



Funding arrangements for the Parliament of Australia: A view to the future

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Introduction¹

The funding arrangements for the Australian Parliament are closely aligned with the budgetary requirements established by the Executive Government of the day. The nature of our Westminster parliamentary system, in which the ministry is drawn from the same group of Members who achieve majority in the lower House, might seem to suggest that autonomy for a parliament over its budget is not possible. In Australia, under the Constitution the separation of the Parliament from the Executive is a central principle. At the same time, the Executive has responsibility to govern, to control the expenditure of public money which it has raised through revenue management.

Nevertheless, greater financial autonomy, together with enhanced management and scrutiny, is a desirable reform for Australia's parliamentary administration; there is no more important power for a parliament than control over its resources.² Since federation in 1901, the delivery of services to Parliament and members of parliament, by the immediate parliamentary service and the greater public sector, has been shaped historically by administrative convenience rather than fulfilment of an overall design. For over one hundred years, the Parliament has been a successful partner under the Constitution in supporting and nurturing Australia to achieve a stable and mature federal political democracy. Reforming funding arrangements to effect greater financial autonomy for the Parliament, would give due recognition to the independent status of the Australian Parliament under the Constitution. Supported by a suitable governance structure, such as a collegiate body of members of parliament, the Parliament would have the means to manage the parliamentary budget in accordance with appropriate principles and transparency of process.

This paper briefly describes the administrative framework supporting the Parliament of Australia, and also its current financial arrangements. A review of the funding arrangements which exist in other comparable legislatures suggests an avenue of reform for the Parliament's administrative and budgetary arrangements to strengthen the independence of the Parliament.

Administrative arrangements for the Australian Parliament

In the Australian context, the Senate and the House of Representatives function as distinct and independent units within the Parliament, this situation extends to autonomy in regard to the control of finances once appropriated, staffing, accommodation and other services.³

There has been progressive reform over the past decade to improve the administrative arrangements for the Parliament. Reform has led to the implementation of the *Parliamentary Service Act 1999*, to establish the parliamentary service independently of the Executive and as separate and distinct from the remaining public sector. The Act prescribes that the administration of the Parliament is to be undertaken by at least

¹ This paper was given at 37th Presiding Officers and Clerks Conference. Perth July 2006

² Wiltshire K, 'Staffing and appropriations of parliament', in Nethercote J R ed, *Parliament and bureaucracy: Parliamentary scrutiny of administration: prospects and problems in the 1980s*, Hale & Remonger in association with the AIPA, The CPA, and The Law Foundation of New South Wales, Marrickville NSW, 1982, pp. 302–318 at 302.

³ Harris I C ed, *House of Representatives Practice*, 5th edn, Department of the House of Representatives, Canberra, 2005, p. 35.

two parliamentary departments ie the Department of the Senate and the Department of the House of Representatives. The Act recognises that the administrative structure can be altered and that other departments can be established or abolished by resolutions passed by each House of the Parliament.

In August 2003, following a review of parliamentary administration, resolutions were passed by both Houses to abolish the three joint service departments then existing and replace them with a single department.⁴ The establishment of the new joint services department from 1 February 2004, followed numerous proposals, since 1910, to restructure parliamentary administration, and was welcomed by Members and Senators across the political spectrum.

In 2006, there are three parliamentary departments. The Department of the House of Representatives provides administrative support for the efficient conduct of the House of Representatives, its committees, certain joint committees and a range of services and facilities for Members in Parliament House. The Department of the Senate has equivalent responsibilities in relation to the Senate, its committees, joint committees not supported by the Department of the House of Representatives and a range of services and facilities for Senators in Parliament House. Each department administers certain shared functions on behalf of both Houses.⁵

The Department of Parliamentary Services is responsible for services in common to both Houses, such as the Parliamentary Library, broadcasting, *Hansard* reporting, information and communications technologies etc, and for security, catering, maintenance etc throughout Parliament House and its immediate precincts.

Under the Parliamentary Service Act, the Speaker has ultimate responsibility for the Department of the House of Representatives, and the President of the Senate has ultimate responsibility for the Department of the Senate. The Speaker and the President are jointly responsible for the Department of Parliamentary Services. The Clerk of each House is the chief executive officer of his or her department, the third department has a Secretary as departmental head, and the Parliamentary Librarian is created as a statutory position also.

The Parliamentary Service Act mirrors the principles based approach adopted in the *Public Service Act 1999* and provides specifically for support to the Parliament from a separate parliamentary service independently of the Executive Government. This helps to ensure that the Parliament is served by a professional body of staff independent of the public service and dedicated to supporting members of parliament in fulfilling their constitutional role. The terms and conditions for the parliamentary service are targeted on the needs of the Parliament and not constrained by the needs of the public service. The code of conduct and values have been expressed to meet the needs of the Parliament, for example, the parliamentary service has a value to provide ‘professional advice and support for the Parliament independently of the Executive Government of the Commonwealth’.

⁴ Podger A, *Review by the Parliamentary Service Commissioner of Aspects of the Administration of the Parliament*, Final Report, Canberra, September 2002. Resolutions passed by the House of Representatives on 14 August 2005, and by the Senate on 18 August 2005.

⁵ Harris I C ed, *House of Representatives Practice*, 5th edn, Department of the House of Representatives, Canberra, 2005, pp. 208–209.

The Clerks of both Houses and the Secretary of the third department are responsible for developing and maintaining employment strategies to implement recruitment based on merit, and an overall corporate pursuit of best practices. The range of staff supporting the Parliament includes not just procedural specialists, but also staff with specialised expertise in the various professional fields, accounting and finance, human resource management, research and information and communications technologies etc.

The three parliamentary service heads have responsibilities, as chief executives, under the *Financial Management and Accountability Act 1997*, to promote efficient, effective and ethical use of resources. They are responsible for implementing an effective governance and accountability framework in administering parliamentary funds, having responsible monitoring of expenditure against the appropriations and ensuring compliance with appropriate accounting standards.

It should be noted that the Department of Finance and Administration (Finance), an executive agency, also administers services and entitlements to members of parliament. Also, the Australian Electoral Commission (AEC) supports the Parliament, although perhaps more indirectly than the parliamentary departments or Finance.

Funding arrangements for the Australian Parliament

1. Appropriations for 2006—2007

Budgetary funding which relates directly to the work of the Parliament and the work of Senators and Members in their states and electorates is appropriated to the three parliamentary departments and to Finance.

The aggregate appropriation for recurrent and capital expenditure of the parliamentary departments for the 2006–2007 financial year is \$171.607m, comprised of:

	\$m
Department of the Senate	20.064
Department of the House of Representatives	22.798
Department of Parliamentary Services	128.745

2. Extra-budgetary items relating to parliament

Salaries and allowances of Senators and Members are provided for by way of special rather than annual appropriation and are included in the appropriations for Finance, then passed to the respective chamber department as administered funds.

	\$m
Department of the Senate	14.007
Department of the House of Representatives	23.592

In many parliaments items of parliamentary expenditure are included in the appropriations for government departments.⁶ In other parliaments such expenditures

⁶ Jacobson S, 'Report on the Parliamentary Budget' in ASGP, *Constitutional and Parliamentary Information*, 1991, pp. 6–20 at 15–17.

include: maintenance of the parliament building; salaries and allowances of members of parliament; the pensions of parliamentarians; various health services; printing costs; cost of computer services; postage; security services; free public transport available to parliamentarians; catering services; and administered payments to political parties from the Treasury; and a number of other less common items such as provisions for commissions of inquiry and supervision; grants to cultural and scientific institutions etc.

The budget for Finance, includes significant amounts of funds which have a definite parliamentary purpose. The aggregate appropriation for Ministerial and Parliamentary Services, Finance, which provides facilities and services to members of parliament and their staff, for the 2006–2007 financial year, is \$44.71m. Furthermore, \$299.991m was appropriated as administered expenses for the Political Exchange Programme, the Global Democracy Programme, electorate and ministerial support costs, transport costs and parliamentary entitlements; and the Financial Management Group administers the Parliamentary Contributory Superannuation Scheme, for which there is a separate appropriation. A primary focus for Finance, as with all executive agencies, is to assist the Australian Government in delivering its fiscal and economic agenda. Nevertheless, some items of appropriation to Finance have a parliamentary or mixed—both parliamentary and executive—character.

The role of the AEC is to conduct and review elections, manage the electoral roll, educate and inform the community, support electoral redistributions, administer the election funding scheme and financial disclosure requirements, and provide research, advice and assistance on electoral matters in Australia and overseas. The aggregate appropriation for the 2006–2007 financial year is \$107.66m.

3. Relative size of parliamentary budget

In most countries, the relative size of parliamentary budgets is small when expressed as a proportion of national public sector budget. Australia's parliamentary budget has been measured as less than 0.2 per cent and trending lower, comparing similarly with other parliaments, for example, higher than Sweden and the UK, but lower than Canada and France.⁷

4. Remuneration for members of parliament

In Australia, remuneration levels for members of parliament are established through an independent process carried out by a quasi judicial authority, the Remuneration Tribunal.

The *Remuneration Tribunal Act 1973* establishes the Remuneration Tribunal with power to determine a range of allowances and entitlements for members of parliament. However, the Tribunal does not determine the entire range of entitlements. Other relevant legislation which applies in this regard includes, the *Members of Parliament (Life Gold Pass) Act 2002*, the *Members of Parliament (Staff) Act 1984*, the *Parliamentary Contributory Superannuation Act 1948*, the *Parliamentary Entitlements Act 1990*, the *Parliamentary Superannuation Act 2004* and the *Remuneration and Allowances Act 1990*.⁸

⁷ Ibid., pp. 12–14. A more recent comparison published in 1999 was incomplete.

⁸ <http://www.remtribunal.gov.au/>

The Remuneration Tribunal does not have the power to determine the base salary of parliamentarians, although under the Remuneration Tribunal Act, the Remuneration Tribunal is required to review parliamentarians' allowances at least annually. The Remuneration and Allowances Act provides that the base salary is a matter for decision by the Executive and requires the Remuneration Tribunal to provide advice on the matter. Since 1999, a government regulation has linked the base salary to a reference salary within the Remuneration Tribunal's Principal Executive Office Classification; the Remuneration Tribunal reviews all salaries in that structure and adjusts them, if appropriate, from 1 July each year.

Parliamentary Office Holders, including the Parliament's Presiding Officers, receive additional salary as determined by the Remuneration Tribunal, pursuant to the Remuneration and Allowances Act.

Under the Constitution, the salaries of Ministers are a matter for decision by Executive Government and only require legislative action for implementation when adjustment to the total pool of funding is necessary.⁹ The Remuneration Tribunal reports to Government annually on the additional salary payable to Ministers, and the *Ministers of State Act 1952* makes provision for annual appropriation which is apportioned in annual salaries to all members of the ministry, including parliamentary secretaries.

5. General budgetary arrangements

The Parliament's budgetary framework has been influenced by the report in 1981 of the Senate Select Committee on Parliament's Appropriations and Staffing, which reflected the principle that parliamentary staffing and appropriations should be determined independently of, but in consultation with Government. The committee's recommendations included, a separate Act to cover the appropriations for Parliament and the establishment of the Senate Standing Committee on Appropriations and Staffing.¹⁰

Since financial year 1982–1983 appropriations for the Parliament have been provided separately from appropriations for Executive Government operations, through annual Appropriation (Parliamentary Departments) Acts. Since financial year 2000–2001, budgets have been prepared using an accrual basis, reflecting a change in budget preparations across the broader public sector. The Parliament's budget is drafted in effectively three separate chapters, one for each parliamentary department. The Appropriation (Parliamentary Departments) Acts contain appropriations for each department, under the headings 'departmental outputs', 'administered expenses' and 'equity injections'—administered assets and liabilities.

In the budget process the Presiding Officers have a formal role in proposing the budget, and a Portfolio Budget Statement is developed as an aid in explaining the purpose of the budget measures. The parliamentary departments must adhere to the same funding guidelines and policies as executive departments. There is a base level of funding which is agreed between Finance and parliamentary officials. This base

⁹ Constitution, s. 66.

¹⁰ Details of the report are set out in *Odgers' Australian Senate Practice*, 11th edn, Department of the Senate, Canberra, 2004, pp. 119–120.

level is adjusted (downward) each year by an efficiency dividend that has been imposed, currently at 1.25 per cent, and at the same time with a parameter adjustment (upwards) for inflation. General government policy changes also would be reflected in the parliamentary budgets. For example, in 1996, the Government arbitrarily applied the same severe cuts to the Parliament's budget as were imposed on executive government departments, reducing parliamentary outlays by \$10m and reducing running costs by two per cent for the following year, in addition to the reduction for an ongoing efficiency dividend (then one per cent). The only way for a parliamentary department to secure a real increase in funding is through a 'new policy proposal' which provides additional funding for a new policy initiative. For such a proposal, one or both Presiding Officers, as appropriate, must defend the proposal before the Expenditure Review Committee (ERC) of Executive Cabinet and the ERC must agree to it. It is not unusual for the Government to seek offsetting savings for new policy proposals. In recent years, when the new policy proposal was agreed for the Parliament to provide additional funding for enhanced security arrangements, the proposal was to be funded from 'savings' that the parliamentary departments were asked to make from efficiencies as a result of the amalgamation of the three joint service departments.

The three year parliamentary election cycle has not been a factor which Finance applies to the parliamentary budget, although some informal discussions have occurred with Finance about this possibility. The very real effect the parliamentary cycle has on the levels of activity, and hence on annual levels of expenditure, is not formally acknowledged by the budget process. Instead, the fluctuations in expenditure due to the parliamentary cycle are accommodated by the ability under the accrual accounting framework to make profits in election years and losses in non election years.

There are differences between the preparation of the budget of the Department of the Senate, on the one hand, and the budgets for the other two parliamentary departments. For the Senate budget, since 1982 the President has been chair of the Standing Committee on Appropriations and Staffing, which assists the President in determining the proposed expenditures.¹¹ The committee is charged with examining the proposed annual estimates and additional estimates for the Senate, as well as any proposals to vary the staffing structure of the Senate, or staffing and recruitment policies.¹² It is apparent that the aspects of the budget over which the committee has had most influence are in relation to its support of new policy proposals. Nevertheless, the Government has insisted on maintaining ultimate control over the total amount of funds available to the Parliament, because of its responsibility in relation to public expenditure. On occasion there has been some departure from the committee's operating procedures, when the Minister for Finance has unilaterally modified the amounts determined by the committee for inclusion in the Appropriations (Parliamentary Departments) Bill.¹³

¹¹ A history of the establishment and operation of the Senate Appropriations and Staffing Committee is set out in *Odgers' Australian Senate Practice*, 11th edn, Department of the Senate, Canberra, 2004, pp. 119–124.

¹² Senate Standing Order 19. Senate resolutions further require the committee to examine any changes in the structure or responsibilities of the parliamentary departments.

¹³ *Odgers' Australian Senate Practice*, 11th edn, Department of the Senate, Canberra, 2004, ch. 5.

The original Senate Select Committee on Parliament's Appropriations and Staffing report also recommended the establishment of a House of Representatives standing committee to perform similar functions for the House and to meet with the Senate committee in relation to joint services. The Government did not agree to the establishment of a House committee. In November 1989 the House Standing Committee on Procedure also recommended that the House of Representatives establish an Appropriations and Staffing Committee.¹⁴ However, the Government did not support that recommendation either. There have been further proposals to introduce a similar regime for the House of Representatives to that which exists in the Senate, but they have not been implemented.¹⁵

The fact that the Parliament has separate appropriation legislation from that of the general state budget, affords the Parliament a small measure of independence from the Executive. Nevertheless, this small measure of independence is outweighed by the facts that the Government's economic policy applies to the parliamentary budget, and the bill to give effect to the parliamentary estimates, is introduced by the Government and reflects the Government's final position on the estimates submitted.

In Australia, as in most countries, Parliament's approval of the parliamentary budget is required.¹⁶ However, it would be difficult for Parliament to effect any increase in the level of funding proposed for the Parliament, once the relevant bill or bills are introduced. In the House of Representatives, only a Member who is a Minister may propose an amendment to increase expenditure or alter the purpose of a proposed expenditure, effectively barring non Ministers from making any formal proposal for government financing of parliamentary activity.¹⁷ Any Senator may move such an amendment, but if passed by the Senate, the proposal would have to go back to the House of Representatives for approval.

For some countries, including Australia, governments have a right to limit the parliamentary budget, or apply limitations to specific aspects of the budget, for example, in the United Kingdom, a 'cash limit' is applied by government to the parliamentary item for building maintenance and furniture, which is included in the budget of the executive Department of the Environment.¹⁸ Other parliaments are in a stronger position in relation to budgetary independence, as government approval is not required for some parliaments including, Belgium, Cameroon, Denmark, France, Greece, Iceland, India, Israel, Italy, Philippines, Sweden and Switzerland—although in Cameroon, India and the Philippines the government has the right to limit the parliamentary budget.¹⁹ Canada, Finland, France, Greece, Israel, Italy, Sweden and Switzerland appear to be in the strongest positions, although some of these

¹⁴ House of Representatives Standing Committee on Procedure, *The standing orders governing the conduct of committees of the House*, Canberra, 1989, p. 6.

¹⁵ From time to time, notices of Private Members' Business in the House of Representatives have included measures to this effect.

¹⁶ Jacobson S, 'Report on the Parliamentary Budget' in ASGP, *Constitutional and Parliamentary Information*, 1991, pp. 6–20 at 20.

¹⁷ Constitution, s. 56 and standing order 180. See also, discussion at Harris I C ed, *House of Representatives Practice*, 5th edn, Department of the House of Representatives, Canberra, 2005, pp. 567–568.

¹⁸ Jacobson S, 'Report on the Parliamentary Budget' in ASGP, *Constitutional and Parliamentary Information*, 1991, pp. 6–20 at 10.

¹⁹ *Ibid.*

parliaments voluntarily abide by aspects of government policy on the budget—Canada, France, Israel, Italy and Switzerland. It is apparent too, that in France, Denmark and the United Kingdom the linkages of salaries of Members and parliamentary staff to the levels prevailing in the public service are a measure of conformity with government policy.

6. Audit or supervision of parliamentary expenditure

In Australia, the Auditor-General, who is appointed as an independent officer of the Parliament under the *Auditor-General Act 1997*, has responsibility for providing a full range of audit services to the Parliament, including in relation to the parliamentary budget. The Auditor-General is not part of the parliamentary service and provides a range of audit services to public sector agencies and statutory bodies.

The Australian situation appears to be similar to that in other comparable countries. In the United Kingdom, the head of the National Audit Office is an officer of the House of Commons and has responsibility for auditing government departments also. In Canada, the Auditor General is a servant of the House of Commons and conducts an audit of its expenditure from time to time by invitation.

Some countries are not subject to any external supervision or auditing of their budgets, for example, Belgium, Cameroon, Finland, France, India, Italy, Sweden and Zaire. Although in France, the Senate and the National Assembly set up a parliamentary committee to verify and audit accounts.²⁰

Budgetary processes in other parliaments

The principle of a legislature independently maintaining control over its own staffing and funding resources has been accepted in some countries for many years. Other national parliaments having similar traditions to Australia experience high degrees of autonomy, for example, the United Kingdom and the Canadian Parliaments.

Some parliaments have established a collegial body of members of parliament, chaired by the presiding officer, to manage the budget process, including: the Board of Internal Economy in the Canadian House of Commons; the Parliamentary Service Commission in the New Zealand House of Representatives; the Board of Administration in the Swedish Riksdag; and the House of Commons Commission in the UK House of Commons.

Canada

Under the Parliament of Canada Act, the Board of Internal Economy is responsible for administrative and financial matters concerning the House of Commons and its Members.²¹ The Board consists of the Speaker, two members of the Cabinet, the leader of the opposition and a number of other Members, according to a formula to reflect the political complexion of the House and to maintain equal representation between government and non government Members. The Standing Senate Committee on Internal Economy, Budgets and Administration is responsible for considering financial and administrative matters relating to the internal management of the Senate. Members of the majority and minority parties sit on that committee.

²⁰ Ibid, p. 18.

²¹ Dewing M, *The Administrative Structures of a Parliament*, Parliamentary Information and Research Service, Library of Parliament Canada, Ottawa, 20 April 2005.

Each of these bodies is empowered to prepare the budgetary estimates of its respective assembly. Once approved, the estimates are forwarded by the Speaker to the Treasury Board, and the bodies are responsible for managing the funds, approving and monitoring the budgetary expenditures, including salaries and allowances of Members and Senators, operating expenses of each House and employee salaries.

New Zealand

The Parliamentary Service Commission exercises control over the budget and services provided by the Parliamentary Service, which was established in 1985.²² The Speaker chairs the Commission, which has six other Members of Parliament; the Leader of the House and the Leader of the Opposition, or Members nominated by them, and four other Members appointed by resolution of the House at least two of which must be Members of the opposition. Apart from the Leader of the House, no minister or parliamentary under-secretary can be a member of the commission.

The Parliamentary Service Act 2000 provides for the governance arrangements for the parliamentary service, with the Speaker as the responsible head, establishes the Parliamentary Service Commission as the responsible policy body, and provides for regular independent reviews of the appropriations for services and parliamentary entitlements.

The Commission is charged with advising the Speaker on the nature of services to be provided to the House and to Members, and the rationale for such services. The Commission also recommends the criteria to apply to funding entitlements for parliamentary purposes and identifies suitable members for a review committee of three persons, who may not be members of parliament or officers or employees of the parliamentary service. The review committee must review the amounts of money appropriated by the parliament for administrative and support services provided to the House and its Members, and the funding entitlements for parliamentary purposes.

Sweden

The Board of Administration in the Swedish Riksdag comprises representatives from each political party and submits its annual budget to the Ministry for Finance. The budget includes administrative costs, building maintenance, parliamentary salaries and pensions, which are set by an independent committee. The ministry has never altered a budget proposed by the Board.²³

The budget is divided into two parts, the first part comprising the items related to Members, staff and administration; and the second part, appropriations to the parliamentary authorities, such as, the Parliamentary Ombudsman, the Parliamentary Auditors, the Board of the Bank of Sweden and the Delegation for the Nordic Council.

United Kingdom

The House of Commons Administration Act 1978 defines the House departments and establishes the UK House of Commons Commission, which consists of the Speaker,

²² <http://www.parliament.govt.nz/>

²³ *Denmark and Sweden: Report of the Australian Parliamentary Delegation 16 to 27 October 2005* Parliament of the Commonwealth of Australia, Canberra, 2006, p. 23.

the Leader of the House, a member nominated by the leader of the opposition, and three back benchers appointed by order of the House—one from the government party, one from the official opposition and one from one of the smaller parties. Because of the complexion of the Commission it is anticipated that it will operate by consensus. One of the backbench Members is also chairman of the Finance and Services Committee which advises the Commission on proposals for services.²⁴

The Commission has power to reorganise the House departments and is the employer of their staff, except for the Clerk, the Clerk Assistant and the Serjeant-at-Arms, who are appointed by the Crown. The Commission is obliged to ensure pay, conditions of service and pensions for staff are broadly linked to those of the civil service. The Commission is required to prepare and present the estimates incurred from the service of the House. Practically, the Leader of the House is able to speak on behalf of the government especially in relation to any major new services, and the Commission would not approve additional spending without a resolution of the House. Administrative expenditure is not subject to cash limits, and the Treasury has no formal control over the estimates. The Commission makes an annual report to the House. Appropriations in relation to building maintenance and furniture are limited by the government, and are included in the budget for the Department of the Environment.

The House of Commons has one budget for costs related to Members, a second budget for staff salaries and administrative costs, and other budgets which it shares with the House of Lords. The estimates for Members' pay, allowances and pensions are drawn up by parliamentary officials in consultation with the Treasury, although the rates of pay and allowances are set by the House itself.

The House of Lords is also accorded independence by the Treasury. One difference between the processes of the two Houses is that the presiding officer has no role in the budget making process, rather the House Committee, with Members representing the Party Leaders and the Convenor of the Crossbench Peers, is vested with financial control. The accounts are externally audited annually by the National Audit Office.

Further examples

Other parliaments have a different framework involving members of parliament. In some, a presidium will manage the budget process, for example, the financial autonomy of Denmark's parliament is delivered through a presidium of the Folketing which submits its budget proposal for scrutiny to the Standing Orders Committee.²⁵

In parliaments which follow the French tradition, such as France, Cameroon and the Belgian Chamber of Representatives, the Quaestors, or members of parliament who are in charge of internal administration and financial matters, have a primary role in the preparation and approval of the parliamentary budget. The autonomy of the French National Assembly is provided for in legislation and reflected in the rules of procedure. The Bureau of the Assembly, comprised of the President of the Assembly, six Vice-Presidents, three Quaestors and 12 Secretaries, is responsible for the

²⁴ Blackburn R and Kennon A, *Parliament—Functions, Practice and Procedures*, Second edn, Sweet & Maxwell, London, 2003, ch. 5.

²⁵ Jacobson S, 'Report on the Parliamentary Budget' in ASGP, *Constitutional and Parliamentary Information*, 1991, pp. 6–20 at 8.

administration and has wide powers. The Quaestors are responsible for financial and administrative matters, including preparing the budget, and a special committee of 15 Members of the Assembly is appointed to audit and clear the accounts.²⁶ The Quaestors of both Houses meet as a joint committee to decide finally on the two budget proposals.

Conclusions

The Australian Parliament has achieved some improvements in administrative autonomy and strengthening the parliamentary service. This reform reflects the principle that an independent parliament requires a strong and independent parliamentary service. Not only should the administration of the Parliament be on a sound and independent footing, but so too should the Parliament be assured of financial independence within a sound accountability framework.

It is widely recognised that in terms of accountability and the appropriate relationship between the Executive and the Parliament, a committee of members of parliament from across the political spectrum should review and administer Parliament's budget, which should not be subject to amendment by the Executive. With regard to Commonwealth Parliaments this standard is expressed in the Commonwealth (Latimer House) Principles.²⁷

Australia achieves several elements of a good practice framework in relation to its parliamentary administration. It has achieved sound reform in strengthening the parliamentary service through independent legislation, the Parliamentary Service Act. Further, it is good practice to establish the levels of remuneration for parliamentarians through a quasi judicial authority, such as the Remuneration Tribunal, to charge the Auditor-General who is directly responsible to Parliament with responsibility to audit the parliamentary accounts, and to establish the parliamentary budget in legislation which is separate from the government budget. These are all measures which help the Australia Parliament to achieve a level of independence, within a strong accountability framework.

The experiences of other parliaments with similar constitutional frameworks and parliamentary traditions to Australia's demonstrate that greater budgetary and financial freedom do not mean that the Executive is ignored. The examples of Canada, New Zealand and the United Kingdom, those national parliaments with whom Australia has most in common, indicate that financial autonomy can be achieved effectively with an appropriate body of parliamentarians being responsible for developing the parliamentary budget and at the same time avoiding any adverse impact on executive responsibilities.

The relationship between the Parliament and the Executive depends on the mutual respect which accompanies the principle of separation of powers within Australia's constitutional framework. Improving the funding and accountability framework for Parliament, should contribute to enhanced standing of Parliament and its Members.

²⁶ *Rules of Procedures of the National Assembly*, France, September 1998, Chapter IV.

²⁷ As originally drawn up in the UK at Latimer House Buckinghamshire, June 1998, and cited in CPA, *Commonwealth (Latimer House) Principles on the Three Branches of Government*, as agreed and endorsed by the Commonwealth Heads of Government Meeting, Abuja, Nigeria, 2003, Annex at p. 22.