program.

Performance Management - Joint Services Managers

Despite agreement with the Legislative Council for the implementation of a common performance management system for joint service managers, this was not achieved during the reporting period. Instead, at the end of the year, the Clerks met with each of the joint service managers to discuss plans and activities for 2006/07. These will be collated as the Joint Services Strategic Plan.

Results and Services Plan

The Parliament's Results and Services Plan for 2005/06 was submitted to Treasury with updated financial information, by the required date.

Next year the focus will be on emerging and strategic issues, management and organisational capabilities and performance measures for the organisation's outputs.

Revision of the Parliament's Corporate Goals

A revision of the Parliament's Corporate Goals was completed as part of the development of the Results and Services Plan for 2005/06. The new corporate goals are reported on page 10 of this report.

Insurance

The Parliament's insurance cover is provided by the NSW Treasury Managed Fund, which was established in 1989. During the year a new contract was awarded by the Government for management of the various insurance categories by different insurance providers resulting in the Parliament's workers' compensation claims being managed by Allianz, whilst the other insurance categories continued to be managed by GIO Australia.

The Parliament and the Legislative Assembly's main insurance exposure is workers' compensation, with 38 claims being lodged by parliamentary employees during the reporting period, compared with 33 claims in 2004/05. The average cost of these claims was \$9,986, a substantial increase on last financial year's average of \$3,873 per claim.

Of the 38 claims lodged, 13 related to Legislative Assembly employees at an average cost per claim of \$17,063. Six of those 13 claims involved members' electorate office staff having a combined estimated claims cost of \$164,905 (\$27,484 per claim). A further analysis of the 13 Legislative Assembly claims received reveals that 6 were stress/work related whilst the remaining claims were the result of physical injuries through body stressing, falls or slips including accidents to or from their place of work.

Property insurance claims declined for the second consecutive year with 18 claims made by the Parliament during the reporting year, compared with 25 claims in 2004/05. The average cost per claim also decreased from \$4,817 to \$901. The Legislative Assembly was responsible for 15 of the claims lodged, of which 13 claims involved malicious damage or graffiti attacks to members' electorate offices. The average costs of these 15 Legislative Assembly claims was \$974, which compares favourably with both the 20 claims lodged in 2004/05 and the \$2,113 average cost per claim.

For the other three categories of insurance, no liability claims were received by the Parliament for the third successive year. In addition, no miscellaneous insurance claims were received (there were 4 in 2004/05). One minor motor vehicle accident claim was, however, lodged during the year, the cost of which has been recovered from the other party, resulting in a net cost incurred of \$326.

Development of a Financial Management Strategy

As part of the development of the Parliament's Strategic Management Framework, work commenced in August 2005 to develop a financial planning framework for the Parliament through the auspices of the Clerks' Reference Group.

As part of this strategy:

- An activity based costing activity is planned for 2006/07 to focus on the costs of the Parliament's services and to integrate these results, if possible, into the Parliament's Results and Services Plan;
- The Parliament's base budget review submission to the Treasurer would be revised; and
- Treasury officers would be more closely consulted in regard to the Parliament's budget formulation process.

Management

Oversight of the Parliament's Printing Section

The Parliament's Printing Section is now jointly managed by both Houses, represented by the Clerk-Assistant (Procedure) and Serjeant-at-Arms and the Usher of the Black Rod respectively.

This arrangement was put in place following the resignation of the Business Unit Supervisor and the downsizing of the Section, which was principally brought about by the introduction of the LSA for members which allowed them to source printing from external providers.

IMPROVING PERFORMANCE

Review of Corporate Planning and Governance

One of the more significant internal audit reports was received from the Parliament's internal auditors Deloitte Touche Tohmatsu in February/March 2004 and was entitled 'Review of Corporate Planning and Governance'. This report made a number of significant findings and recommendations that were pursued by the Reference Group in 2005/06.

In summary, the findings and recommendations were:

- The corporate planning and reporting procedures that were in place in both the Legislative Council and the Legislative Assembly were described as 'basic';
- Although a process had been put in place, work plans were not being completed by all joint service managers and the plans that had been submitted were not published in a standard format;
- None of the work plans (including those of the House departments) contained operational performance measures or financial targets;
- The joint service work plans had not been formally received nor approved;
- There were deficiencies in the way the monthly management meetings of the departments and sections at Parliament House were conducted;
- In relation to the joint services managers, there was no formal performance management process in place;
- Financial reporting was inadequate; and
- There were no linkages in the monthly reporting to annual asset acquisitions.

Deloitte, whilst recognising the unusual nature of the administration of the Parliament because of its dual management structure and the organisation's need to respond to unplanned events and opportunities, identified a number of significant risks to the operation of the Parliament in not having a fully integrated and closely monitored system in place to support effective governance.

In response to this report, there were a number of management actions commenced:

- Joint services managers began preparing interim work plans;
- At Parliamentary Management Meetings, changes to the meeting format were discussed. Our organisational goals were reviewed as well as the need for key performance indicators to be developed to link the monthly reports, and actions within other planning documents, to these organisational goals. Implicit in this review was a need to facilitate a corporate view of the Parliament's strategic direction and anticipate emerging issues and actions;
- An agreement was reached with the Legislative Council to introduce a performance management system for the joint services;
- The Legislative Assembly reviewed its monthly reporting format;
- There was renewed focus on managers being able to access information from the financial management system; and
- Capital works will be reported on by the managers as part of the monthly reporting process.

Automated Corporate Management and Reporting System

In April 2005, the Clerks approved a proposal from an external provider for the design and implementation of an automated corporate management and reporting system for the Parliament. Later, the Clerks also approved a consultancy to develop a strategic management framework for the Parliament based on a balanced scorecard approach.

During 2005/06, several workshops were conducted with managers and a number of deliverables were produced, including:

- A proposed reporting structure for the organisation;
- Three key strategic directions (called an organisational snapshot);
- The development of strategy maps, which focussed on the areas of governance, capability, activities and outcomes at both corporate and service group levels; and

Management

- A reporting and balanced scorecard framework was developed that involved work on performance measures, actions, a rating scale for key improvements not easily measured, a decision making rating scale and triage process and strategy led reporting frameworks.

In June 2006 a decision was made to discontinue this balanced scorecard strategy maps approach and to build on the results achieved by commencing a more direct approach through:

- A greater focus on strategic plans and reporting through, initially, a program of one on one regular strategic meetings with the heads of joint services. This was seen as being the principal method of developing a strategic directions for each of the joint services and for the Parliament as a whole;
- An activity based costing exercise to link priorities of services and expenditure; and
- Formally constituting the Clerks' Reference Group to pursue corporate activities and reform.

At the same time it was agreed to develop an online reporting process in-house rather than take up the consultant's software.

Proposal to Restructure the Management of Parliament House

In September 2005, the Clerk, by memorandum to the Clerk of the Legislative Council, proposed that the management of the Parliament be reorganised as follows:

- Creation of an Executive for the Parliament which would be constituted by the Clerks, the Deputy Clerks and the Financial Controller. This group would set the strategic direction for the Parliament as a whole and report to the Presiding Officers on joint matters.
- The amalgamation of the Parliamentary Joint Services into two divisions - a Facilities Management Division (Food and Beverage Services, Building Services, Security, and Printing) and an Information Management Division (the Library, Hansard, Archives, ITS and Education and Community Services).
- The management of these divisions to be undertaken by the Deputy Clerks.
- There would be a monthly strategic report made to the HODS meetings by each division, by each House Department and by the Executive. Operational reports would be available online.

This proposal has not been formally responded to by the Legislative Council.

TARGETS 2006/07

Reference Group

The target for 2006/07 is to deliver, through the Reference Group, the strategic management and other corporate reforms recommended in the Deloitte report and elsewhere.

The Reference Group will:

- Examine the concept of continuous business improvement planning;
- Complete the Results and Services Plan for 2006/07. The 2006/07 Plan will feature better performance measurement indicators and a revised emphasis on community outcomes;
- Develop an IT business continuity plan in conjunction with the IT Manager; and
- Implement a strategic management calendar.

Heads of Departments and Sections (HODS) Meetings

It is intended to restructure the way the Heads of Departments and Sections (HODS) meetings are conducted in 2006/07. With the introduction of online monthly reporting, the discussion at the HODS meetings will principally revolve around monthly reports on the strategic issues identified by managers and the Clerks. These issues had their genesis in the strategic discussions conducted with each joint services manager by the Clerks at the end of 2006/07.

Accommodation in Parliament House

The Reference Group will be looking at the problem of accommodation across the whole of the building in 2006/07, with a view to the best utilisation of the 'premium' space that is available for service delivery.

Management

Management Committees

The Clerks' Reference Group

During 2005/06 an informal group, representing both Houses, met to pursue corporate reform projects on behalf of the Clerks. During this period, the group managed projects for the completion of the Parliament's first Results and Services Plan, Total Asset Management Plan and Strategic Asset Management Plan and ICT Plan. In addition, the group reviewed the Parliament's progress in addressing the significant recommendations made through the internal and external audit processes. This group has now been formally constituted with specifically designated tasks.

Audit Committee

Ms Helen Bauer, a private business consultant with extensive public sector experience, independently chaired the Parliament's Audit Committee. Other members of the Committee are the Clerk of the Legislative Assembly and the Clerk of the Parliaments. Internal and external audit representatives, together with the Financial Controller are invited to attend each meeting as observers. The Committee met on 3 occasions during the reporting year.

The primary objectives of the Audit Committee are listed below.

- a) Provide assurance to the Presiding Officers of the Parliament, as to the adequacy of -
 - financial reporting practices,
 - business ethics, policies and practices, and
 - accounting policies and financial controls.
- b) Establish an effective forum for communication between the Clerks of each House (CEOs), Independent Chairperson, senior management and both the internal and external auditors.
- c) Ensure the integrity of the internal audit function.

Ms Bauer having served as a member of the Audit Committee since 2000 and as Independent Chairperson since December 2002 resigned her membership on 30 June 2006. During her 6 year term, Ms Bauer was instrumental in directing the Committee's activities including development of the Committee's terms of reference, risk management assessments, together with assessing and following up on management's implementation of the various audit recommendations. Her knowledge and advice was highly valued by the Committee and the Parliament during this 6 year period.

Mr Jim Mitchell, a private business consultant and former Assistant Auditor General, has been appointed by the Presiding Officers as the replacement Independent Audit Committee Chairperson.

Security Committee

The Security Committee continued to operate during the reporting period. The Committee is reviewing security policy and risk assessment proposals, as well as examining equipment purchases.

Risk Management and Fraud Control

Following on from the initial business risk assessment undertaken in 2001, the Audit Committee directed that the Parliament's contracted internal auditors, Deloitte Touche Tohmatsu, undertake a new risk assessment. This risk assessment was completed in May 2006 following workshops held with senior parliamentary managers to assess the likelihood and consequences associated with those inherent risks. These workshops were also used to assess controls and capacity in place to manage these risks now and the extent to which they reduce the residual risk.

A comparison with the risk assessment undertaken in 2001 by KPMG, revealed similar risk exposures although a number of risk ratings have changed, reflecting action taken since 2001 to mitigate these risks. Some other identified risks however showed increased exposure that require management's attention.

The Parliament's internal audit plan is currently being updated to reflect this latest business risk assessment. This updated audit plan is to be considered by the Audit committee at its first meeting in 2006/07.

In the next reporting period, work on introducing the 2005 TMF Guide to Risk Management using the RCCC (risk, control, capability, culture) approach across the organisation and the accompanying self assessment tools will commence.

There will be renewed focus on a management systems approach to risk and fraud management.

Management

Staff

Establishment

The Legislative Assembly employs a full time equivalent staff of 90 at Parliament House and 194 in the 94 electorate offices. The organisation structure diagram at page 52 of this report details the positions by office.

The EEO statistics presented in Appendix G (page 111) show the Legislative Assembly Department, Electorate Officers and the whole of Parliament (FTE) as comparisons.

Likewise, the occupational health and safety statistics are for the whole Parliament, including the electorate offices, and are reported on pages 68 and 69 of this report.

Policies

A number of policies were developed or reviewed through the year, including:

- Anti-bullying policy (with the Legislative Council) not completed by end of year;
- Exit interviews and survey;
- Work experience guidelines; and
- Review of flexible working policy (working from home).

Human Resources Performance Indicators

The Legislative Assembly does not currently undertake staff climate surveys, however, the proxies used in the table below are unplanned absenteeism (sick leave and personal carer's leave) and staff turnover.

This series of data will be developed, although they are lagged indicators and some caution should be used as shifts in average figures can be caused by one-off significant events.

The stability rate (the number of staff employed at the beginning and end of the year) was 89.18% in 2005 compared to the public sector average of 92%

The staff turnover rate was 16% compared to a public sector average of 15% in 2005.

The average sick leave (hours) per FTE was also above the public sector average in 2005. Although slight improvements in sick leave taken occurred amongst electorate office staff (down by 6 hours per FTE) there was an increase in the Legislative Assembly generally (up by 10.7 hours per FTE).

Table - Human Resources Performance Indicators

	2002	2003	2004	2005	2006
Training and Development					
Full-time equivalent staff [FTE] <i>average over period</i>	273	278	271	273	284
Training Expenditure					
Gross	\$75,884	\$56,162	\$58,528	\$69,855	\$60,535
Per FTE	\$278	\$202	\$216	\$256	\$213
Participants in centrally funded executive development programs based on year of beginning programs					
Executive Masters of Public Administration			1	0	1
Graduate Diploma of Public Administration			1	1	1
Executive Development Program			1	0	1
Staff Participating in Tertiary Approved Courses of Study					
Electorate Offices	6	4	3	5	7
LA Staff	3	3	5	3	5
Turnover and Absenteeism					
Retention Rates	2002	2003	2004	2005	2006
(A discontinuous series following review of workforce profile reporting across the Parliament)					
Stability Rates (percentage of people employed within same agency at end of year)		83.6%	87.67%	89.18%	
Stability Rates – public sector			92%	91.65%	
Turnover Rates (non-casual staff)					
LA – includes Electorate Office Staff		19.33%	14.29%	16%	17%
LA – excludes Electorate Office Staff			n/a	15%	14%
NSW Parliament			n/a	16%	15%
Public Sector Average			n/a	15%	
Unplanned Absences					
Average Hours sick leave FTE – LA	52.1	65.9	70.2	65.5	76.2
Average Hours sick leave FTE – Eos	43.75	43.7	48.9	56.3	49.7
Average Hours sick leave FTE – NSW Public Sector			56.48	58.6	
WorkForce profile Sick Leave Rate – LA including Electorate Officers			25.93	29.83	
WorkForce profile Sick Leave Rate – Public Sector			29.4	28.21	

Sick leave rate is hours of sick leave per 1000 hours worked.

Management

Staff Development

Training and Development

Electorate office training is reported under 'Services to Members' on page 39 of this report.

Ethics Seminar

Last year the Presiding Officers approved a new code of Conduct for parliamentary staff. During the current period, the implementation of the new code led to the development of an in-house seminar on the Code and ethics. Legislative Assembly Employee Services staff led the development of this seminar which covered the provisions of the new code, ethical decision making and protected disclosures. The sessions will be progressively completed for all staff in the next reporting period and the seminar will form one module in our induction program for parliamentary staff.

Induction

In a combined project with the Legislative Council, the Legislative Assembly developed a joint induction program for all parliamentary staff (excluding electorate officers who have a separate program).

The pilot was conducted in June 2006 with positive feedback and evaluations. This program will allow more systematic induction training for all employees as well as department and section specific information to new employees.

The Legislative Assembly does not have a dedicated training and development unit. Most training is accessed through external public courses. The number of training days per employee is not captured, however, the training expenditure per full time equivalent staff (FTE) in 2006 was \$213 down from \$256 in 2005.

Industrial Relations

Salary Movements

The Crown Employees (Public Sector - Salaries, 2004) Award granted a 4% salary increase on 1 July 2005 to most staff of the Legislative Assembly. Senior Parliamentary Officers' salaries were also increased by 4% from 1 July 2005.

The Parliamentary Reporting Staff Salaries Award provides for 16% salary increases from 2004 to 2007 in line with the public sector award above. The award increased salaries of the Hansard reporting staff by 4% from 1 July 2005.

The Statutory and Other Offices Remuneration Tribunal Determination of 1 October 2005 increased the salary of the Clerk of the Legislative Assembly and the Deputy Clerk of the Legislative Assembly by 11.2 % from 1 October 2005.

Equal Employment Opportunity

The Legislative Assembly has 90 positions and the Electorate Offices (Members Program) 194 positions. The statistics are heavily weighted by the electorate officers in the range of salary \$42,000 to \$68,000. Electorate officers are nominated personal appointments by members. The report also includes positions from the Parliamentary Library, Security Services, Printing Services, Reporting Services, Education and Community Relations and Archives Sections which are administratively supported by the Legislative Assembly.

Weighted Estimate Statistics for the Year Ended 2006 - EEO Target Groups

Benchmarks 2006

Representation	Legislative Assembly (excl Joint Depts)	Parliament (LA, LC & Joint Depts)	Benchmark or Govt Target
Women	75%	64%	50%
Aboriginal People & Torres Strait Islanders	1.2%	2.8%	2%
People Whose Language First Spoken as a Child was not English	10%	16%	20%
People with a Disability	4%	6%	12%
People with a Disability Requiring Work -related Adjustment	0.5%	1.0%	7%

Management

Occupational Health and Safety

Strategic Plan 2005/06

As part of the Strategic Plan for 2005/06, the Parliament will implement the internal audit recommendations relating to OHS and review the register of injuries. A risk assessment policy for OHS was also drafted in May.

Occupational Health and Safety Report 2005/06

Injuries by Department/Section	2005/06	2004/05	2003/04	2002/03
Archives	2	0	3	1
Education & Community Relations	0	0	0	1
Information & Technology	2	1	1	3
Building Services	38	23	39	47
Library	3	9	4	13
Legislative Council	10	9	0	6
Food & Beverage	12	14	7	7
Legislative Assembly (including Accounts)	24	18	11	8
Electorate offices	13	11	7	4
Security	6	6	5	2
Hansard	3	5	1	1
Visitors / Ministerial etc	3	6	4	0
Total	116	103	83	93

The Legislature - Occupational Health and Safety - Injuries

Type of Injury	2005/06	2004/05	2003/04	2002/03	2001/02
Slips/trips/fall	32	30	23	27	33
Contact with objects	18	18	16	19	27
Lifting / pushing	15	20	25	29	21
Repetitive strain injury	9	9	3	4	4
Work-related stress	9	6	1	0	2
Eye injury	2	1	0	4	3
Exacerbation to existing illness*	4				
Vehicle accident*	4				
Muscular strain*	4				
Exposure to chemical substance/allergens*	6				
Other	6	16	12	10	12
Near misses	7	3	3		
Total	116	103	83	93	102
Compensation injuries	36	39	30	23	31
Place of injury					
Parliament House	73	61	58	65	63
Electorate offices	9	11	7	4	9
At other worksites	9	3	2	2	4
Total work place injuries	91	75	67	71	76
Pedestrian travel to/from work	13	22	11	18	18
Railway travelling to/from work	6	4	3	4	
Driving accidents to/from work	6	2			4
Total journey injuries	25	28	14	22	22
* Indicates a discontinuous series as further breakdown of categories begin					

Management

Assets

Asset Acquisitions

During the reporting year, the Legislative Assembly undertook a number of asset acquisition projects, resulting in the following expenditure being incurred.

• Fit-out of Legislative Assembly electorate offices	\$633,000
• I T infrastructure and communications upgrade (L A share of cost)	\$318,000
• Completion of the Assembly Chamber audio system upgrade (total cost \$292,000)	\$86,000
• Fit-out of the Legislative Assembly Procedure Office	\$51,000
• Replacement of other minor office equipment items	\$46,000
	\$1,134,000

Other asset acquisition expenditure incurred during the year impacting on the Legislative Assembly's operating was undertaken by the Parliament's Joint Services and comprised -

• Upgrading the Parliament's IT communications and network infrastructure	\$131,000
• Replacement of the Parliament House building water storage tanks	\$648,000
• Replacement of building security scanning equipment	\$198,000
• Purchase of artworks	\$27,000
• Replacement of microfilm reader in the Parliamentary Library	\$8,000
• Oracle licence upgrade for the Library	\$15,000
• Other minor works	\$56,000
	\$1,083,000

Stocktake of Legislative Assembly Assets

During the reporting period, and, for the first time, a Members' Services staff member visited each electorate office to undertake a physical stocktake of assets, take photographs of the office for our records and check on a variety of issues such as the location of cleaning registers.

At the same time an extensive review was also undertaken of the Asset Register and it is estimated that some 564 entries were reviewed and updated.

Purchasing

Review of Procurement Procedures

In September 2003, an external consultant was engaged to review procurement procedures within Parliament House, following advice by NSW Treasury of the need to complete a procurement survey and an annual procurement plan.

One of the major recommendations was for the Parliament to combine purchasing, asset management and stores into a single support unit. During the year, this recommendation was discussed between the Acting Manager, Building Services and the Clerk's Reference Group.

The Reference Group is currently considering the proposal in consultation with relevant stakeholders.

Consultants

Legislative Assembly Operations

Management planning and reporting project (\$16,500).

SAP payroll system consulting (\$2,500).

Committees

Public Accounts Committee - Triennial peer review of the Audit Office
Masters le Mesurier NSW Pty Ltd (\$151,632).

Legislation Review Committee - 18 consultancies at a total cost of \$16,781.

Other Committees

There were 5 consultancies at a total cost of \$52,664.

Appendix A

Procedural Statistics

	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Sitting Days	55	64	69	65	54	48
Total Sitting Hours	510.36	549.05	431.8	531.12	454.9	428.6
Average Hours Per Sitting	10.4	8.57	6.25	8.17	8.42	8.92
Entries in Votes	1372	1414	1407	1460	1177	1246
Divisions In House	122	87	55	148	118	137
Divisions in Committee	13	8	29	21	27	3
Questions on Notice	1412	1137	1087	2054	1909	2040***
Questions on Notice (Ans)	1449	1338	1087	1984	1940	1377
Questions Without Notice	496	530	460	520	470	452
Petitions	1482	1223	801	1836	1882	1551
Bills Introduced	124	141	120	134	114	127
Bills Passed	105	115	91	128	112	111
Bills Lapsed/Disposed of	5	17	34	6	5	31****
Committees	13*	14*	15*	14*	14*	14*
Committee Reports Tabled	38	44	54	38**	55**	52**
Committee Meetings	144	148	91	154	132	113
Committee Hearings	55	61	35	58	40	45
Committee Witnesses	511	432	236	218	217	280

* Figure includes the Standing Orders and Procedure Committee but not the Library Committee and the House Committee.

** Figure includes 16 Legislation Review Digests.

*** Figure includes 200 Questions on Notice resubmitted in the new Parliament.

**** Figure includes: 6 Bills negated;
1 Bill not proceeded with (*Law of Evidence Bill 2006*); and
24 Bills lapsed on prorogation.

Committee Representation

The Legislative Assembly was represented on a number of committees and other bodies, as noted elsewhere in this report.

Individual Committee Operations

COMMITTEE ON CHILDREN AND YOUNG PEOPLE

Members: Mrs Barbara Perry MP (Chairman); the Hon. Jan Burnswoods MLC (Vice-Chairman); Mr John Bartlett MP; Mr Stephen Cansdell MP; Mr Barry Collier MP (until 18 October 2005); Mr Michael Daley MP (from 18 October 2005); Mrs Judy Hopwood MP; Ms Virginia Judge MP; the Hon. Tony Catanzariti MLC (until 5 April 2006); the Hon. Kayee Griffin MLC; the Hon. Sylvia Hale MLC; the Hon. Melinda Pavey MLC; the Hon. Penny Sharpe MLC (from 5 April 2006).

Secretariat: Ms Helen Minnican (Committee Manager); Ms Pru Sheaves (Senior Committee Officer); Ms Hilary Parker (Committee Officer); Ms Kylie Rudd (Assistant Committee Officer until July 2005); Ms Lluwannee George (Assistant Committee Officer November 2005 to January 2006); Ms Jenny North (Assistant Committee Officer from February 2006).

Reports and Highlights

The committee tabled two reports on 29 March 2006:

- *Review of the 2004-2005 Annual Report of the NSW Commission for Children and Young People;* and
- *Review of the 2004 Annual Report of the Child Death Review Team Report.*

Public hearings for both reviews were held on 22 November 2005.

On 29 March 2006 the committee published three issues papers for its ongoing Inquiry into Children, Young People and the Built Environment: *Introduction and Overview*; *The Child-Friendly Cities Movement*; and *Related Developments in New South Wales*.

Public hearings were held for the Built Environment inquiry on 9 and 16 May and 13 June 2006.

Visits

As part of the committee's Built Environment inquiry, on Wednesday 5 October 2005 Mrs Barbara Perry MP, Committee Chair, and the Hon. Sylvia Hale MLC, Committee Member, attended a forum in Parramatta on improving accessibility transport and social sustainability.

Appendix B

The Committee Chair also attended 'Future Shock', a conference conducted by 2050 (the young professionals group of the Planning Institute of Australia) in Brisbane on 25 and 26 November 2005 and made a number of site visits in Brisbane, together with committee members Mr John Bartlett MP, Mrs Judy Hopwood MP, the Hon. Kayee Griffin MLC, the Hon. Sylvia Hale MLC, the Committee Manager, Ms Helen Minnican, and consultant to the Committee, Mr Garner Clancy.

Further site visits to Miller, Bonnyrigg and Minto in Western Sydney took place on 15 May 2006 and were attended by the Hon. Jan Burnswoods MLC, Committee Vice Chairman; committee members the Hon. Sylvia Hale MLC, the Hon. Penny Sharpe MLC, Mr John Bartlett MP, Mr Stephen Cansdell MP and Ms Virginia Judge MP; committee Secretariat staff Ms Helen Minnican, Ms Pru Sheaves and Ms Jennifer North; and consultant to the Committee, Mr Garner Clancy.

Activities 2005/06

Reports	2
Meetings	6
Public Hearings	6
Private Hearings	0
Witnesses	27

JOINT STANDING COMMITTEE ON ELECTORAL MATTERS

Members: Ms Marianne Saliba MP (Chairman); the Hon. Dr Arthur Chesterfield MLC; the Hon. Amanda Fazio MLC (discharged 6 June 2006); the Hon. Jenny Gardiner MLC; the Hon. Don Harwin MLC; the Hon. Penny Sharpe MLC (appointed 6 June 2006); Mr Geoff Corrigan MP (discharged 5 April 2006); Mr Michael Daley MP (appointed 5 April 2006); Mr Paul Pearce MP.

Secretariat: Mr Leslie Gönye (Committee Manager); Ms Stephanie Hesford (Senior Committee Officer); Ms Cassandra Adams (Assistant Committee Officer to December 2005).

Reports and Highlights

Report into the Administration of the 2003 Election and Related Matters

The committee was established on 1 September 2004 with its first reference, given by the Houses, to inquire into and report upon certain matters relating to the administration into the 2003 state election. The committee was given a deadline to report within 12 months of its establishment. The report was tabled on 15 September 2005.

The terms of reference provided the committee with an opportunity to range over a number of issues on electoral administration, procedures and legislation.

The committee made a number of recommendations in relation to the method used to count and transfer surplus votes for the Legislative Council and to improve the service provided by the State Electoral Office. Another significant aspect of the inquiry related to the computer problem that was experienced by the SEO when the votes for the Legislative Council were being counted. It was found that the problems encountered stemmed from a lack of appropriate risk management. These problems have been addressed by the State Electoral Office.

Voter Enrolment

In May 2006 the committee received a reference from the Premier into aspects of voter enrolment. The committee had commenced the inquiry with hearings scheduled for July 2006.

Visits

Report of a Study Tour of International Jurisdictions

A delegation of the committee undertook an overseas study tour in July 2005 in relation to the committee's inquiry into the administration of the 2003 election and related matters. The delegation met with electoral and political officials and academics in Malta, Ireland and New York. The report was tabled on 10 November 2005.

Activities 2005/06

Reports	2
Meetings	5
Public Hearings	0
Private Hearings	0
Witnesses	0

COMMITTEE ON THE HEALTH CARE COMPLAINTS COMMISSION

Members: Mr Jeff Hunter MP (Chairman); Ms Tanya Gadiel MP; Mr Allan Shearan MP; Mr Russell Turner MP; the Hon. David Clarke MLC; the Hon. Christine Robertson MLC; the Hon. Dr Peter Wong MLC.

Secretariat: Ms Catherine Watson (Committee Manager); Ms Samantha Ngui (Senior Committee Officer); Ms Belinda Groves (Committee Officer); Ms Glendora Magno (Assistant Committee Officer).

Appendix B

Reports and Highlights

The Committee finalised the following reports in 2005/06:

- Handling of Health Complaints in Other Jurisdictions, tabled October 2005;
- Report into Traditional Chinese Medicine, tabled November 2005;
- Comparison of Various Models of the Regulation of the Traditional Chinese Medicine Aug-Sept 2005, tabled November 2005; and
- 11th Meeting on the Annual Report of the Health Care Complaints Commission, tabled June 2006.

The committee also is continuing its inquiry into the Review of Unregistered Health Practitioners and the Adequacy of Internal Complaint Handling Systems and Other Methods to Measure Consumer Satisfaction in Relation to Practices and Clinics Outside the Hospital System.

Activities 2005/06

Reports	4
Meetings/briefings	11
Public Hearings	3
Private Hearings	0
Witnesses	23

COMMITTEE ON THE INDEPENDENT COMMISSION AGAINST CORRUPTION

Members: the Hon. Kim Yeadon MP (Chairman); the Hon. Peter Primrose MLC (Vice Chairman); the Hon. Jennifer Gardiner MLC; Ms Kristina Keneally MP; Mr Malcolm Kerr MP (appointed 28 March 2006); Mr John Mills MP; the Hon. Rev. Fred Nile MLC; Mr Paul Pearce MP; Mr John Price MP; Mr Anthony Roberts MP; Mr Andrew Tink MP (discharged 28 March 2006); Mr John Turner MP.

Secretariat: Mr Ian Faulks (Senior Manager); Mr Jim Jefferis (Senior Committee Officer, to 3 January 2006); Mr Bjarne Nordin (Senior Committee Officer, from 30 January 2006); Ms Annette Phelps (Committee Officer, from 29 November 2005); Ms Millie Yeoh (Assistant Committee Officer); Ms Ashika Cyril (Assistant Committee Officer, until 3 October 2005).

Reports and Highlights

The ICAC committee exercised its functions under the *Independent Commission Against Corruption Act 1988* regarding the Independent Commission Against Corruption and the Office of the Inspector of the Independent Commission Against Corruption, including: the monitoring and review of the exercise of the Commission's and Inspector's functions; the examination of the reports of the Commission and of the Inspector; and the examination of trends and changes in corrupt conduct, and practices and methods relating to corrupt conduct.

The work of the ICAC committee included:

- Regular reviews of the work of the Inspector of the Independent Commission Against Corruption;
- The conduct of an examination of the 2003-2004 annual report of the Independent Commission Against Corruption;
- Hosting the 2nd national conference of Parliamentary committees overseeing anti-corruption and crime agencies, 22-23 February 2006; and
- A review of the *Protected Disclosures Act 1994*, following a joint resolution of the Houses of Parliament.

During 2005/06, the ICAC committee noted the release of three investigative reports and three other reports of the Independent Commission Against Corruption, as well as the Commission's annual report for 2004/05. The committee also noted a report to the Minister for Local Government concerning Burwood Council.

The ICAC committee tabled four reports in 2005/06, including an examination of the 2003/04 annual report of the Independent Commission Against Corruption; several examinations of the work of the Inspector of the Independent Commission Against Corruption; and the proceedings of the 2nd national conference of parliamentary committees overseeing anti-corruption and crime agencies.

The ICAC committee did not undertake any travel during 2004/05.

Activities 2005/06

Reports	4
Meetings	5
Public Hearings	2
Private Hearings	1
Witnesses	6

Appendix B

LEGISLATION REVIEW COMMITTEE

Members: Mr Allan Shearan MP (appointed 12 October 2005, Chairman from 18 October 2005); the Hon. Peter Primrose MLC (Chairman until 18 October 2005, member until 17 November 2005); Ms Virginia Judge MP (Vice-Chairman); Ms Linda Burney MP (until 24 August 2005); Ms Shelley Hancock MP; the Hon. Don Harwin MLC (until 22 September 2005); Ms Noreen Hay MP (until 12 October 2005); the Hon. Robyn Parker MLC (from 22 September 2005); Mr Paul Pearce MP (from 16 September 2005); the Hon. Penny Sharpe MLC (from 17 November 2005); Mr Russell Turner MP; the Hon. Dr Peter Wong MLC.

Secretariat: Mr Russell Keith (Committee Manager); Ms Indira Rosenthal (Senior Committee Officer); Mr Mel Keenan (Senior Committee Officer); Ms Rachel White (Committee Officer until 13 January 2006); Ms Carly Sheen (Committee Officer from 20 March 2006); Ms Melanie Carmeci (Assistant Committee Officer).

Reports and Highlights

Summary of Committee Business

During the year, the committee has:

- Met 17 times;
- Reported on 128 Bills introduced;
- Tabled 16 Legislation Review Digests;
- Commented under the criteria in s 8A of the *Legislation Review Act 1987* on 51 Bills;
- Written to Ministers or members for clarification or justification of issues that relate to the s 8A criteria in relation to 20 Bills;
- Referred issues 77 in 39 Bills that relate to the s 8A criteria to Parliament for its consideration; and
- Had its Digest reports and commentary referred to in parliamentary debate 71 times in relation to 33 Bills.

The Committee has also:

- Considered 397 regulations subject to disallowance, including 73 regulations that were the subject of detailed analysis;
- Considered 14 proposed postponements of the automatic repeal of a regulation; and
- Published correspondence relating to 14 regulations raising issues under s 9 of the *Legislation Review Act 1987*.

Reports and Discussion Papers

The committee tabled 20 reports in the period 2005/06, including 16 *Digests*, two discussion papers - Discussion Paper No. 1 *Right to Silence* (21 September 2005) and Discussion Paper No. 2 *Strict and Absolute Liability* (8 June 2006), Report No. 3 *Annual Review July 2004 - June 2005* (13 September 2006) and Report No 4 *The Right to Silence: Responses to the Discussion Paper* (8 June 2006).

Attendance at Conferences and Meetings

The Committee Manager gave a paper to the 4th Australasian Drafting Conference on 4 August 2005 on 'The view from the other side—Parliamentary scrutiny'.

Activities 2005/06

Reports	20*
Meetings	17
Public Hearings	0
Private Hearings	0
Witnesses	0

* Includes 16 Legislation Review Digests

Appendix B

NATURAL RESOURCE MANAGEMENT COMMITTEE

Members: the Hon. Pam Allan MP (Chairman); the Hon. Richard Amery MP; the Hon. Ian Armstrong MP; Mr Peter Draper MP; Mr Gerard Martin MP; Mr Gregory Aplin MP.

Secretariat: Mr Ian Thackeray (Committee Manager); Ms Louise Armstrong (Senior Committee Officer); Mr Chris Papadopoulos (Committee Officer); Ms Vanessa Pop (Assistant Committee Officer).

Reports and Highlights

The committee has six terms of reference to carry out during this Parliament. These are being completed in discrete sections.

During 2005/06, the committee carried out and completed its inquiry into terms of reference "c/d" (approaches to on-farm land use to reduce salinity and mitigate the effects of drought). The report was tabled in November 2005.

On completion of the report, the Committee turned its attention to terms of reference "a/b" (disincentive to ecologically sustainable land and water use and options for their removal). As at June 2006, the report is at the drafting stage.

Conferences and Visits of Inspection

In order to better understand some of the issues under consideration in its reports, the committee carried out a number of study tours and inspections during the reporting period.

In February 2005, the committee undertook a visit of inspection on approaches to land use management practices in Albury. (Terms of reference "c/d").

In August 2005, a delegation attended the 5th NSW Landcare/Catchment Management Forum 'Leaving Smaller Footprints' held at Wagga Wagga. (Terms of reference "c/d" and "a/b").

Also in August 2005, a delegation of the committee visited England and Germany to view and discuss sustainable agricultural systems (including organic farming), looking specifically at practices, current policies, and incentives. (Terms of reference "a/b").

In March 2006, a delegation of the committee attended the Australian Water Summit Conference held in Sydney. (Terms of reference "a/b" and "e").

Future Activities (July to December 2006)

The committee will:

Table the report on terms of reference "a/b".

Complete inquiries and table the report into term of reference "e" (the effectiveness of management systems for ensuring that sustainability measures for the management of natural resources in New South Wales are achieved).

Activities 2005/06

Reports	1
Meetings	7
Public Hearings	8
Private Hearings	0
Witnesses	30

COMMITTEE ON THE OFFICE OF THE OMBUDSMAN AND THE POLICE INTEGRITY COMMISSION

Members: Mr Paul Lynch MP (Chairman); the Hon. Jan Burnswoods MLC (Vice-Chairman); Mr Steven Chaytor MP (appointed 18 October 2005); Mr Geoffrey Corrigan MP; Ms Noreen Hay MP (discharged 18 October 2005); Mr Malcolm Kerr MP; the Hon. Peter Breen MLC; the Hon. David John Clarke MLC.

Secretariat: Ms Helen Minnican (Committee Manager); Ms Pru Sheaves (Senior Committee Officer); Ms Hilary Parker (Committee Officer); Ms Kylie Rudd (Assistant Committee Officer until July 2005); Ms Lluwanee George (Assistant Committee Officer November 2005 to January 2006); Ms Jenny North (Assistant Committee Officer from February 2006).

Reports and Highlights

The committee tabled three reports on its annual General Meetings with the bodies it oversights:

- *Seventh General Meeting with the Inspector of the Police Integrity Commission*, tabled 12 October 2005;
- *Ninth General Meeting with the Police Integrity Commission*, tabled 2 May 2006; and
- *Thirteenth General Meeting with the NSW Ombudsman*, tabled 2 May 2006.

Appendix B

General Meetings are public hearings where a wide range of issues, including statutory functions, are examined. They are one of the mechanisms used by the committee in the exercise of its functions. The General Meeting with the PIC Inspector was held on 31 August 2005 and the General Meetings with the Ombudsman and the PIC were held on 23 November 2005.

On 7 July 2005 the committee resolved to conduct a stakeholder review of the merger of the Community Services Commission into the Office of the Ombudsman, and any issues arising from this.

On 27 October 2005 the committee held an in camera hearing with Mr Les Tree, Director General, and Ms Mary Louise Battilana, Policy Manager, Ministry for Police.

On 2 November 2005 the committee held a public hearing as part of phase two of its inquiry into section 10(5) of the *Police Integrity Commission Act 1996*.

On 29 March 2006 the committee resolved to conduct two inquiries: a ten year review of police oversight in NSW and an inquiry into scrutiny of NSW Police counter-terrorism and other powers. Two inquiries are ongoing: an inquiry into the results of the Qualitative and Strategic Audit of the reform process in NSW Police, and an inquiry into s10(5) of the *Police Integrity Commission Act 1996*.

Public hearings for the counter-terrorism inquiry were held on 14 and 28 June 2006 and a public hearing for the QSARP inquiry was held on 14 June 2006.

Visits

Mr Paul Lynch MP, Committee Chairman, Mr Geoff Corrigan MP, Committee Member, and Ms Pru Sheaves, Senior Committee Officer, attended the 19th Conference of Australian and New Zealand Society of Criminologists in Hobart, 7-9 February 2006.

Ms Helen Minnican, Committee Manager, and Ms Pru Sheaves, Senior Committee Officer, attended the National Conference of Parliamentary Oversight Committees of Anti-corruption/Crime Bodies held at Parliament House, Sydney, 22-23 February 2006.

Ms Helen Minnican, Committee Manager, and Ms Pru Sheaves, Senior Committee Officer, attended the Police Integrity Commission's public hearings for Operation Rani in Orange, 4-5 June 2006.

Activities 2005/06

Reports	3
Meetings/Briefings	8
Public Hearings	6
Private Hearings	5
Witnesses	28

JOINT STATUTORY COMMITTEE ON THE OFFICE OF THE VALUER GENERAL

Members: The Hon. Kayee Griffin MLC (Chair); Mr Richard Torbay MP; the Hon. Donald Harwin MLC*; Mr Allan Shearan MP; Mr Steven Pringle MP; the Hon. Charlie Lynn MLC*.

* The Hon. Donald Harwin MLC was replaced by the Hon. Charlie Lynn MLC in September 2005.

Secretariat: Ms Carolynne James (Committee Manager); Ms Elayne Jay (Senior Committee Officer from August to November 2005); Ms Kylie Rudd (Committee Officer from July 2005); Ms Tanya Lee (Assistant Committee Officer from July-November 2005); Ms Elizabeth Phelan (November 2005 - March 2006).

Reports and Highlights

- *Report on the Second General Meeting with the Valuer General.*

The committee held its Second General Meeting with the Valuer General on 19 May 2005. The report of the meeting was tabled in July 2005.

- *Best Practice Reporting Review.*

The committee undertook a review of best practice performance reporting undertaken by the Valuer General. A report of this review was released in November 2005.

- *Various Briefings and Presentation to the Australian and New Zealand Valuer General's Conference.*

The committee had various representations and presentations from peak bodies and individuals in 2005-2006 including a presentation by the NSW Ombudsman. The committee Chair, the Hon. Kayee Griffin MLC, also presented a paper to the Annual Australian and New Zealand Valuer General's Conference held in Sydney on 12 April 2006.

- *Survey of Councils Regarding Annual Valuations for Rating Purposes.*

In January 2006 the committee conducted a survey of NSW Councils regarding annual provision of valuations for rating purposes.

- *Third General Meeting with the Valuer General.*

The committee held its Third General Meeting with the Valuer General on 6 March 2006.

Appendix B

Activities 2005/06

Reports	2
Meetings/briefings	5
Public Hearings/ General Meetings	2
Private Hearings	0
Witnesses	2

LEGISLATIVE ASSEMBLY STANDING COMMITTEE ON PARLIAMENTARY PRIVILEGE AND ETHICS

Members: the Hon. John Price MP (Chairman); Mr John Mills MP (Vice-Chairman); Ms Kristina Keneally MP; Ms Clover Moore MP; Mr Barry O'Farrell MP; Mr Paul Pearce MP; Mr John Turner MP; the Hon. Kim Yeadon MP.

Secretariat: Ms Ronda Miller (Clerk to the Committee).

The functions and powers of this committee are outlined in Sections 72D - 72E of the *Independent Commission Against Corruption Act 1988*, and the resolution of the Legislative Assembly of 4 December 2003.

Reports and Highlights

This year the committee worked on:

- Recommendations on changes to s13B of the Constitution, seeking a meeting with the Legislative Council Privileges Committee;
- Implementing recommendations in response to the ICAC report on regulation of secondary employment by members, including drafting of a handbook and training materials, and review of the form for declaration of pecuniary interests;
- A protocol for execution of search warrants on Members' offices, and the procedures to be followed by investigative agencies;
- Review of proposals to amend to the Code and a draft regulation on conflict of interests; and
- Considering the resolution of the House increasing the functions of the Parliamentary Ethics Adviser in relation to post-separation employment.

The House adopted the committee's recommendation to amend the section of the Code of Conduct in relation to bribery, by resolution of 29 May 2006.

The committee's report entitled *Parliamentary Commissioners, Advisers and Auditors - Ethics Education, Information and Assistance to Members: New South Wales and other jurisdictions* was tabled in May 2006.

As part of a visit to the UK to present a new Mace at the opening of the Senedd in Cardiff on 1 March 2006, the committee Chairman (who is also Deputy Speaker), together with the Hon. Amanda Fazio MLC, Deputy President of the Legislative Council (also a member of the LC Privileges Committee) met with officers of the House of Commons and House of Lords on 2 March 2006 to discuss current privilege issues including relationships between the Commons and Lords and investigative agencies.

During the reporting year, in addition to 3 formal committee meetings, the committee also met with:

- Ms Trish Godman, Deputy Speaker of the Scottish Parliament on 11 August, 2005;
- His Honour Judge Satyanand, NZ Registrar of Pecuniary Interests of Members and Carol Rankin, Senior Parliamentary Officer, NZ Parliament on 5 September 2005; and
- A delegation from the Council for the Korean Pact on Anti-Corruption and Transparency (K-PACT) on Monday 21 November 2005.

The two aforementioned meetings were also attended by the Parliamentary Ethics Adviser.

Activities 2005/06

Reports	1
Meetings/briefings	3
Public Hearings	0
Private Hearings	0
Witnesses	0

PUBLIC ACCOUNTS COMMITTEE

Members: Ms Noreen Hay MP (Chair, from 19 October 2005); Mr Matt Brown MP (Chairman, until 23 September 2005); Mr Paul McLeay MP (Vice Chairman, until 13 September 2005); Mr Steve Whan MP (Vice-Chair, from 19 October 2005); Mr Richard Torbay MP; Ms Gladys Berejiklian MP (discharged 12 October 2005); Mr John Turner MP; Mr Greg Aplin MP (appointed 12 October 2005); Ms Kristina Keneally (appointed 12 October 2005).

Appendix B

Secretariat: Ms Vicki Buchbach (Committee Manager); Ms Jackie Ohlin (Senior Committee Officer); Mr Simon Kennedy (Committee Officer from 9 January 2006); Ms Mohini Mehta (Acting Committee Officer until January 2006 and Assistant Committee Officer); Ms Karen Taylor (Audit Office Advisor until September 2005).

Reports and Highlights

In 2005/06 the committee completed four inquiries. It tabled the following reports:

- Report 155: Risk Management in the NSW Public Sector, tabled 15 September 2005;
- Report 156: Value for Money from NSW Correctional Centres, tabled 21 September 2005;
- Report 157: Annual Review 2004-2005, tabled 10 November 2005;
- Report 158: Sustainability Reporting in the NSW Public Sector, tabled 17 November 2005; and
- Report 159: Inquiry into Public Private Partnerships, tabled 8 June 2006.

Pleasingly, most of the recommendations contained in these reports were accepted by the Government.

The committee hosted six briefings by the Auditor-General for Parliamentarians regarding Audit Office reports when these were tabled on sitting days.

In March 2006 the committee commenced its independent triennial review of the NSW Audit Office, with Masters Le Mesurier appointed as the consultant reviewers. The review is expected to be completed early in the new financial year.

Major challenges for the year included staff shortages for approximately half the year and inducting three new committee members whilst conducting complex inquiries.

The committee has two inquiries to complete prior to the end of Parliament. It has also to consider whether to exercise its veto over the candidate chosen as the next Auditor-General.

Activities 2005/06

Reports	5
Meetings/briefings	19
Public Hearings	5
Private Hearings	0
Witnesses	43
Submissions	93

PUBLIC BODIES REVIEW COMMITTEE

Members: Mr Matthew Morris MP (Chairman); Mr Alan Ashton MP; Mr Andrew Constance MP; Mr Wayne Merton MP; Mr Milton Orkopoulos MP (Chairman until discharged 20 September 2005); Mr Barry Collier MP (appointed 20 September 2005); Mr Robert Oakeshott MP.

Secretariat: Ms Catherine Watson (Committee Manager); Ms Samantha Ngui (Senior Committee Officer); Ms Belinda Groves (Committee Officer); Ms Glendora Magno (Assistant Committee Officer).

Reports and Highlights

The Committee finalised one report in 2004/2005:

- Interstate Study Tour, 17-20 May 2005, tabled 27 June 2005.

The committee is continuing its inquiries into Corporate Governance Arrangements in the NSW Public Sector, the NSW Public Trustee and the Allocation of Social Housing.

This year the committee also established and co-ordinated the inaugural 2006 Premier's Public Sector Annual Reports Award. In May 2006 the committee conducted an Annual Reporting Workshop for NSW public sector agencies and produced a complementary CD ROM.

Activities 2005/06

Reports	1
Meetings/briefings	12
Public Hearings	2
Private Hearings	0
Witnesses	16

STANDING COMMITTEE ON PUBLIC WORKS

Members: Mr Kevin Greene MP (Chair); Mr Marie Andrews MP (Vice-Chair); Ms Angela D'Amore MP; Mr Peter Draper MP; Mr Karyn Paluzzano MP; Mr Steven Pringle MP; Mr Ian Slack-Smith MP.

Secretariat: Ms Carolynne James (Committee Manager); Ms Elayne Jay (Senior Committee Officer from August to November 2005); Ms Kylie Rudd (Committee Officer from July 2005); Ms Tanya Lee (Assistant Committee Officer from July-November 2005); Ms Elizabeth Phelan (November 2005 - March 2006).

Appendix B

Reports and Highlights

The committee tabled one report in November 2005:

- *Inquiry into Infrastructure Provision in Coastal Growth Areas.*

The committee commenced a new inquiry in 2006:

- *Municipal Waste Management in NSW* - launched in January 2006 and conducted hearings in May and June 2006.

Visits

A delegation from the committee also attended the National Conference of Parliamentary Public Works in Canberra, which was held over three days from 28 September to 30 September 2005. The Conference theme was disaster management and recovery relating to the 2003 Canberra Bushfires.

Activities 2005/06

Reports	1
Meetings/briefings	3
Public Hearings	6
Private Hearings	0
Witnesses	59

JOINT STANDING COMMITTEE UPON ROAD SAFETY (STAYSAFE COMMITTEE)

Members: Mr Paul Gibson MP (Chairman); the Hon. Ian West MLC (Vice Chairman); Mr David Barr MP; Mr John Bartlett MP; Ms Noreen Hay MP; Mr Jeffrey Hunter MP; Mr Daryl Maguire MP; the Hon. George Souris MP; the Hon. Robert Brown MLC (from 8 June 2006); the Hon. Richard Colless MLC; the Hon. John Tingle MLC (until 2 May 2006).

Secretariat: Mr Ian Faulks (Manager); Mr Jim Jefferis (Senior Committee Officer, from 3 January 2006); Mr Bjarne Nordin (Senior Committee Officer, from 30 January 2006); Ms Annette Phelps (Committee Officer, from 29 November 2005); Ms Millie Yeoh (Assistant Committee Officer); Ms Ashika Cyril (Assistant Committee Officer, until 3 October 2005).

Reports and Highlights

The committee continued to pursue its terms of reference to monitor, investigate and report on the road safety situation in New South Wales, and to review and report on countermeasures aimed at reducing deaths, injuries, and the social and economic costs to the community arising from road accidents.

The committee tabled six reports in 2005/06. These reports included examinations of: motorcycle safety; motor vehicle smash repairs under the Insurance Australia Group (NRMA Insurance) Preferred Repairer Scheme and its implications for roadworthiness, crashworthiness, and road safety; driver distraction; a review of progress in the inquiry into motor vehicle smash repairs; and on organ and tissue donations.

The committee made significant and continuing contributions to media and community debate on road safety issues.

Visits

Mr Gibson and Mr Maguire, accompanied by the Committee Manager, travelled on a visit of inspection to South Africa, England and Russia over the period 24 October 2005 - 8 November 2005. A report of the visit of inspection was tabled.

During this visit, arrangements were put in place for a major conference on regional and global road safety initiatives. The committee held this conference on 3-4 April 2006, with featured keynote presentations from Mr David Ward, Director-General, FIA Foundation for the Automobile and Society.

Activities 2005/06

Reports	6
Meetings/briefings	12
Public Hearings	5
Private Hearings	0
Witnesses	46

Appendix C

Legislative Assembly Publications

Procedural Publications

Publications

New South Wales Legislative Assembly Practice and Procedure (4th ed.)

Procedural Digest

Procedure Precedents for the 50th, 51st and 52nd Parliaments

Decisions from the Chair (Consolidated)

Decisions from the Chair (Key Rulings)

Short Guide to Parliamentary Procedure

The Operations and Procedures of the NSW Parliament: an Overview

Legislation Impinging on Parliament

Standing Orders

Sessional Orders

Information sheet on petitioning the Parliament

Fact Sheets

1. The Role of the NSW Legislative Assembly
2. History of the Parliament of NSW
3. The Constitutional Base of Parliament
4. Sources of Information
5. Records of the House
6. The Role of the Speaker and other Officers of the House
7. The Parliamentary Calendar and Elections
8. Passage of Legislation
9. Committee of the Whole House
10. Amendments
11. Parliamentary Committees
12. Routine of Business
13. Decorum in the House
14. Rules of Debate

Most procedural publications are published on the Parliament's internet site, or available in hard copy.

15. Disorder
16. Petitions
- 16a. Sample Petition
17. Suspension of Standing Orders
18. Exercise of the Casting Vote of the Chair
19. Questions
20. Address in Reply Debate
21. Quorum, Bells and Divisions
22. Sub judice Convention
23. Personal Explanations and Explanations
24. Matters of Public Importance
25. Tabling of Reports and other Papers
26. Statutory Rules and Instruments
27. Ministerial Statements
28. Private Members' Statements
29. Accountability Mechanisms for Members of Parliament
30. Parliamentary Privilege
31. Closure/Guillotine
32. Motions for Urgent Consideration
33. The Role of a Local Member
34. Citizens' Right of Reply
35. Parliamentary Secretaries
36. Information on the Election of Members to the Legislative Assembly

Information Pamphlets:

1. The Role of the Legislative Assembly of NSW
2. Constitutional Basis and Privileges of the Parliament of New South Wales
3. The Role of the Speaker and other Members in the House
4. The Clerk of the Legislative Assembly and other Officers
5. Rules of Debate, Decorum in the House and Keeping Order
6. Certain Procedures of the House

Appendix C

7. Passage of Legislation
8. Committee of the Whole House
9. Routine of Business
10. A Citizen's Right of Reply
11. The Budget Process
12. Petitioning the Legislative Assembly
13. The Role of a Local Member
14. The Parliamentary Calendar and Elections
15. Records of the House
16. Parliamentary Committees
17. Electing the Parliament
18. The Code of Conduct and Pecuniary Interest Register

Other Pamphlets:

The Parliament of NSW Website

Preparing Submissions to Parliamentary Committee Inquiries

Information for Witnesses before Parliamentary Committees

The Parliamentary Ethics Adviser

Electoral Legislation Extracts

Briefing Papers:

1. Accountability Legislation
2. Administrative Control of Parliamentary Staffing
3. Defamation and the Right to Political Communication
4. Freedom of Speech in Parliament
5. Law Relating to Parliamentary Committees
6. Liability for Republication of Members' Speeches
7. State Member Standing for a Federal Election
8. Summonses and Subpoenas
9. Qualification and Disqualification of Members of Parliament

10. Parliamentary Privilege – Tabled Papers
11. The Code of Conduct for Members and the Independent Commission Against Corruption

Members' Conference Briefing Papers:

1. The Role of a Member of Parliament
2. Role of Second Chambers
3. Public Accounts Committees
4. Parliament's Financial Supervision of the Executive
5. Parliamentary Privilege and Immunities of the NSW Parliament
6. Parliament and the Media
7. Human Rights and the NSW Parliament
8. Ethics
9. E-Government and Technology for Members of Parliament

Administrative Publications

List of Members

Committees and Office Holders Appointed

Sessional Returns and Summary

Parliamentary Record

Pecuniary Interest Register

Members' Handbook

Legislative Assembly Former Members' Guide

Committees Handbook

Corporate Publications

Annual Reports

Strategic Plan 2003 – 2007

Business Plan 2004 – 2005

Appendix C

EDUCATION AND COMMUNITY RELATIONS PUBLICATIONS

Books and booklets:

Australia's First Parliament (3rd ed.)

Parliament of New South Wales: How Does it Work? (revised ed.)

Playing Your Part: Parliamentary Activities and Resources for Teachers

Pamphlets:

Parliament of New South Wales (colour brochure)

Parliament of New South Wales (new editions in community languages)

History Bulletins Nos 1 to 10

Educational Services – Parliamentary Education and Community Relations Section

Information Material:

Information Sheets

History Site Study Package

Miscellaneous Material:

Parliament of New South Wales (DVD)

What's On In Education (occasional newsletter)

Government in New South Wales (colour poster)

Parliament House (colour poster)

Parliament of New South Wales (bookmark)

Parliamentary Supported Travel

July 2005 - The Hon. John Aquilina MP and Mr Russell Grove to Samoa to attend the 36th Presiding Officers' and Clerks' Conference.

Cost: \$7,729

July 2005 - Delegation of the Joint Standing Committee on Electoral Matters (Ms Marianne Saliba MP, Dr the Hon. Arthur Chesterfield-Evans MLC and Ms Stephanie Hesford) to Malta, Ireland and the USA. In Malta and Ireland the delegation met with the bodies responsible for the administration of elections and methods of counting votes. In Ireland, the delegation meet with officers of the Commission on Electronic Voting and the head of the Department of Political Science, Trinity College Dublin. In the USA, the delegation meet with officials of the Administration and Cost of Elections Project of the United Nations and the Head of the Political Science Department, Columbia University for discussions on the administration of elections and methods of counting votes. Report tabled.

Cost: \$29,326

July 2005 - Delegation of the Public Bodies Review Committee (Mr Milton Orkopoulos MP, Mr Wayne Merton MP and Ms Catherine Watson) to France and the USA. The delegation attended the 29th International Congress on law and mental health in Paris. In the USA the delegation held a series of meetings with agencies such as the World Bank, OECD and the Global Corporate Governance Research Centre in relation to the Committee's corporate governance inquiry. Report tabled.

Cost: \$26,431

July 2005 - Ms Vicki Buchbach and Mr Mel Keenan to Brisbane to attend the Australia and New Zealand Association of Clerks-at-the-Table Parliamentary Law Practice and Procedure course at the Queensland University of Technology.

Cost: \$3,924

July 2005 - Mr Thomas George MP to the United Kingdom, Ireland and Lebanon for a Commonwealth Parliamentary Association study tour.

Cost: \$8,400

July-August 2005 - Mr Russell Grove to Canada to attend the Canadian Clerks-at-the-Table Professional Development Seminar and then in August, together with the Hon. John Aquilina MP, to the United States of America to attend the Annual Meeting of the National Conference of State Legislatures and an official visit to the California State Legislature.

Cost: \$22,453

Appendix D

August 2005 - Delegation of the Standing Committee on Natural Resource Management (Mr Peter Draper MP, Mr Gerard Martin MP and Mr Ian Thackeray) to the United Kingdom and Germany in relation to sustainable farming techniques. The delegation met with a range of agencies to discuss and inspect current policies, innovations, practices and incentives aimed at delivering more sustainable ecological land and water use and productive agriculture. Report Tabled.

Cost: \$39,381

August 2005 - Delegation of the Committee on the Health Care Complaints Commission (Mr Jeff Hunter MP, Dr the Hon Peter Wong MLC and Ms Catherine Watson) to Hong Kong, South Korea, Taipei, China and Singapore in relation to possible regulation and registration of Traditional Chinese Medicine. In Hong Kong the delegation attended the International Conference on the Modernization of Chinese Medicine and had meetings with the Chinese Medical Council and the Department of Health. In South Korea the delegation attended the International Congress on Medical Law and had meetings with the Korea Acupuncture-Moxibustion Society and the East West Medical Research Institute. In Taipei the delegation met with the National Research Institute of Chinese Medicine and the Department of Health Committee on Chinese Medicine and Pharmacy. In China (Shanghai) meetings were held with the Shanghai University of Traditional Chinese Medicine, Longhua Hospital and Shanghai Municipal Health Bureau. In Singapore, meetings were held with the Traditional Chinese Medicine Practitioners Board and the Ministry of Health. Report Tabled.

Cost: \$63,635

August 2005 - Delegation of the Public Accounts Committee (Mr Paul McLeay MP, Mr Richard Torbay MP and Ms Jackie Ohlin) to the United Kingdom and the United States of America to study public-private partnerships (PPP). In the United Kingdom, the delegation met with the PPP Forum, Coin Street Community Builders, 4Ps, HM Treasury, PricewaterhouseCoopers, Serco Institute, the National Audit Office and Partnerships UK. In the United States, the delegation met with officials of the World Bank, National Council for Public-Private Partnerships, International Monetary Fund, New York City Department of Housing, Preservation and Development, New York City Housing Development Corporation, New York City Economic Development Corporation, International Federation of Accountants and New York City Office of the Comptroller. Report Tabled.

Cost: \$46,095

August 2005 - Mrs Jillian Skinner MP to the United Kingdom, Isle of Man and India for a Commonwealth Parliamentary Association study tour.

Cost: \$16,300

August 2005 - Delegation of the Standing Committee on Natural Resource Management (the Hon. Pam Allan MP, Mr Greg Aplin MP, the Hon. Ian Armstrong MP and Ms Louise Armstrong) to Wagga Wagga to attend the 5th NSW Landcare/Catchment Management Forum "Leaving Smaller Footprints".

Cost: \$1,098

August 2005 - Mr Matthew Morris MP and Ms Samantha Ngui of the Public Bodies Review Committee to Canberra to make a presentation at the Government Financial Management Conference "Linking Strategy and Budget-Establishing Accountable Financial Frameworks from Planning to Execution".

Cost: \$604

August - September 2005 - Mr Bryce Gaudry MP to the United Kingdom and Ireland for a Commonwealth Parliamentary Association study tour.

Cost: \$12,300

August - September 2005 - Mr Andrew Stoner MP to the United Kingdom and Singapore for a Commonwealth Parliamentary Association study tour.

Cost: \$10,460

September 2005 - The Hon. George Souris MP to Fiji to attend the Commonwealth Parliamentary Association 51st Commonwealth Parliamentary Conference.

Cost: \$3,656

September 2005 - Mr Russell Grove to Fiji to attend the Commonwealth Parliamentary Association 51st Commonwealth Parliamentary Conference and the 42nd General Meeting of Society of Clerks-at-the-Table in Commonwealth Parliaments.

Cost: \$1,782

September 2005 - The Committee on the Health Care Complaints Commission (Mr Jeff Hunter MP, the Hon. David Clarke MLC, the Hon. Christine Robertson MLC, Mr Allan Shearan MP, Dr the Hon. Peter Wong MLC and Ms Samantha Ngui) to Melbourne to hold meetings with the Victorian Chinese Medicine Registration Board, the Department of Human Services, the Medical Practitioners Board of Victoria and the Medical Indemnity Protection Society. The study tour was in relation to the inquiry into Traditional Chinese Medicine as Victoria is the only state to register Traditional Chinese Medicine. Report tabled.

Cost: \$6,358

Appendix D

September 2005 - Delegation of the Standing Committee on Public Works (Ms Marie Andrews MP, Mr Steven Pringle MP and Ms Carolynne James) to Canberra to attend the National Conference of Parliamentary Public Works and Environment Committees. Report tabled.

Cost: \$1,466

October 2005 - Mr Tony Stewart MP to Vietnam and Singapore for a Commonwealth Parliamentary Association study tour.

Cost: \$3,900

October 2005 - Ms Katrina Hodgkinson MP to the Cook Islands to attend the Commonwealth Parliamentary Association 16th Australia and Pacific Regional Seminar.

Cost: \$2,034

October-November 2005 - Delegation of the Joint Standing Committee on Road Safety (Mr Paul Gibson MP, Mr Daryl Maguire MP and Mr Ian Faulks) to South Africa, United Kingdom and Russia to examine road safety and road transport policies and practices. In South Africa the delegation attended the South Africa Road Safety Conference and met with various officials of road safety and transport agencies at national and provincial levels. In the United Kingdom and Russia the delegation met with officials of the World Health Organisation, Ministry of Health and Social Development, the Russian Road Safety Inspectorate, the Moscow Traffic Control Centre and inspected the Lefortovo Tunnel. Report Tabled.

Cost: \$56,168

November 2005 - Delegation of the Public Bodies Review Committee (Mr Matthew Morris MP, Mr Wayne Merton MP, and Ms Samantha Ngui) to Brisbane. The Committee held meetings with the Public Trustee of Queensland and the Queensland Law Society concerning the fee for service model adopted in Queensland in relation to committee's inquiry into the Public Trustee of NSW.

Cost: \$1,594

November 2005 - The Committee on Children and Young People (Mrs Barbara Perry MP, Mr John Bartlett MP, the Hon. Kayee Griffin MLC, the Hon Sylvia Hale MLC, Mrs Judy Hopwood MP and Ms Helen Minnican) to Brisbane. The delegation attended the Future Shock Conference of Young Professionals of the Planning Institute of Australia on the built environment where Mrs Perry presented a paper. The delegation also conducted inspections of Yspace in support of youth inclusive policy and practice in the design and management of public and community accessed spaces.

Cost: \$6,094

December 2005 - Mr Russell Grove to Melbourne to inspect the Mace to be presented as a gift to the National Assembly for Wales.

Cost: \$240

December 2005 - Ms Vicki Buchbach and Mr Leslie Gönye to the Cook Islands, to participate in the conduct of workshops organised by the Public Finance and Expenditure Committee of the Cook Islands Parliament.

Cost: \$3,649

January 2006 - Mr Mark Swinson, Mr Leslie Gönye, Ms Ronda Miller, Ms Elaine Schofield and Ms Helen Minnican to Brisbane to attend the Australia and New Zealand Association of Clerks-at-the-Table professional development seminar.

Cost: \$3,656

January 2006 - Mr Russell Grove to Brisbane to attend the Australia and New Zealand Association of Clerks-at-the-Table Annual General Meeting.

Cost: \$218

January 2006 - Mr Ian Slack-Smith MP to Canada for a Commonwealth Parliamentary Association study tour.

Cost: \$11,400

January - February 2006 - The Hon. John Aquilina MP to the Philippines, Vietnam and India for a Speaker's overseas visit.

Cost: \$19,373

January - February 2006 - Mr Tony Stewart MP to the Philippines and India for a Commonwealth Parliamentary Association study tour.

Cost: \$9,840

January - February 2006 - Mr Andrew Stoner MP to New Zealand and the United States of America for a Commonwealth Parliamentary Association study tour.

Cost: \$5,200

February 2006 - Mr Russell Keith to Melbourne to attend a residential component of Executive Masters of Public Administration course.

Cost: \$472

Appendix D

February 2006 - Delegation of the Committee on the Office of the Ombudsman and Police Integrity Commission (Mr Paul Lynch MP, the Hon. David Clarke MLC, Mr Geoff Corrigan MP and Ms Pru Sheaves) to Hobart to attend the annual conference of the Australia and New Zealand Society of Criminology, "Criminology and Human Rights".

Cost: \$5,420

February 2006 - Mr Mel Keenan to Hobart to attend the annual conference of the Australia and New Zealand Society of Criminology, "Criminology and Human Rights".

Cost: \$791

March 2006 - The Hon. Amanda Fazio MLC, the Hon. John Price MP and Ms Ronda Miller to Wales to attend the official opening of the Senedd (National Assembly for Wales) building and to present the Assembly with the gift of a Mace.

Cost: \$29,318

March 2006 - The Hon. Amanda Fazio MLC to the United Kingdom to attend the Commonwealth Parliamentary Association Westminster Seminar on Parliamentary Practice and Procedure.

Cost: \$9,320

March 2006 - Mr Ian Slack-Smith MP and Ms Carolynne James of the Standing Committee on Public Works to Coffs Harbour to attend "Waste 2006" the national waste management conference as a part of the committee's inquiry into municipal waste management.

Cost: \$970

April 2006 - Delegation of the Public Accounts Committee (Ms Noreen Hay MP, Mr Steve Whan MP and Ms Vicki Buchbach) to Alice Springs to attend the Mid-Term Conference of the Australasian Council of Public Accounts Committees (ACPAC).

Cost: \$5,591

April 2006 - The Standing Committee on Public Works (Mr Kevin Greene MP, Ms Marie Andrews MP, Ms Angela D'Amore MP, Mrs Karyn Paluzzano MP, Mr Chris Carmichael and Ms Carolynne James) to Tamworth and Gunnedah to inspect Gunnedah Waste Management Facility, Westdale Treatment Plant and TRC Reuse Farm site in relation to the municipal waste management inquiry.

Cost: \$2,071

May 2006 - All members of the Committee on Children and Young People and the secretariat to Miller, Bonnyrigg and Minto to visit the South Western Sydney Youth Peer Education Project, Miller PCYC, Bonnyrigg Urban Renewal Program and the Burnside U/12s project at Minto.

Cost: \$761

May 2006 - Mr Russell Grove to The Turks and Caicos Islands to attend the Commonwealth Parliamentary Association Annual Commonwealth Parliamentary Seminar.

Cost: \$7,866

June 2006 - Ms Helen Minnican and Ms Pru Sheaves to Orange to attend the regional hearing of the Police Integrity Commission in relation to its inquiry into Operation Rani.

Cost: \$454

June 2006 - Mr Russell Keith to Brisbane to attend a residential component of Executive Masters of Public Administration course.

Cost: \$549

June 2006 - Delegation of the Public Bodies Review Committee (Mr Matthew Morris MP, Mr Alan Ashton MP and Ms Samantha Ngui) to Adelaide to attend the Australasian Housing Researchers Conference co-hosted by the Institute and South Australian Housing Trust in relation to the committee's inquiry into the allocation of social housing.

Cost: \$4,958

June 2006 - Mr Russell Grove to Melbourne to attend the official event for the Sesquicentenary of the Victorian Parliament.

Cost: \$278

Appendix D

Legislative Assembly Members Travel Expenditure

(Including Spouse/Approved Relative and Electorate Office Staff)

Electorate	Member	Members' Travel Within Australia	Members' Spouses / Approved Relatives Travel Within Australia	Electorate to Sydney Travel by Members' Staff Within Australia	Total
		\$	\$	\$	\$
Albury	Aplin G	21,970.55	1,904.34	2,050.17	25,925.06
Auburn	Perry B M	60.55			60.55
Ballina	Page D L	24,587.94	1,868.78	1,007.92	27,464.64
Bankstown	Stewart A P	610.69			610.69
Barwon	Slack - Smith I L	24,912.66	505.19	5,601.99	31,019.84
Bathurst	Martin G F	6,704.42		6,301.32	13,005.74
Baulkham Hills	Mertin W A				-
Bega	Constance A	17,327.89	1,386.82	1,832.82	20,547.53
Blacktown	Gibson P B	549.23			549.23
Bligh	Moore C	452.18		1,595.12	2,047.30
Blue Mountains	Debus R J				-
Burrinjuck	Hodgkinson K A	25,464.46	1,022.40	2,407.48	28,894.34
Cabramatta	Meagher R P				-
Camden	Corrigan G	4,065.38		35.59	4,100.97
Campbelltown	West G J	4,248.57	348.99		4,597.56
Canterbury	Burney L	1,785.42			1,785.42
Cessnock	Hickey K A	228.28			228.28
Charlestown	Morris M	8,918.71			8,918.71
Clarence	Cansdell S	27,770.39		6,494.33	34,264.72
Coffs Harbour	Fraser A R G	28,380.13	5,089.49	500.94	33,970.56
Coogee	Pearce P	772.62			772.62
Cronulla	Kerr M J	2,372.29			2,372.29
Davidson	Humpherson A	6,755.00	514.07	1,208.01	8,477.08
Drummoyne	D'Amore A	174.93			174.93
Dubbo	Fardell Dawn	20,349.73	434.66	3,278.73	24,063.12
East Hills	Ashton A J	573.84			573.84
Epping	Tink A A	341.63			341.63
Fairfield	Tripodi J G	176.90			176.90

Electorate	Member	Members' Travel Within Australia	Members' Spouses / Approved Relatives Travel Within Australia	Electorate to Sydney Travel by Members' Staff Within Australia	Total
		\$	\$	\$	\$
Georges River	Greene K P				-
Gosford	Hartcher C P	794.35			794.35
Granville	Yeadon K M				-
Hawkesbury River	Pringle S	376.02			376.02
Heathcote	McLeay P	1,839.13		118.45	1,957.58
Heffron	Keneally K	718.14		18.10	736.24
Hornsby	Hopwood J	2,274.18			2,274.18
Illawarra	Saliba M F	3,620.75			3,620.75
Keira	Campbell D A			733.23	733.23
Kiama	Brown M J	14,460.56		499.06	14,959.62
Kogarah	Burton C A				-
Ku-ring-gai	O'Farrell B R	6,599.75			6,599.75
Lachlan	Armstrong I M	43,101.29	3,788.74		46,890.03
Lake Macquarie	Hunter J	16,144.31		503.28	16,647.59
Lakemba	Iemma M				-
Lane Cove	Roberts A	5,677.50			5,677.50
Lismore	George T	29,163.94		3,580.34	32,744.28
Liverpool	Lynch P G				-
Londonderry	Shearan A	631.74			631.74
Macquarie Fields	Chaytor Steven	1,033.60			1,033.60
Maitland	Price J C	3,854.66	2,042.41	1,024.19	6,921.26
Manly	Barr D	55.51			55.51
Maroubra	Daley Michael	618.98			618.98
Marrickville	Tebbutt Carmel	374.85		82.47	457.32
Menai	Megarrity A P				-
Miranda	Collier B J	1,505.06			1,505.06
Monaro	Whan S	14,579.54	432.12	5,446.45	20,458.11
Mount Druitt	Amery R S	290.20		268.74	558.94
Mulgoa	Beamer D				-
Murray - Darling	Black P L	38,205.15		5,534.92	43,740.07
Murrumbidgee	Piccoli A	39,902.32	280.80	1,408.28	41,591.40
Myall Lakes	Turner J H	41,455.37	1,822.56	5,991.40	49,269.33
Newcastle	Gaudry B J	1,376.13		496.00	1,872.13
North Shore	Skinner J G	3,146.79			3,146.79
Northern Tablelands	Torbay G R	34,663.71	2,932.74	1,733.66	39,330.11

Appendix D

Electorate	Member	Members'	Members'	Electorate to	Total
		Travel Within Australia	Spouses / Approved Relatives Travel Within Australia	Sydney Travel by Members' Staff Within Australia	
		\$	\$	\$	\$
Orange	Turner R W	17,122.52	1,588.63	3,215.54	21,926.69
Oxley	Stoner A J	28,049.14	6,887.07	3,832.61	38,768.82
Parramatta	Gadiel T	60.55			60.55
Peats	Andrews M T	1,391.36		64.00	1,455.36
Penrith	Paluzzano K	2,456.72			2,456.72
Pittwater	McTaggart Alex	62.73			62.73
Pittwater	Brogden John	1,625.03			1,625.03
Port Jackson	Nori S C			92.29	92.29
Port Macquarie	Oakeshott R M J	9,645.11		6,356.22	16,001.33
Port Stephens	Bartlett J R	753.53		1,395.08	2,148.61
Riverstone	Aquilina J J				-
Rockdale	Sartor F			115.49	115.49
Ryde	Watkins J A				-
Smithfield	Scully P A				-
South Coast	Hancock S	21,541.77			21,541.77
Southern Highlands	Seaton P L	1,446.17			1,446.17
Strathfield	Judge V	2,931.58			2,931.58
Swansea	Orkopoulos M	1,458.51		992.00	2,450.51
Tamworth	Draper P	20,902.40		3,470.63	24,373.03
The Entrance	McBride G A				-
The Hills	Richardson M J	3,093.97			3,093.97
Tweed	Newell N J	10,903.87			10,903.87
Upper Hunter	Souris G	34,370.90	2,947.20	246.80	37,564.90
Vaucluse	Debnam P J	4,054.33	1,688.09	1,530.99	7,273.41
Wagga Wagga	Maguire D W	15,702.09	1,340.77	1,007.49	18,050.35
Wakehurst	Hazzard B R	4,095.68			4,095.68
Wallsend	Mills J C	13,884.50			13,884.50
Wentworthville	Allan P D	1,140.56			1,140.56
Willoughby	Berejiklian G	915.02			915.02
Wollongong	Hay N	2,645.44		877.50	3,522.94
Wyong	Crittenden P R	6,429.84			6,429.84
Totals		206,683.32	14,451.76	23,196.64	244,331.72

Official Visitors

Delegation (Korean National Assembly)	Republic of Korea	25 July 2005
Delegation (Senior Government Officials)	Nepal	26 July 2005
Delegation (Australian Political Exchange Council)	Republic of Korea	8 August 2005
Parliamentary Delegation	Canada	8 August 2005
Ms Trish Godman, MSP (Deputy Presiding Officer, Scottish Parliament)	Scotland	11 August 2005
Parliamentary Delegation	Argentina	15 August 2005
Parliamentary Delegation (Standing Committee on Political Development)	Thailand	18 August 2005
Prof. Stephen Coleman (Oxford Internet Institute)	United Kingdom	19-22 August 2005
Ms Ann Hodkinson (Commonwealth Parliamentary Association)	United Kingdom	29 August 2005
Parliamentary Delegation (Public Accounts Committee, Guateng Province)	South Africa	29-30 August 2005
Hon. C. Lalrinsanga (Deputy Speaker, Mizoram Legislative Assembly)	India	2 September 2005
Mr George Kateka (Deputy Principal Clerk, National Assembly)	Zambia	3 September 2005

Appendix E

Mr Ben M. Zwane (Clerk to Parliament, Houses of Parliament)	Swaziland	3-10 September 2005
Judge Anand Satyanand (Registrar of Members' Pecuniary Interests) Ms Carol Rankin (Senior Parliamentary Officer)	New Zealand	5 September 2005
Parliamentary Delegation	France	8 September 2005
Mr Todd and Ms Zina Decker (Ontario)	Canada	10-13 September 2005
Hon. Bev Harrison, MLA (Speaker, New Brunswick Legislative Assembly)	Canada	14 September 2005
Hon. Lindiwe Maseko, MP (Chairperson, Commonwealth Women Parliamentarians Steering Committee)	South Africa	16 September 2005
Mr John Noel (Clerk of the House of Assembly, Newfoundland)	Canada	18-21 September 2005
Hon. Harvey Hodder, MHA (Speaker of the House of Assembly, Newfoundland)	Canada	21 September 2005
Hon. Jane Aagaard, MLA (Speaker, Legislative Assembly)	Northern Territory	21-23 September 2005
Mr Jack Snelling (Deputy Speaker and Chairman of Committees of the House of Assembly)	South Australia	30 September 2005
Mr Russell Bremner (Executive Manager, Parliamentary Services Department)	Western Australia	5-6 October 2005

Australasian Study of Parliament Group (Annual Conference)	Australia/New Zealand	6-8 October 2005
Parliamentary Delegation (Commonwealth Parliamentary Association)	United Kingdom	7-10 October 2005
Gov. Ruth Ann Minner (Governor of Delaware)	United States of America	10-12 October 2005
Delegation (Guangdong People's Congress)	People's Republic of China	18 October 2005
Mrs Asena Nasegai	Fiji	20 October 2005
H.E. Rt. Hon. Helen Liddell (British High Commissioner)	United Kingdom	21 October 2005
Mr Panagiotis Panagiotopoulos (Minister for Employment and Social Protection)	Greece	25 October 2005
Ms Diane Mercier-Allain (Visitor Services Coordinator, New Brunswick Legislative Assembly)	Canada	28 October 2005
Hon. Michael Polley, MHA (Speaker, House of Assembly)	Tasmania	2 November 2005
H.E. Mrs Kolinda Grabar-Kitarovic (Minister for Foreign Affairs and European Integrations of the Republic of Croatia)	Republic of Croatia	4 November 2005
Parliamentary Delegation (Joint Committee on Education and Science)	Ireland	8 November 2005

Appendix E

Parliamentary Delegation (Senate of Canada)	Canada	17-18 November 2005
Delegation (Council for the Korean Pact on Anti-Corruption and Transparency)	Republic of Korea	21 November 2005
Inter-Parliamentary Study Program	Various Countries	25 November 2005
Parliamentary Delegation	Israel	28 November 2005
Parliamentary Delegation	East Timor	2 December 2005
Delegation (Australian Political Exchange Council)	People's Republic of China	5 December 2005
Delegation (Japan Painting Contractors Association)	Japan	6 December 2005
Hon. Nick Griffiths, MLC (President of the Legislative Council)	Western Australia	6-7 December 2005
Delegation (Officers from the Guateng Legislature)	South Africa	6-12 December 2005
Parliamentary Delegation (Dewan Perwakilan Daerah - Senate)	Indonesia	9 December 2005
Delegation (Financial Controller's Office of the National Assembly)	Republic of Korea	6 January 2006
Professor Marek Belka (Executive Secretary for the UN's Commission for Europe)	Poland	10 March 2006

CPA Commonwealth Day Observance Young Persons Programme	Various States and Overseas Countries	12-14 March 2006
Mr George Sourlas Vice President (Deputy Speaker) of the Hellenic Parliament	Greece	24 March 2006
Parliamentary Delegation	Pakistan	27 March 2006
Delegation (Australian Political Exchange Council)	New Zealand	5 April 2006
Parliamentary Delegation	India	28 April 2006
Delegation (Central Organisation Department)	People's Republic of China	2 May 2006
Parliamentary Delegation	Czech Republic	9 May 2006
Congressman Francis Escudero (Minority Leader, House of Representatives)	Philippines	29 May 2006
Delegation (Australian Political Exchange Council)	Vietnam	31 May 2006
Mr Takao Watanabe (Fukushima Prefectural Assembly)	Japan	7 June 2006
Parliamentary Delegation	Vanuatu	12 June 2006
Parliamentary Delegation	Malaysia	19 June 2006

Appendix F

Energy and Waste Management/Environment

Energy Management

The Parliament's energy cost for the year amounted to \$623,457, representing a net increase of \$33,023 from last year's figure.

During the year, Chiller No. 2A, which runs on gas was not operated (due largely to the increased price of gas), resulting in an increase in electricity consumption of about 77,320 KWH and a decrease in gas usage of 4,231 GJ. There was also a decrease in water consumption.

Parliament continued to supply energy in the form of hot and chilled water to Sydney Hospital and Sydney Eye Hospital and the State Library of NSW at a total cost of \$314,023.

A project completed during the year aimed at energy conservation was the upgrade of lighting on levels 11 and 12. A water leak in the main chilled water system was also repaired.

An investigation is currently being undertaken to determine both the possibility of lighting and water saving enhancements to further reduce energy consumption, including retention of water from rainfall for cleaning and garden use and using sensors in the car parks and other low-use areas to reduce electricity costs.

Waste Management

The Parliament's recycling program continued during the year.

A total of 47.3 tonnes of paper for recycling were collected. Cardboard collected totalled 4.9 tonnes, a 45% decrease. These figures resulted in 209 cubic meters of landfill being avoided and 679 trees being saved.

Results of an investigation revealed that the original design of the building does not cater to the collection of food scraps. Hence, during the year, food scraps were sent to landfill.

The purchase of paper with significant recycled content for use by Parliament continued as well as the recycling of used toner cartridges.

Also during the year, a total of 1,196 used fluorescent tubes were disposed at a cost of \$1,705.

Environment

The Department's activities were conducted with the aim of promoting a clean environment.

Regular air monitoring has continued throughout the year. Reports received from the air monitoring service indicate the quality of air within Parliament House meets or exceeds recognised standards.

Equal Employment Opportunity

The Legislative Assembly is not required, under Part 1XA of the *Anti-Discrimination Act 1974*, to develop or submit an EEO Management Plan. The department implements strategies consistent with EEO principles as good management practice.

EEO survey data forms are provided to all new staff for voluntary completion and the results are inputted to the human resource information system. This provides the basis for reports to the Premier's Department Workforce Profile survey each year.

The Legislative Assembly has 70 positions and the Electorate Offices (Members Program) 194 positions. The statistics are heavily weighted by the Electorate Officers in the range of salary \$42,000 to \$68,000. Electorate Officers are nominated personal appointments by the members. The report also includes positions from the Parliamentary Library, Security Services, Printing Services, Reporting Services, Education and Community Relations and Archives Sections, which are administratively supported by the Legislative Assembly.

Percent of Total Staff by Level - Legislative Assembly (without Joint Services)

LEVEL	TOTAL STAFF (Number)	Subgroup as Percent of Total Staff at each Level			Subgroup as Estimated Percent of Total Staff at each Level				
		Respondents	Men	Women	Aboriginal People & Torres Strait Islanders	People from Racial, Ethnic, Ethno-Religious Minority Groups	People Whose Language First Spoken as a Child was not English	People with a Disability	People with a Disability Requiring Work-related Adjustment
< \$32,606									
\$32,606 - \$42,824	137	43%	24%	76%	1.7%	5%	7%	3%	
\$42,825 - \$47,876	19	53%	16%	84%		30%	40%		
\$47,877 - \$60,583	113	58%	17%	83%	1.5%	11%	11%	3%	
\$60,584 - \$78,344	30	63%	43%	57%		11%	5%	11%	
\$78,345 - \$97,932	25	64%	44%	56%		13%	6%	13%	6.3%
> \$97,932 (non SES)	4	100%	75%	25%		25%	25%		
TOTAL	328	53%	25%	75%	1.2%	10%	10%	4%	0.5%
Estimate Range (95% confidence level)					0.6% to 2.5% 7% to 12.7 0% to 13.2 1.4% to 6.5 0.3% to 1.0%				

Appendix G

Percent of Total Staff by Level - Parliament of New South Wales

LEVEL	TOTAL STAFF (Number)	Subgroup as Percent of Total Staff at each Level			Subgroup as Estimated Percent of Total Staff at each Level					
		Respondents	Men	Women	Aboriginal People & Torres Strait Islanders	People from Racial, Ethnic, Ethno-Religious Minority Groups	People Whose Language First Spoken as a Child was not English	People with a Disability	People with a Disability Requiring Work-related Adjustment	
< \$32,606	27	56%		100%		73%	80%			
\$32,606 - \$42,824	201	39%	39%	61%	5.1%	9%	9%	5%		
\$42,825 - \$47,876	49	37%	31%	69%	11.1%	50%	39%			
\$47,877 - \$60,583	207	42%	29%	71%	1.2%	13%	12%	5%	2.3%	
\$60,584 - \$78,344	95	45%	44%	56%		19%	14%	9%		
\$78,345 - \$97,932	64	52%	48%	52%		18%	9%	9%	3.0%	
> \$97,932 (non SES)	10	80%	80%	20%		13%	13%	25%		
TOTAL	653	43%	36%	64%	2.8%	18%	16%	6%	1.0%	
Estimate Range (95% confidence level)					1.2% to 4.4%	0.0% to 21.1%	1.7% to 18.1%	0.6% to 7.7%	0.5% to 1.9%	



GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDIT REPORT

The Legislature

To Members of the New South Wales Parliament

Audit Opinion

In my opinion, the financial report of The Legislature presents fairly The Legislature's financial position as at 30 June 2006 and its performance for the year ended on that date, in accordance with Accounting Standards and other mandatory financial reporting requirements in Australia.

My opinion should be read in conjunction with the rest of this report.

Scope

The Financial Report and the Clerks' Responsibility

The financial report comprises the operating statement, statement of changes in equity, balance sheet, cash flow statement, program statement - expenses and revenues, summary of compliance with financial directives and accompanying notes to the financial statements for The Legislature, for the year ended 30 June 2006.

The Clerk of the Legislative Assembly and the Clerk of the Parliaments are responsible for the preparation and true and fair presentation of the financial report. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

I conducted an independent audit in order to express an opinion on the financial report. My audit provides *reasonable assurance* to Members of the New South Wales Parliament that the financial report is free of *material* misstatement.

My audit accorded with Australian Auditing Standards and statutory requirements, and I:

- assessed the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Clerks in preparing the financial report, and
- examined a sample of evidence that supports the amounts and disclosures in the financial report.

An audit does not guarantee that every amount and disclosure in the financial report is error free. The terms 'reasonable assurance' and 'material' recognise that an audit does not examine all evidence and transactions. However, the audit procedures used should identify errors or omissions significant enough to adversely affect decisions made by users of the financial report or indicate that the Clerks had not fulfilled their reporting obligations.

Financial Statements

My opinion does not provide assurance:

- about the future viability of The Legislature,
- that it has carried out its activities effectively, efficiently and economically,
- about the effectiveness of its internal controls, or
- on the assumptions used in formulating the budget figures disclosed in the financial report.

Audit Independence

The Audit Office complies with all applicable independence requirements of Australian professional ethical pronouncements. The Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office are not compromised in their role by the possibility of losing clients or income.



A T Whitfield
Deputy Auditor-General

SYDNEY
20 October 2006

RUSSELL D. GROVE
CLERK OF THE LEGISLATIVE ASSEMBLY



JOHN EVANS
CLERK OF THE PARLIAMENTS

NEW SOUTH WALES
PARLIAMENT

18 October 2006

File ref: A700

THE LEGISLATURE


FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 JUNE 2006

Statement by Department Heads

We state that:

- a. the accompanying financial statements have been prepared on an accrual basis in accordance with applicable Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, the Urgent Issues Group Consensus Views and the Financial Reporting Directions published in the Financial Reporting Code for Budget Dependent General Government Sector Agencies;
- b. the statements exhibit a true and fair view of the financial position and transactions of The Legislature; and
- c. there are no circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.


Russell D. Grove
Clerk of the Legislative Assembly


John Evans
Clerk of the Parliaments

Financial Statements

THE LEGISLATURE

Operating Statement for the Year Ended 30 June 2006

	Notes	Actual 2006 \$000	Budget 2006 \$000	Actual 2005 \$000
Expenses excluding losses				
Operating expenses				
Employee related	2(a)	47,659	44,748	44,950
Other operating expenses	2(b)	25,382	22,314	23,732
Depreciation and amortisation	2(c)	4,262	4,708	4,838
Other expenses	2(d)	<u>36,187</u>	<u>34,923</u>	<u>35,845</u>
Total Expenses excluding losses		<u>113,490</u>	<u>106,693</u>	<u>109,365</u>
Less:				
Revenue				
Sale of goods and services	3(a)	4,321	4,475	4,111
Investment revenue	3(b)	58	60	94
Grants and contributions	3(c)	1,277	-	1,871
Other revenue	3(d)	<u>507</u>	<u>285</u>	<u>10,167</u>
Total Revenue		<u>6,163</u>	<u>4,820</u>	<u>16,243</u>
Gain / (loss) on disposal	4	<u>(16)</u>	<u>-</u>	<u>(10)</u>
Net Cost of Services	20	<u>107,343</u>	<u>101,873</u>	<u>93,132</u>
Government Contributions				
Recurrent appropriation	5	88,340	86,019	82,689
Capital appropriation	5	2,878	2,075	2,280
Acceptance by the Crown Entity of employee benefits and other liabilities	6	<u>11,726</u>	<u>11,146</u>	<u>13,823</u>
Total Government Contributions		<u>102,944</u>	<u>99,240</u>	<u>98,792</u>
SURPLUS / (DEFICIT) FOR THE YEAR		<u>(4,399)</u>	<u>(2,633)</u>	<u>5,660</u>

The accompanying notes form part of these statements.

THE LEGISLATURE**Statement of Changes in Equity for the Year Ended 30 June 2006**

	Notes	Actual 2006 \$000	Budget 2006 \$000	Actual 2005 \$000
Net increase / (decrease) in property, plant and equipment asset revaluation reserve		<u>8,401</u>	<u>-</u>	<u>8,118</u>
TOTAL INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY		8,401	-	8,118
Surplus / (Deficit) for the year		<u>(4,399)</u>	<u>(2,633)</u>	<u>5,660</u>
TOTAL INCOME AND EXPENSE RECOGNISED FOR THE YEAR	16	<u>4,002</u>	<u>(2,633)</u>	<u>13,778</u>

The accompanying notes form part of these statements.

Financial Statements

THE LEGISLATURE

Balance Sheet as at 30 June 2006

	Notes	Actual 2006 \$000	Budget 2006 \$000	Actual 2005 \$000
ASSETS				
Current Assets				
Cash and cash equivalents	8	803	2,293	2,408
Receivables	9	1,749	1,332	1,479
Inventories	10	257	222	285
Total Current Assets		<u>2,809</u>	<u>3,847</u>	<u>4,172</u>
Non-Current Assets				
Property, Plant and Equipment	11			
- Land and Buildings		137,532	130,620	131,604
- Plant and Equipment		9,112	7,972	9,621
- Collection Assets		36,004	34,345	34,345
Intangible Assets	12	563	908	908
Total Non-Current Assets		<u>183,211</u>	<u>173,845</u>	<u>176,478</u>
Total Assets		<u>186,020</u>	<u>177,692</u>	<u>180,650</u>
LIABILITIES				
Current Liabilities				
Payables	13	5,162	3,799	4,239
Provisions	14	4,815	3,894	3,774
Other	15	49	-	5
Total Current Liabilities		<u>10,026</u>	<u>7,693</u>	<u>8,018</u>
Non-Current Liabilities				
Provisions	14	37	677	677
Total Non-Current Liabilities		<u>37</u>	<u>677</u>	<u>677</u>
Total Liabilities		<u>10,063</u>	<u>8,370</u>	<u>8,695</u>
Net Assets		<u>175,957</u>	<u>169,322</u>	<u>171,955</u>
EQUITY				
Reserves		33,186	24,797	24,797
Accumulated Funds		142,771	144,525	147,158
Total Equity		<u>175,957</u>	<u>169,322</u>	<u>171,955</u>

The accompanying notes form part of these statements.

THE LEGISLATURE

Cash Flow Statement for the Year Ended 30 June 2006

	Notes	Actual 2006 \$000	Budget 2006 \$000	Actual 2005 \$000
CASH FLOWS FROM OPERATING ACTIVITIES				
Payments				
Employee related		(44,195)	(42,467)	(41,664)
Other		<u>(53,467)</u>	<u>(50,887)</u>	<u>(50,058)</u>
Total Payments		<u>(97,662)</u>	<u>(93,354)</u>	<u>(91,722)</u>
Receipts				
Sale of goods and services		4,255	4,520	4,607
Interest received		89	30	58
Other		<u>2,867</u>	<u>2,670</u>	<u>2,515</u>
Total Receipts		<u>7,211</u>	<u>7,220</u>	<u>7,180</u>
Cash Flows From Government				
Recurrent appropriation	5	88,346	86,019	82,694
Capital appropriation	5	2,868	2,075	2,280
Cash reimbursements from the Crown Entity		-	-	2,319
Net Cash Flows From Government		<u>91,214</u>	<u>88,094</u>	<u>87,293</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	20	<u>763</u>	<u>1,960</u>	<u>2,751</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sale of property, plant and equipment		9	-	1
Purchases of property, plant and equipment		<u>(2,377)</u>	<u>(2,075)</u>	<u>(2,079)</u>
NET CASH FLOWS FROM INVESTING ACTIVITIES		<u>(2,368)</u>	<u>(2,075)</u>	<u>(2,078)</u>
NET INCREASE / (DECREASE) IN CASH		(1,605)	(115)	673
Opening cash and cash equivalents		<u>2,408</u>	<u>2,408</u>	<u>1,735</u>
CLOSING CASH AND CASH EQUIVALENTS	8	<u>803</u>	<u>2,293</u>	<u>2,408</u>

The accompanying notes form part of these statements.

Financial Statements

THE LEGISLATURE

Program Statement - Expenses and Revenues for the year ended 30 June 2006

	Program 1.1.1* Legislative Council		Program 1.1.2* Legislative Assembly		Program 1.2.1* Joint Services		Not Attributable		Total	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000	2006 \$000	2005 \$000	2006 \$000	2005 \$000	2006 \$000	2005 \$000
THE LEGISLATURE'S EXPENSES & REVENUES										
Expenses excluding losses										
Operating expenses										
• Employee related	9,119	8,095	22,246	20,865	16,294	15,990	-	-	47,659	44,950
• Other operating expenses	2,955	2,590	16,672	14,873	5,755	6,269	-	-	25,382	23,732
Depreciation and amortisation	236	368	1,433	1,822	2,593	2,648	-	-	4,262	4,838
Other expenses	11,200	10,836	24,987	23,996	-	1,013	-	-	36,187	35,845
Total Expenses excluding losses	23,510	21,889	65,338	61,556	24,642	25,920	-	-	113,490	109,365
Revenue										
Sale of goods and services	405	393	405	393	3,511	3,325	-	-	4,321	4,111
Investment revenue	-	-	-	-	58	94	-	-	58	94
Grants and contributions	-	-	-	-	1,277	1,871	-	-	1,277	1,871
Other revenue	51	52	111	135	345	9,980	-	-	507	10,167
Total Revenue	456	445	516	528	5,191	15,270	-	-	6,163	16,243
Gain / (loss) on disposal	-	-	3	-	(19)	(10)	-	-	(16)	(10)
Net Cost of Services	23,054	21,444	64,819	61,028	19,470	10,660	-	-	107,343	93,132
Government contributions**	-	-	-	-	-	-	102,944	98,792	102,944	98,792
NET EXPENDITURE /(REVENUE) FOR THE YEAR	23,054	21,444	64,819	61,028	19,470	10,660	(102,944)	(98,792)	4,399	(5,660)

*The name and purpose of each program is summarised in note 7.

**Appropriations are made on an agency basis and not to individual programs. Consequently, government contributions must be included in the "not attributable" column.

THE LEGISLATURE

SUMMARY OF COMPLIANCE WITH FINANCIAL DIRECTIVES

	2006			2005				
	Recurrent Appropriation \$000	Expenditure / Net Claim on Consolidated Fund \$000	Capital Appropriation \$000	Expenditure / Net Claim on Consolidated Fund \$000	Recurrent Appropriation \$000	Expenditure / Net Claim on Consolidated Fund \$000	Capital Appropriation \$000	Expenditure / Net Claim on Consolidated Fund \$000
ORIGINAL BUDGET APPROPRIATION / EXPENDITURE								
• Appropriation Act Additional Appropriations	85,956	85,950	2,075	2,037	80,760	2,244	2,244	2,244
• s21A PF&AA – special appropriation	-	-	-	-	-	-	-	-
• s24 PF&AA – transfers of functions between departments	-	-	-	-	-	-	-	-
• s26 PF&AA – Commonwealth specific purpose payments	85,956	85,950	2,075	2,037	80,760	2,244	2,244	2,244
OTHER APPROPRIATIONS / EXPENDITURE								
• Treasurer's Advance	2,390	2,390	846	841	1,934	682	682	36
• Section 22 – expenditure for certain works and services	-	-	-	-	-	-	-	-
• Transfers from another agency (s28 – Appropriation Act)	-	-	-	-	-	-	-	-
	2,390	2,390	846	841	1,934	682	682	36
Total Appropriations / Expenditure / Net Claim on Consolidated Fund (includes transfer payments)	88,346	88,340	2,921	2,878	82,694	2,926	2,926	2,280
Amount drawn down against Appropriation Liability to Consolidated Fund		88,346		2,921	82,694			2,280
		6		43	5			-

The summary of compliance is based on the assumption that Consolidated Fund monies are spent first (except where otherwise identified or prescribed). The Liability to Consolidated Fund represents the difference between the "Amount drawn down against Appropriation" and the "Total Expenditure / Net Claim on Consolidated Fund".

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting Entity

The Legislature as a reporting entity comprises all the operating activities of the Parliament of New South Wales, including the House Committee, under the joint direction and control of the President of the Legislative Council and the Speaker of the Legislative Assembly. It includes all the functions of parliamentary representation undertaken by the Council and the Assembly, and their various supporting Departments and Sections. The House Committee provides food and beverage services for Members of Parliament, their guests and staff. It also caters for functions held at Parliament House. The Legislature is a not-for-profit entity (as profit is not its principal objective) and has no cash generating units.

The reporting entity is consolidated as part of the NSW Total State Sector. This financial report has been authorised for issue by the Clerk of the Legislative Assembly and the Clerk of the Parliaments on 18 October 2006.

(b) Basis of Preparation

The Legislature's financial report is a general purpose financial report which has been prepared in accordance with:

- ❖ Applicable Australian Accounting Standards (which include Australian equivalents to International Financial Reporting Standards (AEIFRS));
- ❖ The requirements of the Public Finance and Audit Act 1983 and Regulation, and
- ❖ The Financial Reporting Directions published in the Financial Reporting Code for Budget Dependent General Government Sector Agencies.

Property, plant and equipment, investment property, assets (or disposal groups) held for sale and financial assets held at fair value through profit or loss and available for sale are measured at fair value. Other financial report items are prepared in accordance with the historical cost convention.

Judgements, key assumptions and estimations management made are disclosed in the relevant notes to the financial report.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

(c) Statement of Compliance

The financial statements and notes comply with Australian Accounting Standards which include AEIFRS.

This is the first financial report prepared based on AEIFRS and comparatives for the year ended 30 June 2005 have been restated accordingly, except as stated below.

In accordance with *AASB 1 First-time Adoption of Australian Equivalents to International Financial Reporting Standards and Treasury Mandates*, the date of transition to *AASB 132 Financial Instruments: Disclosure and Presentation* and *AASB 139 Financial Instruments: Recognition and Measurement* has been deferred to 1 July 2005 and, as a result, comparative information for these two Standards is presented under the previous Australian Accounting Standards which applied to the year ended 30 June 2005.

The basis used to prepare the 2004/2005 comparative information for financial instruments under previous Australian Accounting Standards is discussed in Note 1(w) below. The financial instrument accounting policies for 2005/06 are specified in Notes 1(p)–(t). There were no changes to equity balances as reported in the 30 June 2005 financial report.

(d) Income Recognition

Income is measured at the fair value of the consideration or contribution received or receivable. Additional comments regarding the accounting policies for the recognition of income are discussed below:

(i) Parliamentary Appropriations and Contributions from Other Bodies

Parliamentary Appropriations and contributions from other bodies (including grants and donations) are recognised as income when The Legislature obtains control over the assets comprising the

The Legislature**Notes to and forming part of the Financial Statements for year ended 30 June 2006**

appropriations/contributions. Control over appropriations and contributions is normally obtained upon the receipt of cash.

An exception to the above is when appropriations are unspent at year end. In this case, the authority to spend the money lapses and generally the unspent amount must be repaid to the Consolidated Fund in the following financial year. As a result, unspent appropriations are accounted for as liabilities rather than revenue. The liability is disclosed in note 15 as part of "Current liabilities – Other". The amount will be repaid and the liability will be extinguished next financial year.

Maintenance work on Parliament House undertaken and paid for by the Department of Commerce has been recognised as income with the corresponding expenditure reflected in maintenance costs. (Refer notes 2(b) and 3(c)).

(ii) Sales of Goods

Revenue from the sale of goods is recognised as revenue when the agency transfers the significant risks and rewards of ownership of the assets.

(iii) Rendering of Services

Revenue is recognised when the service is provided or by reference to the stage of completion (based on labour hours incurred to date).

(iv) Investment Revenue

Interest revenue is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*. Rental revenue is recognised in accordance with AAS 117 *Leases* on a straight-line basis over the lease term.

(v) Other Revenue

Those items classified as other revenue are recognised as revenue according to the most applicable policy listed above, having regard for the type of revenue received.

(e) Employee Benefits and other provisions**(i) Salaries and Wages, Annual Leave, Sick Leave and On- Costs**

Liabilities for salaries and wages (including non-monetary benefits), annual leave and paid sick leave that fall due wholly within 12 months of the reporting date are recognised and measured in respect of employees' services up to the reporting date at undiscounted amounts based on the amounts expected to be paid when the liabilities are settled.

Long-term annual leave that is not expected to be taken within 12 months is measured at present value in accordance with *AASB 119 Employee Benefits*. Market yields on government bonds of 5.88% are used to discount long-term annual leave.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

The outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax, which are consequential to employment, are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised.

(ii) Long Service Leave and Superannuation

The Legislature's liabilities for long service leave and defined benefit superannuation are assumed by the Crown Entity. The Legislature accounts for the liability as having been extinguished, resulting in the amount assumed being shown as part of the non-monetary revenue item described as "Acceptance by the Crown Entity of employee benefits and other liabilities". Prior to 2005/06 the Crown Entity also assumed the defined contribution superannuation liability.

Long service leave is measured at present value in accordance with *AASB 119 Employee Benefits*. This is based on the application of certain factors (specified in NSWTC 06/09) to employees with 5 or more years of service, using current rates of pay. These factors were determined based on an actuarial review to approximate present value.

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2006

The superannuation expense for the financial year is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (i.e. Basic Benefit and First State Super) is calculated as a percentage of the employees' salary. For other superannuation schemes (i.e. State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

(iii) **Other Provisions**

Other provisions exist when: The Legislature has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

(f) **Insurance**

The Legislature's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self-insurance for Government agencies. The expense (premium) is determined by the Fund Manager based on past claim experience.

(g) **Accounting for the Goods and Services Tax (GST)**

Revenue, expenses and assets are recognised as net of the amount of GST, except where:

- ❖ the amount of GST incurred by The Legislature as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense.
- ❖ receivables and payables are stated with the amount of GST included.

(h) **Acquisitions of Assets**

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by The Legislature. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Australian Accounting Standards.

Assets acquired at no cost, or for nominal consideration, are initially recognised at their fair value at the date of acquisition.

Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

Where payment for an item is deferred beyond normal credit terms, its cost is the cash price equivalent, i.e. the deferred payment amount is effectively discounted at an asset-specific rate.

(i) **Capitalisation Thresholds**

Property, plant and equipment and intangible assets costing \$5,000 and above individually (or forming part of a network costing more than \$5,000) are capitalised.

(j) **Revaluation of Property, Plant and Equipment**

Physical non-current assets are valued in accordance with the "Valuation of Physical Non-Current Assets at Fair Value" Policy and Guidelines Paper (TPP 05-3). This policy adopts fair value in accordance with *AASB 116 Property, Plant and Equipment*.

Property, plant and equipment is measured on an existing use basis, where there are no feasible alternative uses in the existing natural, legal, financial and socio-political environment. However, in the limited circumstances where there are feasible alternative uses, assets are valued at their highest and best use.

Fair value of property, plant and equipment is determined based on the best available market evidence, including current market selling prices for the same or similar assets. Where there is no available market evidence, the asset's fair value is measured at its market buying price, the best indicator of which is depreciated replacement cost.

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2006

The Legislature values each class of property, plant and equipment at least every five years or with sufficient regularity to ensure that the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. The last revaluation for each class of asset is set out below and was based on an independent assessment.

Land	30 June 2006	Derek Hill Property Valuer & Consultant
Buildings	30 June 2006	HP Consultants Pty Ltd
Plant & Equipment (Building Technical Services Assets)	30 June 2006	HP Consultants Pty Ltd
Collection Assets:		
Library Collection	30 June 2006	Simon Storey Valuers
Archives Collection	30 June 2006	Simon Storey Valuers
Antiques	30 June 2006	Simon Storey Valuers
Artworks	30 June 2006	Art Gallery of NSW

Non-specialised assets with short useful lives are measured at depreciated historical cost, as a surrogate for fair value.

When revaluing non-current assets by reference to current prices for assets newer than those being revalued (adjusted to reflect the present condition of the assets), the gross amount and the related accumulated depreciation are separately restated.

For other assets, any balances of accumulated depreciation at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net asset accounts are then increased or decreased by the revaluation increments or decrements.

Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the surplus / deficit, the increment is recognised immediately as revenue in the surplus / deficit.

Revaluation decrements are recognised immediately as expenses in the surplus / deficit, except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of assets, they are debited directly to the asset revaluation reserve.

As a not-for-profit entity, revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise.

Where an asset that has previously been revalued is disposed of, any balance remaining in the asset revaluation reserve in respect of that asset is transferred to accumulated funds.

(k) Impairment of Property, Plant and Equipment

As a not-for-profit entity with no cash generating units, The Legislature is effectively exempted from *AASB 136 Impairment of Assets* and impairment testing. This is because AASB 136 modifies the recoverable amount test to the higher of fair value less costs to sell and depreciated replacement cost. This means that, for an asset already measured at fair value, impairment can only arise if selling costs are material. Selling costs are regarded as immaterial.

(l) Depreciation of Property Plant and Equipment

Except for the archive, antique and artwork collections, depreciation is provided for on a straight-line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the agency.

All material separately identifiable components of assets are depreciated over their shorter useful lives.

Land is not a depreciable asset. Certain heritage assets have an extremely long useful life, including original artworks and collections and heritage buildings. Depreciation for these items cannot be reliably measured because the useful life and the net amount to be recovered at the end of the useful life cannot be reliably measured. In these cases, depreciation is not recognised. The decision not to recognise depreciation for these assets is reviewed annually.

Financial Statements

- 11 -

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2006

The Parliament House Building	1.64-20 percent
Plant and Machinery	5-50 percent
Office Equipment	5-20 percent
Computer Equipment	10-50 percent
Library Monograph Collection	5 percent

(m) Maintenance

Day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement of a part or component of an asset, in which case the costs are capitalised and depreciated.

(n) Leased Assets

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased assets, and operating leases under which the lessor effectively retains all such risks and benefits.

Where a non-current asset is acquired by means of a finance lease, the asset is recognised at its fair value at the commencement of the lease term. The corresponding liability is established at the same amount. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are charged to the Operating Statement in the periods in which they are incurred.

(o) Intangible Assets

The agency recognises intangible assets only if it is probable that future economic benefits will flow to the agency and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. Where an asset is acquired at no or nominal cost, the cost is its fair value as at the date of acquisition.

The useful lives of intangible assets are assessed to be finite.

Intangible assets are subsequently measured at fair value only if there is an active market. As there is no active market for the agency's intangible assets, the assets are carried at cost less any accumulated amortisation.

The Legislature's intangible assets are amortised using the straight line method over a period of 3 years.

In general, intangible assets are tested for impairment where an indicator of impairment exists. However, as a not-for-profit entity with no cash generating units, the agency is effectively exempted from impairment testing (refer Note (k)).

(p) Loans and Receivables – Year ended 30 June 2006 (refer Note 1(w) for 2004/05 policy)

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These financial assets are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Any changes are accounted for in the Operating Statement when impaired, derecognised or through the amortisation process.

Short-term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(q) Inventories

Inventories held for distribution are stated at the lower of cost and current replacement cost. Inventories (other than those held for distribution) are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average cost or "first in first out" method.

The cost of inventories acquired at no cost or for nominal consideration is the current replacement cost as at the date of acquisition. Current replacement cost is the cost the agency would incur to acquire the asset on the reporting date. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The Legislature**Notes to and forming part of the Financial Statements for year ended 30 June 2006****(r) Other Assets**

Other assets are recognised on a cost basis.

(s) Impairment of financial assets

All financial assets, except those measured at fair value through profit and loss, are subject to an annual review for impairment. An allowance for impairment is established when there is objective evidence that the entity will not be able to collect all amounts due.

For financial assets carried at amortised cost, the amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the impairment loss is recognised in the Operating Statement.

When an available for sale financial asset is impaired, the amount of the cumulative loss is removed from equity and recognised in the Operating Statement, based on the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss previously recognised in the Operating Statement.

Any reversals of impairment losses are reversed through the Operating Statement, where there is objective evidence, except reversals of impairment losses on an investment in an equity instrument classified as "available for sale" must be made through the reserve. Reversals of impairment losses of financial assets carried at amortised cost cannot result in a carrying amount that exceeds what the carrying amount would have been had there not been an impairment loss.

(t) Payables

These amounts represent liabilities for goods and services provided to The Legislature and other amounts, including interest. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(u) Budgeted Amounts

The budgeted amounts are drawn from the budgets as formulated at the beginning of the financial year and with any adjustments for the effects of additional appropriations, *s 21A, s 24 and / or s 26 of the Public Finance and Audit Act 1983*.

The budgeted amounts in the Operating Statement and the Cash Flow Statement are generally based on the amounts disclosed in the NSW Budget Papers (as adjusted above). However, in the Balance Sheet, the amounts vary from the Budget Papers, as the opening balances of the budgeted amounts are based on carried forward actual amounts; i.e. per the audited financial report (rather than carried forward estimates).

(v) Comparative Information

Comparative figures have been restated based on AEIFRS with the exception of financial instruments information, which has been prepared under the previous AGAAP Standard (AAS 33) as permitted by *AASB 1.36A*. The transition to AEIFRS for financial instruments information was 1 July 2005. The impact of adopting *AASB 132/139* is further discussed in Note 22.

(w) Financial instruments accounting policy for 2004/05 comparative period*Investment income*

Interest revenue is recognised as it accrues. Royalty revenue is recognised on an accrual basis in accordance with the substance of the relevant agreement. Dividend revenue is recognised when the agency's right to receive payment is established.

Receivables

Receivables are recognised and carried at cost, based on the original invoice amount less a provision for any uncollectable debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off as incurred.

Financial Statements

- 13 -

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2006

Other Financial Assets

"Other financial assets" are generally recognised at cost, with the exception of TCorp Hour-Glass Facilities and Managed Fund Investments, which are measured at market value.

For non-current "other financial assets", revaluation increments and decrements are recognised in the same manner as physical non-current assets.

For current "other financial assets", revaluation increments and decrements are recognised in the Statement of Financial Performance.

Payables

These amounts represent liabilities for goods and services provided to the agency and other amounts, including interest. Interest is accrued over the period it becomes due.

(x) New Australian Accounting Standards issued but not effective

The Legislature early adopts Accounting Standard AASB 2005-4 regarding AASB 139 fair value adoption. Any initial impacts on first time adoption are discussed as part of Note 22, along with the other AIFRS impacts. The following new Accounting Standards have not been applied and are not yet effective:

AASB 119 (December 2004) Employee Benefits;

AASB 2004-3 amendments to AASB 119 Employee Benefits;

AASB 7 Financial Instruments: Disclosures;

AASB 2005-10 amendments to AASB 7.

The impact of these Standards in the period of initial application is uncertain.

2. EXPENSES

(a) Employee Related Expenses	2006	2005
	\$000	\$000
Salaries and wages (including recreation leave)	38,271	35,995
Superannuation – defined benefit plans	1,341	1,281
Superannuation – defined contribution plans	2,410	2,319
Payroll tax and fringe benefits tax	2,692	2,522
Long service leave	1,404	1,446
Workers compensation insurance	490	450
Employment agency staff	1,087	919
Other	(36)	18
	<u>47,659</u>	<u>44,950</u>

The Legislature
Notes to and forming part of the Financial Statements for year ended 30 June 2006

(b) Other Operating Expenses	2006	2005
	\$000	\$000
External Auditor's remuneration		
- Audit of the financial reports	52	50
- Audit of Members' additional entitlements under Parliamentary Remuneration Tribunal Determination	55	55
Cost of Sales - House Committee	1,437	1,447
Operating Lease Rental Expense-Minimum Lease Payments	4,189	4,012
Maintenance	1,815	2,250
Insurance	373	423
Printing and stationery	6,014	5,038
Telecommunication costs	1,338	1,340
Travel expenses	2,110	1,808
Computer costs	2,272	2,010
Stores	640	687
Postage and state mail charges	852	768
Miscellaneous	1,876	1,614
Energy charges	1,052	1,032
Cleaning and laundry	548	492
Contract and other fees	759	706
	25,382	23,732
	2006	2005
	\$000	\$000
<i>Reconciliation - Total maintenance</i>		
Maintenance expense - contracted labour and other (non-employee related), as above	1,815	2,250
Employee related maintenance expense included in Note 2 (a)	3,325	3,247
Total maintenance expenses included in Note 2(a) + 2(b)	5,140	5,497
(c) Depreciation and Amortisation expense	2006	2005
	\$000	\$000
Depreciation on buildings	1,369	1,058
Depreciation on plant and equipment	1,750	2,578
Depreciation on collection assets	102	99
	3,221	3,735
Amortisation of leasehold costs	680	811
Amortisation of intangibles	361	292
	1,041	1,103

Financial Statements

- 15 -

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2006

(d) Other Expenses	2006	2005
	\$000	\$000
Salaries and allowances of Members of Parliament	25,396	24,332
Superannuation entitlements – Members	8,397	8,076
Payroll tax & fringe benefits tax – Members' entitlements	2,128	2,059
Decrement on revaluation of assets	-	1,013
Special Projects	266	365
	<u>36,187</u>	<u>35,845</u>
3. REVENUES		
(a) Sale of Goods and Services	2006	2005
	\$000	\$000
<u>Sale of Goods</u>		
House Committee sales of food and beverages	2,398	2,193
Energy recoup from Sydney Hospital and State Library	503	537
Sale of publications	33	45
	<u>2,934</u>	<u>2,775</u>
<u>Rendering of Services</u>		
Rent on Parliament House ministerial offices	809	784
House Committee functions	377	370
Miscellaneous	201	182
	<u>1,387</u>	<u>1,336</u>
	<u>4,321</u>	<u>4,111</u>
(b) Investment Income	2006	2005
	\$000	\$000
Interest on operating accounts	58	94
	<u>58</u>	<u>94</u>
(c) Grants and Contributions	2006	2005
	\$000	\$000
Sesquicentenary of Responsible Government	38	112
Legal Deposit Scheme	-	42
Department of Commerce – Enhancement to electorate office network	15	-
Department of Commerce maintenance work	1,224	1,717
	<u>1,277</u>	<u>1,871</u>

The Legislature
Notes to and forming part of the Financial Statements for year ended 30 June 2006

(d)	Other Revenue	2006	2005
		\$000	\$000
	Increment from asset valuation offsetting prior decrement	188	9,135
	Collection assets recognised for the first time	-	706
	Miscellaneous	249	326
	Contribution of assets	70	-
		<u>507</u>	<u>10,167</u>
4.	GAIN/(LOSS) ON DISPOSAL	2006	2005
		\$000	\$000
	Loss on disposal of plant and equipment		
	Proceeds from disposal	9	1
	Written down value of assets disposed	(25)	(11)
	Net gain/(loss) on disposal of assets	<u>(16)</u>	<u>(10)</u>
5.	APPROPRIATIONS	2006	2005
	Recurrent Appropriations	\$000	\$000
	Total recurrent drawdowns from Treasury (per Summary of Compliance)	88,346	82,694
	Less: Liability to Consolidated Fund (per Summary of Compliance)	6	5
		<u>88,340</u>	<u>82,689</u>
	Comprising:		
	Recurrent Appropriations (per Operating Statement)	88,340	82,689
	Capital Appropriations	2006	2005
		\$000	\$000
	Total capital drawdowns from Treasury (per Summary of Compliance)	2,921	2,280
	Less: Liability to Consolidated Fund (per Summary of Compliance)	43	-
		<u>2,878</u>	<u>2,280</u>
	Comprising:		
	Capital Appropriations (per Operating Statement)	2,878	2,280

Financial Statements

- 17 -

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2006

6. ACCEPTANCE BY THE CROWN ENTITY OF EMPLOYEE BENEFITS AND OTHER LIABILITIES

The following liabilities and/or expenses have been assumed by the Crown Entity :

	2006	2005
Employees	\$000	\$000
Superannuation	1,341	3,600
Long service leave	1,404	1,446
Payroll tax on superannuation	80	216
	<u>2,825</u>	<u>5,262</u>
Members		
Superannuation	8,397	8,076
Payroll tax on superannuation	504	485
	<u>8,901</u>	<u>8,561</u>
	<u>11,726</u>	<u>13,823</u>

7. PROGRAMS/ACTIVITIES OF THE LEGISLATURE

Program 1.1.1 Parliamentary Government - Legislative Council

Objective: To represent the people of New South Wales in the Upper House. To support the functions of the Legislative Council and its forty-two Members.

Activities:

- Members of the Legislative Council Representation
- Salaries and allowances of Members of the Legislative Council
- Secretarial and research services for Members of the Legislative Council
- Procedural and administrative support
- Committee advisory, research and administrative support
- Overseas delegations

Program 1.1.2 Parliamentary Government - Legislative Assembly

Objective: To represent the ninety-three electorates throughout New South Wales and support the functions of the Legislative Assembly.

Activities:

- Members of the Legislative Assembly Representation
- Salaries and allowances of Members of the Legislative Assembly
- Secretarial and research services for Members of the Legislative Assembly
- Procedural and administrative support
- Committee advisory, research and administrative support
- Commonwealth Parliamentary Association
- Overseas delegations

The Legislature
Notes to and forming part of the Financial Statements for year ended 30 June 2006

Program 1.2.1	Parliamentary Support Services - Joint Services
Objective:	To provide support services to both Houses of Parliament.
Activities:	<ul style="list-style-type: none"> - Accounting and financial services - Archival services - Building services - Catering services - Education and community relations - Hansard - Information technology services - Library services - Printing services - Security services

8. CURRENT ASSETS – CASH AND CASH EQUIVALENTS

For the purposes of the Cash Flow Statement, cash and cash equivalents include cash on hand and cash at bank. Cash at the end of the financial year as shown in the Cash Flow Statement is reconciled to cash and cash equivalents in the Balance Sheet as follows:

	2006	2005
	\$000	\$000
Cash at Bank and on hand	803	2,408
	<u>803</u>	<u>2,408</u>

Cash at bank and on hand includes restricted Consolidated Fund Monies of \$49,000. Refer to Note 15.

The Legislature has the following banking facilities as at 30 June 2006:

- Cheque cashing authority of \$20,000, which is the total encashment facility provided to enable recoupment of advance account activities.
- Tape negotiation authority of \$3,000,000. This facility authorised the bank to debit The Legislature's operating bank account up to the above limit when processing the electronic payroll and vendor files.
- MasterCard facility of \$490,500, which is the total credit limit for all issued credit cards.

	2006	2005
	\$000	\$000
9. CURRENT ASSETS – RECEIVABLES		
Sales of goods and services	484	420
Less: Allowance for impairment	8	1
	<u>476</u>	<u>419</u>
G.S.T. recoverable from A.T.O.	524	448
Other debtors	199	128
Prepayments	525	428
Investment income	25	56
	<u>1,749</u>	<u>1,479</u>

Financial Statements

- 19 -

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2006

10. CURRENT ASSETS – INVENTORIES	2006	2005
	\$000	\$000
Food and beverage stock at cost	<u>257</u>	<u>285</u>
	<u>257</u>	<u>285</u>

11. NON-CURRENT ASSETS - PROPERTY, PLANT & EQUIPMENT	Land and Buildings	Plant and Equipment	Collection Assets	Total
	\$000	\$000	\$000	\$000
At 1 July 2005				
Gross Carrying Amount	186,216	36,294	43,258	265,768
Accumulated depreciation and impairment	<u>54,612</u>	<u>26,673</u>	<u>8,913</u>	<u>90,198</u>
Net Carrying Amount at fair value	<u>131,604</u>	<u>9,621</u>	<u>34,345</u>	<u>175,570</u>
At 30 June 2006				
Gross Carrying Amount	196,914	37,535	45,019	279,468
Accumulated depreciation and impairment	<u>59,382</u>	<u>28,423</u>	<u>9,015</u>	<u>96,820</u>
Net Carrying Amount at fair value	<u>137,532</u>	<u>9,112</u>	<u>36,004</u>	<u>182,648</u>

Reconciliation

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the current reporting period is set out below.

	Land and Buildings	Plant and Equipment	Collection Assets	Total
	\$000	\$000	\$000	\$000
Year ended 30 June 2006				
Net carrying amount at start of year	131,604	9,621	34,345	175,570
Additions	1,325	992	98	2,415
Disposals	(311)	(1,187)	-	(1,498)
Net Revaluation Increments	6,738	188	1,663	8,589
Accumulated depreciation written back on disposal	306	1,167	-	1,473
Internal transfers	(81)	81	-	-
Depreciation Expense	<u>(2,049)</u>	<u>(1,750)</u>	<u>(102)</u>	<u>(3,901)</u>
Net carrying amount at end of year	<u>137,532</u>	<u>9,112</u>	<u>36,004</u>	<u>182,648</u>

The Legislature
Notes to and forming part of the Financial Statements for year ended 30 June 2006

	Land and Buildings	Plant and Equipment	Collection Assets	Total
	\$000	\$000	\$000	\$000
At 1 July 2004				
Gross Carrying Amount	145,206	41,286	42,336	228,828
Accumulated depreciation and impairment	<u>29,909</u>	<u>28,987</u>	<u>8,597</u>	<u>67,493</u>
Net Carrying Amount at fair value	<u>115,297</u>	<u>12,299</u>	<u>33,739</u>	<u>161,335</u>
At 30 June 2005				
Gross Carrying Amount	186,216	36,294	43,258	265,768
Accumulated depreciation and impairment	<u>54,612</u>	<u>26,673</u>	<u>8,913</u>	<u>90,198</u>
Net Carrying Amount at fair value	<u>131,604</u>	<u>9,621</u>	<u>34,345</u>	<u>175,570</u>

Reconciliation

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the current reporting period is set out below.

	Land and Buildings	Plant and Equipment	Collection Assets	Total
	\$000	\$000	\$000	\$000
Year ended 30 June 2005				
Net carrying amount at start of year	115,297	12,299	33,739	161,335
Additions	872	924	50	1,846
Disposals	(106)	(3,303)	-	(3,409)
Net Revaluation Increments	17,304	(1,013)	(51)	16,240
Assets not previously recognised	-	-	706	706
Accumulated depreciation written back on disposal	106	3,292	-	3,398
Depreciation Expense	<u>(1,869)</u>	<u>(2,578)</u>	<u>(99)</u>	<u>(4,546)</u>
Net carrying amount at end of year	<u>131,604</u>	<u>9,621</u>	<u>34,345</u>	<u>175,570</u>

Financial Statements

- 21 -

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2006

12. INTANGIBLE ASSETS

	Software \$000
At 1 July 2005	
Cost (gross carrying amount)	2,340
Accumulated amortisation and impairment	1,432
Net carrying amount	<u>908</u>
At 30 June 2006	
Cost (gross carrying amount)	2,355
Accumulated amortisation and impairment	1,792
Net carrying amount	<u>563</u>
Year ended 30 June 2006	
Net carrying amount at start of year	908
Additions	16
Amortisation (recognised in depreciation and amortisation)	(361)
Net carrying amount at end of year	<u>563</u>
At 1 July 2004	
Cost (gross carrying amount)	2,139
Accumulated amortisation and impairment	1,140
Net carrying amount	<u>999</u>
At 30 June 2005	
Cost (gross carrying amount)	2,340
Accumulated amortisation and impairment	1,432
Net carrying amount	<u>908</u>
Year ended 30 June 2005	
Net carrying amount at start of year	999
Additions	201
Amortisation (recognised in depreciation and amortisation)	(292)
Net carrying amount at end of year	<u>908</u>

13. CURRENT LIABILITIES – PAYABLES

	2006	2005
	\$000	\$000
Accrued wages, salaries, on-costs	1,750	1,448
Creditors	3,412	2,791
	<u>5,162</u>	<u>4,239</u>

The Legislature
Notes to and forming part of the Financial Statements for year ended 30 June 2006

14. CURRENT AND NON-CURRENT LIABILITIES – PROVISIONS	2006	2005
(a) Current	\$000	\$000
Recreation leave	3,800	3,449
On-cost on employee benefits	<u>1,015</u>	<u>325</u>
	<u>4,815</u>	<u>3,774</u>
 (b) Non-Current		
On-cost on employee benefits	<u>37</u>	<u>677</u>
	<u>37</u>	<u>677</u>
 (c) Aggregate employee benefits and related on-costs:		
Provisions – Current	4,815	3,774
Provisions - Non-Current	37	677
Accrued salaries, wages and on-costs (note 14)	<u>1,750</u>	<u>1,448</u>
	<u>6,602</u>	<u>5,899</u>

Of employee benefits for recreation leave \$2,799,000 is expected to be settled within twelve months and \$1,001,000 is expected to be settled after twelve months. All accrued wages and salaries are expected to be settled within twelve months.

The Legislature pays for rail travel benefits for the spouses/approved relatives of certain former members of Parliament. The cost of this travel is generally less than \$20,000 per annum.

15. CURRENT LIABILITIES – OTHER	2006	2005
	\$000	\$000
Liability to Consolidated Fund	<u>49</u>	<u>5</u>
	<u>49</u>	<u>5</u>

Financial Statements

- 23 -

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2006

16. CHANGES IN EQUITY

	Accumulated		Asset		Total Equity	
	Funds		Revaluation Reserve			
	2006	2005	2006	2005	2006	2005
	\$000	\$000	\$000	\$000	\$000	\$000
Balance at the beginning of the financial year	147,158	141,498	24,797	16,679	171,955	158,177
<u>Changes in equity - other than transactions with owners as owners</u>						
Surplus/(Deficit) for the year	(4,399)	5,660	-	-	(4,399)	5,660
Increment on revaluation of:						
• Land and Buildings	-	-	6,738	8,169	6,738	8,169
• Plant and Equipment	-	-	-	-	-	-
• Collection Assets	-	-	1,663	(51)	1,663	(51)
<u>Total</u>	<u>(4,399)</u>	<u>5,660</u>	<u>8,401</u>	<u>8,118</u>	<u>4,002</u>	<u>13,778</u>
<u>Transfers within equity</u>						
Asset revaluation reserve balance transferred to accumulated funds on disposal of asset	12		(12)		-	-
<u>Total</u>	<u>12</u>		<u>(12)</u>		<u>-</u>	<u>-</u>
Balance at the end of the financial year	142,771	147,158	33,186	24,797	175,957	171,955

Asset Revaluation Reserve

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets. This accords with the Legislature's policy on the revaluation of physical non-current assets and investments, as discussed in note 1(j).

17. COMMITMENTS FOR EXPENDITURE

(a) Operating Lease Commitments

Future non-cancellable operating leases not provided for and payable:

	2006	2005
	\$000	\$000
Not later than one year	3,787	3,889
Later than one year but not later than 5 years	3,821	5,597
Later than 5 years	247	69
Total Lease Commitments (including GST)	7,855	9,555

The Legislature**Notes to and forming part of the Financial Statements for year ended 30 June 2006**

The Legislature is the lessee of 96 properties throughout N.S.W., 94 being electorate offices and 2 being office accommodation for parliamentary committee staff. The leases are mostly standard commercial leases based on the Law Society template and are generally for four years with a four year option.

The above total includes GST input tax credits of \$673,000 (\$846,000 – 2005), which will be recoverable from Australian Taxation Office (ATO).

Legislative Assembly Electorate Offices included in the above figures represent the following commitments:

	2006	2005
	\$000	\$000
Not later than one year	3,256	3,317
Later than one year but not later than 5 years	3,164	4,380
Later than 5 years	<u>247</u>	<u>69</u>
Electorate Office Lease Commitments (inc GST)	<u>6,667</u>	<u>7,766</u>

The above total includes GST input tax credits of \$565,000 (\$686,000 – 2005), which will be recoverable from the ATO.

(b) Other Expenditure Commitments

Aggregate other expenditure contracted for at balance date and not provided for:

	2006	2005
	\$000	\$000
Not later than one year	<u>152</u>	<u>134</u>
Total Other Expenditure Commitments including GST	<u>152</u>	<u>134</u>

The above total for 2006 includes GST input tax credits of \$14,000 (\$12,000 – 2004/5) that will be recoverable from the ATO.

18. CONTINGENT ASSETS AND LIABILITIES

At reporting date The Legislature had an outstanding matter relating to two employees. This matter has been settled since reporting date. The terms of settlement preclude The Legislature from disclosing any settlement details.

19. BUDGET REVIEW**Net Cost of Services**

Net Cost of Services exceeded budget by \$5,470,000 due to higher than estimated employee related, other operating and other expenses which includes Members' salaries. These higher expenditures were slightly offset by lower depreciation and amortisation expenses. Other operating expenses includes an amount of \$1,224,000 which was the value of maintenance and restoration work carried out by the Department of Commerce. The same amount was credited to the income category, grants and contributions.

Financial Statements

- 25 -

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2006

Assets and Liabilities

Total assets were higher than budget by \$8,328,000 due to a net increment to the revaluation reserve of \$8,389,000 which was partially offset by lower than estimated current assets.

Cash Flows

Net cash inflows from operating activities were \$1,197,000 less than budget due to higher than estimated salary, other operating and other expenses which were partially offset by higher than estimated cash flows from government.

20 RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES TO NET COST OF SERVICES:

	2006	2005
	\$000	\$000
Net Cash used in operating activities	763	2,751
Depreciation	(4,262)	(4,838)
(Increase) / decrease in provisions	(401)	(462)
(Decrease) / increase in receivables, inventories and other assets	242	(375)
(Increase) / decrease in creditors and other liabilities	(987)	(270)
Gain / (Loss) on sale of non-current assets	(16)	(10)
Asset acquired via grant / donation	70	41
Valuation increment recognised in Operating Statement	188	8,828
Long Service Leave	(1,404)	(1,446)
Superannuation	(9,738)	(9,357)
Payroll tax on superannuation	(584)	(701)
Less cash flows from government:		
Capital Allocation	(2,868)	(2,280)
Recurrent Allocation	(88,346)	(82,694)
Cash reimbursements from the Crown Transactions Entity	-	(2,319)
Net Cost of Services	(107,343)	(93,132)

21. FINANCIAL INSTRUMENTS

The Legislature's principal financial instruments are outlined below. These financial instruments arise directly from the Legislature's operations or are required to finance the Legislature's operations. The Legislature does not enter into or trade financial instruments for speculative purposes. The Legislature does not use financial derivatives.

Cash

Cash comprises cash on hand and bank balances within the Treasury Banking System. Interest is earned on daily bank balances at the monthly average NSW Treasury Corporation (TCorp) 11am unofficial cash rate adjusted for a management fee to Treasury.

At period end the deposits were earning 4.75% (4.50% in 2004/2005) while the effective interest rate during the reporting period was 4.54% (4.33% in 2004/2005).

The Legislature**Notes to and forming part of the Financial Statements for year ended 30 June 2006****Receivables**

All trade debtors are recognised as amounts receivable at balance date. Collectability of trade debtors is reviewed on an ongoing basis. Debts, which are known to be un-collectable, are written off. An allowance for impairment is raised when there is objective evidence that the Legislature will not be able to collect all amounts.

The credit risk is the carrying amount (net of any provision for doubtful debts). As at balance date, the greatest risk was represented by receivables, totaling \$98,000 (\$49,000 in 2004/2005), which had been outstanding for more than 90 days.

Interest is charged on House Committee trade debtors after 60 days at 2% per month. No interest is charged to any other debtors.

The carrying amount approximates net fair value. House Committee sales are made on 7 or 60 day terms. Other sales are made on either 14 or 30 day terms.

Bank Overdraft

The Legislature does not have any bank overdraft facility.

Trade Creditors and Accruals

These liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are not secured) are settled in accordance with Treasurer's Direction 219.01. If trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received.

Fair value

Financial instruments are carried at cost which approximates their fair value.

22. The Financial Impact of Adopting AIFRS**i Key Differences in Accounting Policies**

The Legislature has determined that there are no areas where changes in accounting policies are likely to impact the financial report.

There are no changes that affect equity under existing AGAAP compared to equity under AIFRS.

ii Grant recognition for *not-for profit* entities

The Legislature has applied the requirements in AASB 1004 *Contributions* regarding contributions of assets (including grants) and forgiveness of liabilities. There are no differences in the recognition requirements between the new AASB 1004 and the current AASB 1004. However, the new AASB 1004 may be amended by proposals in Exposure Draft (ED) 125 *Financial Reporting by Local Governments*. If the ED 125 approach is applied, revenue and / or expense recognition will not occur until either The Legislature supplies the related goods and services (where grants are in-substance agreements for the provision of goods and services) or until conditions are satisfied. ED 125 may therefore delay revenue recognition compared with AASB 1004, where grants are recognised when controlled. However, at this stage, the timing and dollar impact of these amendments is uncertain.

23. After Balance Sheet Date Events

There are no after balance sheet date events.

End of Financial Statements

Financial Statements

Operation of the Legislative Assembly

	2005/2006 ACTUAL \$000	2005/2006 BUDGET \$000	2004/2005 ACTUAL \$000
Expenses			
Staff Salaries and Related Payments	3,721	3,178	3,556
Other Operating Expenses	439	490	439
Depreciation and amortisation	43	75	71
Total Expenses	4,203	3,743	4,066
Revenue			
Sale of Goods and Services	0	5	0
Other Revenue	19	10	24
Total Revenue	19	15	24
Gain (loss) on sale of assets	-	-	-
NET COST OF SERVICES	4,184	3,728	4,042
Less:			
Depreciation and amortisation	43	75	71
Long Service Leave	141	110	320
Superannuation	210	172	278
NET CONTROLLABLE COST OF SERVICES	3,790	3,371	3,373
CAPITAL WORKS EXPENDITURE	51	0	0

Estimated Expenditure and Revenue for 2006/07

Description	\$000
Salaries and related payments	3,475
Other operating expenses	487
Depreciation and Amortisation	45
<i>Total Expenses</i>	4,007
Less Retained Revenue	15
Less Non-controllable items	480
Net Controllable Cost of Services	3,512

Parliamentary Representation - Legislative Assembly

	2005/2006 ACTUAL \$000	2005/2006 BUDGET \$000	2004/2005 ACTUAL \$000
Expenses			
Staff Salaries and Related Payments	15,837	14,587	14,948
Other Operating Expenses	15,120	14,365	13,274
Members Salary Related Payments	24,734	23,732	23,642
Depreciation and amortisation	1,291	1,645	1,635
Total Expenses	56,982	54,329	53,499
Revenue			
Sale of goods and services	405	410	393
Other Revenue	60	100	105
Total Revenue	465	510	498
Loss on disposal of fixed assets	3	-	-
NET COST OF SERVICES	56,514	53,819	53,001
Less:			
Depreciation and amortisation	1,291	1,645	1,635
Long Service Leave	337	180	260
Superannuation	6,368	6,340	7,177
NET CONTROLLABLE COST OF SERVICES	48,518	45,654	43,929
CAPITAL WORKS EXPENDITURE	1,083	1,690	1,273

Estimated Expenditure and Revenue for 2006/07

Description	\$000
Salaries and related payments	15,218
Other operating expenses	15,276
Members Related Payments	24,037
Depreciation and Amortisation	1,135
<i>Total Expenses</i>	55,666
Less Retained Revenue	465
Less Non-controllable items	7,795
Net Controllable Cost of Services	47,406

Financial Statements

Office of the Clerk

	2005/2006 ACTUAL \$000	2005/2006 BUDGET \$000	2004/2005 ACTUAL \$000
Expenses			
Staff Salaries and Related Payments	861	670	760
Other Operating Expenses	163	125	140
Depreciation and amortisation	6	11	10
Total Expenses	1,030	806	910
Revenue			
Sale of Goods and Services	0	5	0
Other Revenue	17	10	18
Total Revenue	17	15	18
Gain (loss) on sale of assets			
NET COST OF SERVICES	1,013	791	892
Less:			
Depreciation and amortisation	6	11	10
Long Service Leave	75	33	45
Superannuation	56	48	62
NET CONTROLLABLE COST OF SERVICES	876	699	775
CAPITAL WORKS EXPENDITURE	-	-	-

Estimated Expenditure and Revenue for 2006/07

Description	\$000
Salaries and related payments	732
Other operating expenses	124
Depreciation and Amortisation	6
<i>Total Expenses</i>	862
Less Retained Revenue	5
Less Non-controllable items	126
Net Controllable Cost of Services	731

Procedure Office

	2005/2006 ACTUAL \$000	2005/2006 BUDGET \$000	2004/2005 ACTUAL \$000
Expenses			
Staff Salaries and Related Payments	743	598	625
Other Operating Expenses	134	166	136
Depreciation and amortisation	20	27	28
Total Expenses	897	791	789
Revenue			
Sale of Goods and Services	0	0	0
Other Revenue	1	0	1
Total Revenue	1	0	1
Gain (loss) on sale of assets			
NET COST OF SERVICES	896	791	788
Less:			
Depreciation and amortisation	20	27	28
Long Service Leave	63	33	25
Superannuation	42	37	45
NET CONTROLLABLE COST OF SERVICES	771	694	690
CAPITAL WORKS EXPENDITURE	51	-	-

Estimated Expenditure and Revenue for 2006/07

Description	\$000
Salaries and related payments	663
Other operating expenses	165
Depreciation and Amortisation	21
<i>Total Expenses</i>	849
Less Retained Revenue	5
Less Non-controllable items	135
Net Controllable Cost of Services	709

Financial Statements

Legislative Assembly Committee Office

	2005/2006 ACTUAL \$000	2005/2006 BUDGET \$000	2004/2005 ACTUAL \$000
Expenses			
Staff Salaries and Related Payments	103	217	310
Other Operating Expenses	18	23	16
Depreciation and amortisation	0	1	1
Total Expenses	121	241	327
Revenue			
Sale of Goods and Services	0	0	0
Other Revenue	0	0	0
Total Revenue	0	0	0
Gain (loss) on sale of assets			
NET COST OF SERVICES	121	241	327
Less:			
Depreciation and amortisation	0	1	1
Long Service Leave	(85)	5	104
Superannuation	11	10	14
NET CONTROLLABLE COST OF SERVICES	195	225	208
CAPITAL WORKS EXPENDITURE	-	-	-

Estimated Expenditure and Revenue for 2006/07

Description	\$000
Salaries and related payments	230
Other operating expenses	23
Depreciation and Amortisation	-
<i>Total Expenses</i>	253
Less Retained Revenue	-
Less Non-controllable items	20
Net Controllable Cost of Services	233

Legislative Assembly Committees 2005/06

COMMITTEE	2005/06 ACTUAL	EMPLOYEE RELATED EXPENSES	TRAVEL	ADVER TISING	CONTRACT & CONSULT.	PRINTING	RENT	STORES, DEPN,MISC.	POSTAGE & TELEPHONE	COMPUTER COSTS
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	
Public Accounts	512	223	58	8	157	4	53	6	2	1
Public Bodies Review	324	244	37	4	8	1	20	7	2	1
Ethics	5		2	1				2		
Public Works	374	299	15	11	-	2	38	6	2	1
Natural Resources	336	261	49	-	3	2	15	5	1	-
TOTAL EXPENSES	1,551	1,027	161	24	168	9	126	26	7	3
REVENUE	33									
NET COST OF SERVICES	1,518									
Less:										
Long Service Leave	33									
Superannuation	-									
NET CONTROLLABLE COST OF SERVICES	1,485									

Joint Committees Administered by the Legislative Assembly 2005/06

COMMITTEE		EMPLOYEE RELATED EXPENSES	TRAVEL	ADVER TISING	CONTRACT & CONSULT.	PRINTING	RENT	STORES, DEPN,MISC.	POSTAGE & TELEPHONE	COMPUTER COSTS
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	
Health Care Complaints	377	257	69	21	4	3	20	2	1	-
I.C.A.C.	165	131	3	-	2	3	20	5	1	-
Ombudsman	224	175	4	18	2	1	20	3	1	-
Valuer-General	102	99	-	-	-	1	-	2	-	-
Legislation Review	539	441	4	-	17	13	53	7	3	1
Staysafe	305	199	55	5	5	4	26	8	2	1
Committee on Children	223	161	8	3	20	1	20	8	2	-
Nuclear Waste	58	52	-	-	-	-	6	-	-	-
Electoral Matters	42	-	30	-	10	2	-	-	-	
Pooled Committee Costs	314	146	1	-	22	-	-	120	-	25
TOTAL EXPENSES	2,349	1,661	174	47	82	28	165	155	10	27
REVENUE										
NET COST OF SERVICES	2,349									
Less:										
Depreciation	97									
Long Service Leave	160									
Superannuation	43									
NET CONTROLLABLE COST OF SERVICES	2,049									

Financial Statements

Employee Services

	2005/2006 ACTUAL \$000	2005/2006 BUDGET \$000	2004/2005 ACTUAL \$000
Expenses			
Staff Salaries and Related Payments	787	620	657
Other Operating Expenses	46	66	59
Depreciation and amortisation	4	10	9
Total Expenses	837	696	725
Revenue			
Sale of Goods and Services	0	0	0
Other Revenue	0	0	2
Total Revenue	0	0	2
Gain (loss) on sale of assets	-	-	-
NET COST OF SERVICES	837	696	723
Less:			
Depreciation and amortisation	4	10	9
Long Service Leave	56	9	101
Superannuation	39	21	48
NET CONTROLLABLE COST OF SERVICES	738	656	565
CAPITAL WORKS EXPENDITURE	-	-	-

Estimated Expenditure and Revenue for 2006/07

Description	\$ 000's
Salaries and related payments	732
Other operating expenses	65
Depreciation and Amortisation	4
<i>Total Expenses</i>	801
Less Retained Revenue	-
Less Non-controllable items	93
Net Controllable Cost of Services	708

Members' Services

	2005/2006 ACTUAL \$000	2005/2006 BUDGET \$000	2004/2005 ACTUAL \$000
Expenses			
Staff Salaries and Related Payments	399	380	422
Other Operating Expenses	23	45	26
Depreciation and amortisation	6	12	10
Total Expenses	428	437	458
Revenue			
Sale of Goods and Services	0	0	0
Other Revenue	0	0	0
Total Revenue	0	0	0
Gain (loss) on sale of assets	-	-	-
NET COST OF SERVICES	428	437	458
Less:			
Depreciation and amortisation	6	12	10
Long Service Leave	8	8	17
Superannuation	22	19	44
NET CONTROLLABLE COST OF SERVICES	392	398	387
CAPITAL WORKS EXPENDITURE	-	-	-

Estimated Expenditure and Revenue for 2006/07

Description	\$ 000's
Salaries and related payments	394
Other operating expenses	45
Depreciation and Amortisation	7
<i>Total Expenses</i>	446
Less Retained Revenue	-
Less Non-controllable items	34
Net Controllable Cost of Services	412

Financial Statements

Chamber and Support Services

	2005/2006 ACTUAL \$000	2005/2006 BUDGET \$000	2004/2005 ACTUAL \$000
Expenses			
Staff Salaries and Related Payments	828	693	782
Other Operating Expenses	55	65	62
Depreciation and amortisation	7	14	13
Total Expenses	890	772	857
Revenue			
Sale of Goods and Services	0	0	0
Other Revenue	1	0	3
Total Revenue	1	0	3
Gain (loss) on sale of assets	-	-	-
NET COST OF SERVICES	889	772	854
Less:			
Depreciation and amortisation	7	14	13
Long Service Leave	24	22	28
Superannuation	40	37	65
NET CONTROLLABLE COST OF SERVICES	818	699	748
CAPITAL WORKS EXPENDITURE	-	-	-

Estimated Expenditure and Revenue for 2006/07

Description	\$000
Salaries and related payments	724
Other operating expenses	65
Depreciation and Amortisation	7
<i>Total Expenses</i>	<i>796</i>
Less Retained Revenue	5
Less Non-controllable items	72
Net Controllable Cost of Services	719

Office of the Financial Controller

	2005/2006 ACTUAL \$000	2005/2006 BUDGET \$000	2004/2005 ACTUAL \$000
Expenses			
Staff Salaries and Related Payments	1,090	1,142	1,045
Other Operating Expenses	228	161	179
Depreciation	205	220	216
Total Expenses	1,523	1,523	1,440
Revenue			
Sale of Goods and Services	-	-	-
Other Revenue	61	75	99
Total Revenue	61	75	99
NET COST OF SERVICES	1,462	1,448	1,341
Less:			
Depreciation	205	220	216
Long Service Leave	22	20	46
Superannuation	32	31	83
Net Controllable Cost of Services	1,203	1,177	996
CAPITAL WORKS EXPENDITURE	13	-	-

Estimated Expenditure and Revenue for 2006/07

Description	\$000
Salaries and related payments	1,183
Other operating expenses	160
Depreciation and Amortisation	206
<i>Total Expenses</i>	1,549
Less Retained Revenue	75
Less Non-controllable items	266
Net Controllable Cost of Services	1,208

Financial Statements

Other Services

	2005/2006 ACTUAL \$000	2005/2006 BUDGET \$000	2004/2005 ACTUAL \$000
Expenses			
Presiding Officers Conference	19	20	4
Commonwealth Parliamentary Association.	235	304	339
Overseas Delegations	-	7	6
NET COST OF SERVICES	254	331	349

Description	\$000
Presiding Officers Conference	\$ 20,000
Commonwealth Parliamentary Association	\$ 313,000
Overseas Delegations	\$ 7,000

Annual Reporting

The Parliament of New South Wales is not bound by the annual reporting legislation. However, in 1990 the Legislative Assembly began to prepare annual reports. The Legislative Assembly uses the requirements of the annual reporting legislation as a guide to determining the contents of the report. A number of these requirements are not applicable to the Legislative Assembly, including reporting of legislative change and judicial decisions; freedom of information requests; funds granted to non-government community organisations; and land disposal.

The report can be accessed on the internet at www.parliament.nsw.gov.au. Committee reports referred to in this document can also be accessed at this site.

Hard copies are available from the Parliamentary Officer-Projects:

Telephone: (02) 9230 3095

E-mail: rohan.tyler@parliament.nsw.gov.au