



Report of the

**Office of the Clerk
of the House of Representatives**

for the year ended 30 June 2003

Presented to the House of Representatives pursuant to
section 39 of the Public Finance Act 1989

MR SPEAKER

I have the honour to present to you the Report of the Office of the Clerk of the House of Representatives for the year ended 30 June 2003.



D G McGee CNZM QC

Clerk of the House of Representatives

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Directory

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Audit New Zealand

Wellington

on behalf of the Controller and Auditor-General

Bankers

Westpac Banking Corporation

Solicitors

Crown Law Office

Insurers

New Zealand Insurance

Accident Compensation Corporation

Purpose statement

The Office of the Clerk is the legislature’s secretariat. It exists to assist the Clerk of the House in the provision of specialist legal advice on parliamentary law and procedures, and the provision of professional assistance and administrative services to the Speaker and members of the House of Representatives in the performance of their duties as members of the House.

The Clerk of the House of Representatives is the principal permanent officer of the House. The Office of the Clerk, established by section 14 of the Clerk of the House of Representatives Act 1988, provides assistance in the context of the Clerk’s functions.

As detailed in section 3 of that Act, the functions of the Clerk of the House of Representatives are:

- (a) To note all proceedings of the House of Representatives and of any committee of the House;
- (b) To carry out such duties and exercise such powers as may be conferred on the Clerk of the House of Representatives by law or by the Standing Orders and practice of the House of Representatives;
- (c) To ensure that the work of the Office of the Clerk is carried out efficiently, effectively and economically;
- (d) To maintain proper standards of integrity and conduct, and concern for the public interest;
- (e) To be responsible, under the direction of the Speaker, for the official report of the House and its committees.

Outcome of the Office of the Clerk

The outcome of the Office of the Clerk is a functioning legislature in which members of Parliament are able to discharge their constitutional duties in respect of the consideration of legislation and other parliamentary business.

Organisation and functions of the Office of the Clerk

The Office is organised along broadly functional lines into four divisions:

HOUSE

Provides services for meetings of the House and committees of the whole House. Provides advice to the Speaker, presiding officers, and other members of Parliament on parliamentary procedure. Certifies that bills are printed and reprinted as passed by the House and prepares bills for Royal assent. Maintains and publishes records of all proceedings. Holds and distributes all bills and papers while they are under consideration by the House. Examines bills, questions, motions, and petitions to ensure conformity with the House’s rules. Contributes to New Zealand’s fulfilment of obligations as a member of inter-parliamentary organisations and contacts between the New Zealand Parliament and parliaments overseas.

SELECT COMMITTEES

Provides support to select committees by preparing agendas, recording proceedings, researching and analysing information, and writing reports. Provides advice to chairpersons and other members of Parliament on parliamentary procedure.

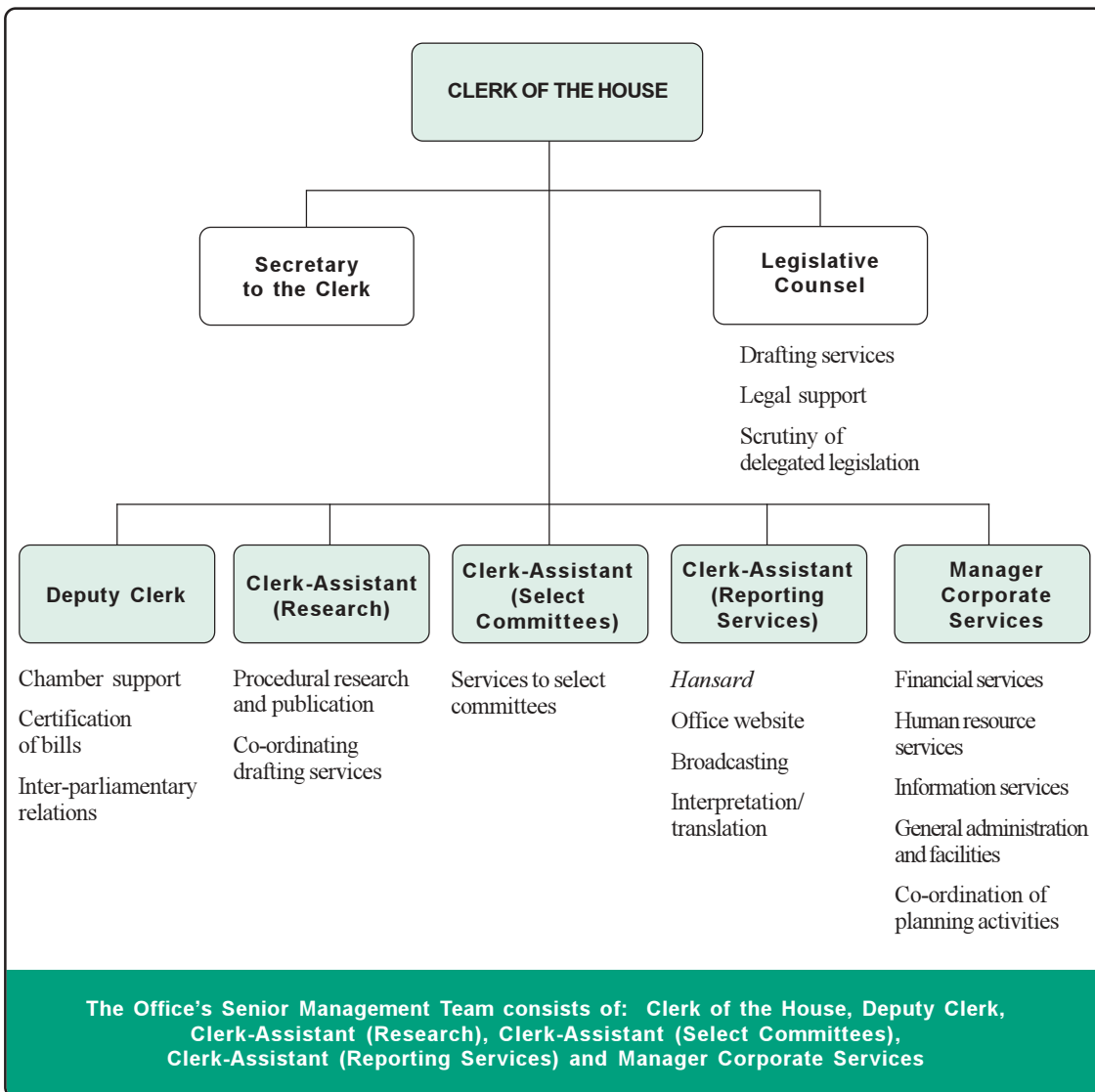
REPORTING SERVICES

Provides transcription services, including the *Hansard* report of parliamentary debates, and provision of Māori interpretation and translation services. Administers the agreement for the broadcasting of the proceedings of the House. Manages the Office’s website.

CORPORATE

Provides administrative, financial, computing and human resource support to the Office.

The diagram below shows the Office of the Clerk’s senior management structure:



Chief executive's overview

The 2002/03 financial year opened during a parliamentary interregnum, with the 46th Parliament having been dissolved on 18 June 2002 some four months earlier than anticipated. The fact that the general election and the consequent cessation of parliamentary activity occurred mid-year rather than at the end of the year had a considerable impact on the implementation of the Office's printing projects which were timed to commence in February 2003 following what had been expected to be a few months of little or no demand for parliamentary printing. The 47th Parliament met in August 2002 and entered immediately into a full programme of sittings that extended until just before Christmas, thus leaving little time free of the pressures of normal business to work through the final implementation phases of the projects.

PARLIAMENTARY PRINTING PROJECTS

The implementation of the new printing projects is described in detail elsewhere in this report. But I would like to record my gratitude to the staff and contractors involved who worked so hard and skilfully to ensure that the looming deadline of the resumption of parliamentary sittings in 2003 was met. In particular, acknowledgement must be made of the work of Mary Harris, the Deputy Clerk, who as project leader assumed overall responsibility for their implementation. I would also like to record the fact here that transfer of the responsibility for publishing legislation from the Office of the Clerk to the Parliamentary Counsel Office, which took place in February 2003, and the consequent cessation of the parliamentary printing contract, marks the end of an association that the Office has had with a parliamentary printing contractor, Legislation Direct, that, through its predecessors, effectively goes back to 1864 and the creation of the Government Printing Office.

NEWLY-ELECTED HOUSE

A general election entails an induction programme for newly-elected members. This follows a process first introduced in 1996. The Parliamentary Service organises a one-day orientation programme helping members to understand the building and the administrative environment that are now part of their new lives and the Office of the Clerk organises a programme focusing on the actual work of the House and select committees. The Office's induction programme was held over 13 and 14 August 2002. It involved one session in the Chamber and three select committee sessions. Each session was repeated over the course of the two days thus giving members a choice of times on which to attend. As normal, senior members of the House as well as staff participated in the sessions thus imparting their knowledge and experience by way of discussion, instruction and role-playing. Almost all the new members attended throughout the two days.

There were 30 new members and one member (Dail Jones) returning after a break of service of 18 years, the second-longest period on record in this Parliament. This number of changes in personnel, while large, was not as significant proportionally as the changes to the Parliaments elected in 1990, 1996 and 1999. Also, as the Government did not change as a result of the election, there was a greater degree of continuity between the operations of the 46th and 47th Parliaments than had been the case for some considerable time. Nevertheless, some changes in parliamentary conduct are becoming apparent.

PARLIAMENTARY DEVELOPMENTS

There are in this Parliament more non-government chairpersons of committees than in previous Parliaments.

It has been an established convention, since the committee was created in 1985, that the Regulations Review Committee be chaired by an opposition member. In addition, the Primary Production Committee is now chaired by a National member, the Local Government and Environment Committee continues to be chaired by a Green Party member, the Education and Science Committee is chaired by a New Zealand First member and the Foreign Affairs, Defence and Trade Committee by a United Future member. Since the Standing Orders changes in 1995 in anticipation of MMP, controversy has existed as to how far the proportional allocation of select committee memberships among parties should be reflected by a similar allocation of chairpersonships. The allocation agreed in 2002 goes further towards proportionality in this regard than has occurred before.

A second noticeable development in this Parliament has been the proliferation of non-voting memberships of select committees. These were first utilised in the 46th Parliament but they have become extremely common since August 2002. They reflect the fact that smaller parties do not have members on every committee and consequently do not have the access to select committee documentation and the rights of participation that only membership confers. While any member can attend meetings of a select committee this does not entitle non-members of a committee to receive notices of meetings, agendas and briefing papers not yet released to the public. Also such a member can participate in the meeting only with the leave of the committee. To overcome these limitations the House is increasingly making members non-voting members of committees for particular pieces of legislation or other items of business, such as an Estimates examination or an inquiry. In respect of one committee (Education and Science) a member has been made a non-voting member of the committee for all purposes.



Non-voting membership does not, of course, change the voting strength on a committee, so in terms of voting power smaller parties have no enhanced rights. But in terms of representation on committees their rights are considerably enhanced by non-voting membership. A non-voting member is a member of the committee for all purposes but that of voting. Thus a non-voting member counts towards the quorum and is entitled to all select committee documentation and participates in questioning witnesses on the same basis as a regular member of the committee. Non-voting membership is not recognised as such in the Standing Orders and therefore can only be conferred by the House. The practice is for a proposal for non-voting membership to be raised at the Business Committee and then, with that committee’s endorsement, the House grants leave.

These developments – cross-party chairpersonships and non-voting memberships – have helped to create a more diverse parliamentary environment and new challenges for the Office in responding to the demands of select committees. It was to ensure that the Office is better able to adapt to such developments that, in 2001, the Office invited the Standing Orders Committee to conduct a review of the services delivered to select committees. This review is proceeding.

SUBMISSION TO THE STANDING ORDERS COMMITTEE

As well as reviewing the services provided to select committees, the Standing Orders Committee, as is usual in each Parliament nowadays, has been reviewing the rules and procedures of the House. The early election in 2002 prevented the review that commenced in the 46th Parliament from reaching fruition. That review recommenced in the 47th Parliament, although the recommencement was delayed by the need for the committee to deal first with the Remuneration (Members of Parliament) Amendment Bill and the sessional orders needed to authorise implementation of the printing projects.

On 22 May 2003, I presented a comprehensive submission to the Standing Orders Committee discussing parliamentary procedures and making recommendations for amendments. The submission was the product of two years of discussion and analysis within the Office involving staff at all levels. A major issue addressed in the submission is a crucial one for any Parliament – how is the time of the House to be utilised? Over the past 30 years the regular sitting hours of the House have been reduced from the four-day sitting week that lasted until 1985 to a three-day sitting week now and from a seven hour standard day when the three-day sitting week was introduced to a six and a half hour day on two days and a four hour day on the third. Over this period the House has tried to compensate for the reduction in the regular sitting hours by increasing the number of weeks in the year that it sits and by more frequent resort to urgency.

The political circumstances ushered in by the introduction of MMP and the consequence of minority Governments have meant that urgency is no longer so readily available to a Government. The House is sitting in more weeks than it did prior to MMP but not enough to make up for the reduced regular sitting hours. Other techniques that the House and the Government have employed to cope with the problem of lack of parliamentary time have included the strict timetabling of stages of bills (except the committee stage), drafting and consideration of bills in parts, rather than in clauses, reduction in the time available for scrutiny debates such as Imprest Supply, Estimates examination and financial review and the virtual elimination of the opportunity for the House to debate reports from its committees.

The submission that I presented to the Standing Orders Committee canvasses options for increasing the number of regular sitting hours by the alternatives of reintroducing Thursday evening and Friday morning sittings, raises the possibility of the committee of the whole House stage of a bill being taken in parallel with the sitting of the House by being held in the Council Chamber at the same time as the House sits and makes a plea for there to be some opportunity, out of any extra time thus made available on the floor of the House, for the House to debate select committee reports.

Other prominent recommendations are—

- stricter rules on party recognition to replace the Electoral (Integrity) Amendment Act 2002 (which expires in 2005)
- Bill of Rights vetting of amendments to bills
- requiring Ministers to attend the House in person as the stages of their bills are taken
- better definition of select committee tasks on considering a bill, and
- giving the Finance and Expenditure Committee the right to determine how the Estimates examination and financial review debates are structured.

(The full submission is available at www.clerk.parliament.govt.nz/publication/other or from the clerk of the Standing Orders Committee).

At the end of the period under review the Standing Orders Committee's inquiry was still proceeding.

TRIENNIAL REVIEW OF PARLIAMENTARY APPROPRIATIONS

During the year the report of the review committee on the first triennial review of parliamentary appropriations (Parliamentary Paper A.2(a)) was published. The committee was established pursuant to section 20 of the Parliamentary Service Act 2000 to review the money appropriated by Parliament to meet the costs of providing resources to the House and to members. The appropriations administered by the Parliamentary Service and the Office of the Clerk were seen as falling within its remit.

The committee’s recommendations, so far as they related to the Office of the Clerk, were concerned with better utilisation of information and communications technology, improving the Office’s website, greater collaboration with the Parliamentary Service, specialist advisory services for select committees, videoconferencing for committee meetings, select committee exchanges with Australia and televising Parliament. Some of these recommendations were implemented by the end of the 2002/03 year, others are to be included in the Office’s strategic plan and others await final decision by the Standing Orders Committee (details of progress are given in other sections of this report).



STRATEGIC PLANNING

In the course of the 2002/03 year the Office embarked upon a strategic planning exercise. In August 2002 an interim strategic plan to 31 December 2003 was adopted identifying a number of key result areas, with objectives for these, and broad strategies indicating how the objectives were to be achieved. The plan was interim and limited in the interests of putting a plan into effect quickly to reflect the new senior management team structure put in place earlier in 2002. One of the objectives of the interim strategic plan is to develop a more comprehensive planning process looking over a longer term and integrated into the life of the Office. The intention is thus to have a plan that looks out in general terms to a three-year horizon, focusing in more detail on what is intended to be achieved over a one-year period. The budget process and the Office’s parliamentary reporting requirements will be an integral part of the planning process so that the plan informs budget decisions rather than being led by them.

Work began in March 2003 on devising such a longer term plan.

STAFF TURNOVER

An issue concerning the Office that received attention from the Government Administration Committee in its examination of the 2002/03 estimates for Vote Office of the Clerk (Parliamentary Paper I.20A, pp. 33-42) and subsequently in the news media, was staff turnover, especially among select committee staff.

Relatively speaking, the Office’s turnover levels are not seriously out of line with the public sector generally. In 2001/02 turnover throughout the Office was 11.5 percent as compared with 11 percent in the Public Service. Confined to select committee staff alone it was higher, at 14.5 percent. The Government Administration Committee considered that this rate was too high and

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that more rigorous monitoring of the situation was called for. It expected to see a reduction in the future in the number of staff leaving select committee positions.

The Government Administration Committee, which conducts Estimates examinations and financial reviews of the Office, is the closest to a parliamentary supervisory board that the Office has. It is the Office’s equivalent of the Parliamentary Service Commission which is the political executive for the Parliamentary Service. It represents the interests of the Office’s principal stakeholders. I therefore accept unreservedly its conclusions and recommendations. Consequently, further efforts have been made to attract and, in particular, retain good quality staff to work in the select committee environment. These have included offering more competitive salaries, implementing an improved remuneration system better reflecting important competencies and making a particular effort to attract experienced staff who are interested in a longer-term commitment to parliamentary work.

In the 2002/03 year turnover throughout the Office was 8 percent. Among select committee staff it was 13.5 percent. (Comparable Public Service figures are not yet available.) The measures adopted in response to the turnover problems being experienced within the Office are likely to have had some impact on reducing the rates of turnover from their 2001/02 levels. But staff movements occur for a variety of reasons, not all of which are within organisational control or influence.



SENIOR MANAGEMENT TEAM

Finally, 2002/03 is the first full year of operation of the senior management structure put in place in February 2002 (see organisational chart at p.6). The new structure flattens the Office’s hierarchy at the most senior levels and is intended to devolve greater responsibility on managers of the Office’s component sections (House, select committees, reporting services and corporate) while at the same time fostering a sense of collective responsibility among those managers for the interests of the Office of the Clerk as a whole.

The 18 months or so of the new structure have inevitably been a settling-in period. They have identified a need for the Office to have in place a strategic plan reflecting thinking about the future direction of the entire organisation and more detailed planning for its divisions. Improvements in the flow of financial information to enable managers to make better informed decisions have been put in place. Much remains to be done, but in personal terms I feel that the new structure has been a success both in terms of the collaborative ethos that exists among members of the team and the greater freedom for individual initiative that it has opened up in the various parts of the Office.

D G McGee CNZM QC
Clerk of the House of Representatives

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Services to the House

A clerk was present at the Table of the House on all occasions that the House sat to note the business transacted, to provide procedural advice to the Speaker and other presiding officers, the Leader of the House, and other members of Parliament, and to assist with the conduct of votes. Services were provided to the Business Committee in relation to the ordering of the House’s business and the dissemination of the committee’s determinations and reports.

LEGISLATIVE SERVICES

The House Office received Government bills for introduction and provided assistance to members seeking to introduce Members’ bills and to the promoters of local and private bills. Ballots for the introduction of Members’ bills were conducted when required. Assistance was also provided with the drafting of members’ proposed amendments for Government bills.

The chairpersons of committees of the whole House were provided with detailed advice on the procedures for the consideration of all bills and the admissibility of amendments.

Reprinted bills as reported from select committees and the committee of the whole House were proof-read using both traditional and document compare techniques to ensure that they were printed as passed by the House and committees. Bills passed by the House were marked up and proof-read for the production of assent copies ready for Royal assent.

NON-LEGISLATIVE SERVICES

New systems for the production of camera-ready copy for the Order Paper for electronic transmission to the printer and the Parliament website were introduced from 2003. Similar procedures were also put in place for the production of the *Parliamentary Bulletin* and the Journals of the House, compiled from the notes of the clerk at the Table.

Petitions were scrutinised for compliance with Standing Orders prior to presentation. Oral questions were vetted each sitting day and published in print for the House and to the Parliament website. Notices of motion were also vetted and published on the Order Paper.

Written questions were vetted each working day and published to the Parliament website. The volume of written questions is a matter of considerable interest in the light of the perceived potential for an electronic lodging system to enhance members’ ability to direct generalised questions to all Ministers. Numbers are being monitored ready for the upcoming Standing Orders Committee review. No major appreciable increase is evident so far.

Papers were processed for presentation each working day. Rules for the format of parliamentary papers that are ordered to be printed have been relaxed and replaced by a requirement to provide an electronic copy for the Parliament website. The Appendix to the Journals for the 44th Parliament was produced. The magnitude and cost of this printing exercise was such that the future publication of parliamentary papers is to be reviewed in 2003/04.

STATUTORY FUNCTIONS

The Clerk of the House is entrusted with duties under sections 187 and 189 of the Electoral Act 1993 relating to the custody and destruction of ballot and voting papers. These are required to be retained for six months and then destroyed. The Clerk in association with the Chief Electoral Officer supervises the destruction of the papers.



During the year two citizens initiated referendum petitions lapsed. No petitions were required to be checked. Two further proposals were received and one question determined.

The Office also funded research work to produce a sound statistical protocol for estimating the number of valid non-duplicated signatures in citizens initiated referendum petitions. The emphasis of the research work was on determining tight cases and the problems caused by multiple

signatures. While the Office provided the funding, the contract for the work is between Statistics New Zealand and Massey University. Statistics New Zealand monitored the work being undertaken.

PARLIAMENTARY PRINTING

Parliamentary printing has undergone considerable change in the last year. The change had a number of origins. First and foremost was the Government's Public Access to Legislation (PAL) project. Secondly, there were drivers from within Parliament to harness information and communication technology to improve the efficiency of parliamentary information flows and improve accessibility to parliamentary information.¹

The PAL project is sponsored by the Parliamentary Counsel Office and involves developing a completely new system for drafting, printing and electronic publishing of legislation. The Office is a partner in this project and continues to contribute to its management, the development of the authoring tool and other requirements for electronic publishing of bills. New systems for printing commentaries on bills as reported from select committees are already in place. Under the project, the responsibility for publishing legislation passed to the Parliamentary Counsel Office on 1 February 2003. A transfer of funding to Vote Parliamentary Counsel Office in respect of legislative printing was made from that time.

The physical arrangements for printing legislation remain much the same while the PAL project is being completed. However, members in charge of bills, rather than the Clerk of the House, are now responsible for ensuring that printed copies of bills are available for circulation on introduction and when bills are reprinted.

For Ministers, this responsibility is carried out by the Parliamentary Counsel Office, and, for other members, by the Office of the Clerk, under a service level agreement with the Parliamentary Counsel Office. It is now the Parliamentary Counsel Office that must ensure that copies of bills are despatched to the Office of the Clerk for circulation to members.

The Office's role is one of managing and monitoring a service level agreement and certifying that bills have been printed as passed by the House and committees. The Office remains responsible for preparing bills for Royal assent, but no longer has responsibility for the preparation of copies for supply to the public once the assent has been given.

¹ Triennial Review paper A.2(a)

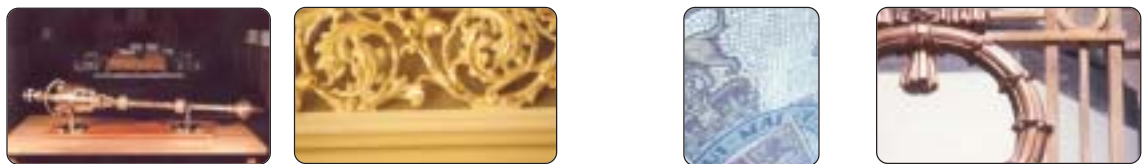
Without legislative printing, the volume of parliamentary printing is not sufficient for the parliamentary printing contractor, Legislation Direct, to maintain its pre-press capability and, therefore, to remain in business. As a result, new arrangements needed to be made for all other parliamentary printing (*Hansard*, the Journals, select committee reports, questions, the Order Paper and the *Parliamentary Bulletin*).

A new print-only agreement was entered into with SecuraCopy from 1 February 2003. The agreement and service delivery is managed in the House Office. Like Legislation Direct, SecuraCopy is a member of the Blue Star Group. It already undertook some of the parliamentary printing under sub-contract and hired some of Legislation Direct’s former staff. This meant that the company had some experience of the Office’s requirements and, therefore, the risk involved in introducing completely new systems was significantly reduced.

During 2002, the Office embarked upon a programme of publishing projects. The specific objective was to take in-house the pre-press processes for the non-legislative parliamentary printing that was to remain the Office’s responsibility, use technology to automate these and produce camera-ready copy that could be sent electronically to a printer and published on the Parliament website. An important outcome is improved, free, timely access to information about the proceedings of the House.

A specialist project programme manager was brought on board and an overall project plan put in place to ensure that the parliamentary publications the House required when it sat in February 2003 were ready. Two additional project managers were appointed to manage individual publishing projects.

The programme of projects required a considerable capital input to cover the cost of the network and software development. All operational costs were met from savings on the cost of parliamentary printing.



QUESTIONS FOR WRITTEN ANSWER

The removal of pre-press facilities had the most significant impact on the entirely paper-based questions for written answer (QWA) process. The Office did not have the capacity to enter all written questions and replies into a publishing system. Written questions currently run at almost 20,000 per year.

A system has therefore been implemented whereby members lodge their questions electronically. Members authenticate their questions by way of an electronic signature. The questions are scrutinised on screen in the House Office and then notified to Ministers’ offices electronically. Ministers’ offices enter or attach the replies. These are also authenticated by way of an electronic signature. The replies are then available to the Office of the Clerk to notify the member asking the question of the reply via an automated e-mail. They are published electronically to the Parliament website.

Written questions are no longer published in print. The new system provides a sophisticated method of tracking questions and replies and fully searchable questions and replies on the Parliament website. Training was provided to users of the new system within the parliamentary complex. The quality of the training and user documentation and support, along with the co-operation of users, both in members’ offices and in Ministers’ offices, and a flexible approach to problem solving meant the new QWA system’s introduction was achieved very smoothly, despite the very tight time frame.

The Standing Orders Committee gave consideration to whether a limit should be placed on the number of questions for written answer that might be lodged. While the committee ultimately decided not to set a limit, it considered there should be some constraints. It reinstated a former rule against asking a question that repeats in substance a question already answered or disallowed in the same calendar year.

The Standing Orders Committee is to review the new QWA system in the 2003/04 year.



OTHER PARLIAMENTARY PUBLICATIONS

The other publishing projects covered moving the production of the Journal from WordPerfect to MS Word 2000, and automating the process for the production of camera-ready copy and printing it on a more timely basis in the *Parliamentary Bulletin*.

A further project automated the production of the Order Paper and the *Parliamentary Bulletin*. These are now produced from the Office’s Business Event Recording and Tracking database (BERT) and sent in camera-ready form to the printer and the Parliament website. Daily updating of the website and publishing more data in the *Parliamentary Bulletin* have overcome the need for a daily notice paper.

BUSINESS EVENT RECORDING AND TRACKING DATABASE

Considerable upgrading and development of the BERT database was required to support the publishing projects. It is now an important business tool, central to the publication of the Order Paper and the *Parliamentary Bulletin*. Its data is used directly in other Office publications including *Hansard* and for the daily automated updating of the Parliament website.

BERT is an office-wide strategic asset that requires the development of standards for data entry, training and co-ordinating and testing developments, as well as IT support for backup, connectivity etc. It also requires co-ordinated future development, consistent with the Office’s strategic plan.

INTER-PARLIAMENTARY RELATIONS

The Inter-Parliamentary Relations Secretariat co-ordinated outgoing and incoming delegations throughout the year. Cabinet approved a programme of 20 visits for the year plus two additional visits held over from the previous year because of the early election. The funding of all these visits posed a considerable challenge. However, the cancellation of three visits and the postponement of two others to the next financial year meant that all other planned visits were able to be funded and some funding carried forward to the 2003/04 financial year for one of the postponed visits. Reports on the international conferences attended and the visits of other delegations were prepared and presented to the House.

The secretariat organised programmes for visiting parliamentary delegations and assisted the Ministry of Foreign Affairs and Trade and the Visits and Ceremonials Office of the Department of Internal Affairs with the arrangements for other visiting delegations. The high numbers of visiting delegations continued, stretching existing resources to service them to the high level expected.

In addition, the secretariat provided services to the executive committee of the New Zealand branches of the Commonwealth Parliamentary Association and the Inter-Parliamentary Union.

OPENING OF PARLIAMENT

The House Office led an office-wide team to co-ordinate the Office's contribution to the organisation of the Commission Opening and State Opening of Parliament. The openings were a joint project with the Parliamentary Service, which took responsibility for the infrastructural arrangements. The Office of the Clerk was responsible for the arrangements of parliamentary ceremonies, including invitations, seating arrangements, and the form of the ceremonies.



The team approach enabled the necessary arrangements to be made within a tight timeframe. It also facilitated co-operation with the Parliamentary Service and built valuable relationships between the two organisations at a number of levels. Feedback from the official participants was that both events ran very smoothly and were particularly successful.

Services to select committees

2002/03 was another busy year for the Select Committee Office, starting with meeting the needs of a newly elected Parliament. Specific challenges and developments are discussed below.

SERVICES UNDER REVIEW

Services to select committees came under review from several angles. In October 2002 the Review Committee on the First Triennial Review of the Parliamentary Appropriations released its report *Resourcing Parliament*. Emerging themes relating to select committees included:

- a need to retain skilled staff
- a need to review protocols and funding surrounding provision of independent specialist advice to committees
- encouragement of more co-operation with the Parliamentary Library to support committee research needs
- support of more use of videoconference technology
- a suggested increase from one to two for the annual committee exchange with Australia
- a recommended increased internet presence.

These themes are being addressed and are discussed below.

The expanding needs of select committees were such that action was needed to secure additional funding to increase permanent staffing levels from 41 to 54. The process undertaken involved substantial consultation with staff and unions. This has led to a more stable staffing situation that is no longer dependent on ad hoc temporary appointments.



ENHANCING SERVICES

Following last year’s pilot project with the Parliamentary Library providing additional research services for two committees, the Office is now developing a protocol with the Parliamentary Service that will enable an enhanced information service to select committees.

The demand from committees to obtain independent specialist advice, particularly for inquiries, has increased. Seven specialist advisers were appointed in the financial year compared with four in the previous year. The existing protocol for provision of this advice is under review with the aim of producing workable guidelines and realistic funding thresholds to meet the increasing demands.

Fixed videoconference facilities are now in place for committees to hear evidence from witnesses in other centres. This has proved so successful that another set of equipment will be purchased. Effective use of videoconference technology enabled the Government Administration Committee to link witnesses and petitioners in Samoa and several New Zealand centres for a hearing on a petition about citizenship.

Initial consultation and planning is now underway for the Office to pilot the concept of an e-committee that will have its papers disseminated electronically and accessible from remote locations. Funding is available for this to take place in the 2003/04 financial year.

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PRINTING SELECT COMMITTEE REPORTS

The change in the printing contract provided an opportunity to update not only the process used by the Office to publish committee reports, but also the appearance of those reports. The Office engaged a consultant to develop a report template that would provide copy that meets standards for publication and that is camera-ready. The new style allows committees greater flexibility in the presentation of material while maintaining a consistent format. The new style has been used for all reports and compendia presented this calendar year.

MEETING ROOMS

The needs of committees, which sometimes have a membership of twelve, plus advisers, witnesses, media and members of the public, have put considerable pressure on rooms designed for a maximum membership of eight per committee. The Office collaborated with the Parliamentary Service to transform four small committee rooms into two large ones. While this has relieved the pressure for large rooms it has reduced the number of rooms available and work is ongoing to ensure that facilities meet the needs of a modern parliamentary committee, especially in light of the greater use being made of electronic equipment and growing public interest in select committees.



MEETINGS WITH COMMITTEE CHAIRPERSONS

The Clerk of the House and the Clerk-Assistant (Select Committees) have initiated a programme of regular meetings with committee chairpersons, as a group. This is proving to be a valuable forum for ensuring consistency of services to select committees and has enabled issues to be aired and resolved effectively.

SELECT COMMITTEE EXCHANGES WITH AUSTRALIA

Committees see considerable benefit in participating in the annual exchange of committees between New Zealand and the Commonwealth of Australia. Due to the early election in 2002 funding was carried over to the 2002/03 financial year for the visit planned for the 46th Parliament to occur later in 2002 as well as the visit planned for 2003. The Health Committee visited Australia in December 2002 and the Education and Science Committee visited in June 2003. In April 2003 New Zealand hosted the Commonwealth Parliament’s Defence Subcommittee of the Joint Standing Committee on Foreign Affairs, Defence and Trade. These visits provide a relatively low-cost opportunity to strengthen trans-Tasman co-operation and parliamentary relations. For the 2003/04 financial year, provision has been made for two New Zealand committees to travel to Australia.

STAFF TRAINING

The Office continues to invest in a substantial amount of training for select committee staff. In addition to specific individual training needs and office-wide training, general training has been provided to select committee staff this year on tikanga Māori, te reo Māori, understanding financial information, preparation of press releases and presentation skills.

Reporting services

HANSARD

The Office continued to report the proceedings of the House of Representatives in Hansard. Debate in the House was captured through the use of digital audio recording with subsequent transcription and minor editing to produce the Hansard record.

Although the format of *Hansard* has remained the same during the past year, the production process has changed. The Hansard Production System (HPS) also saw significant technological change. The Hansard Office had operated a tried and true transcription system using DOS and WordPerfect 5.1. While this worked very well for transcribing, it was not adequate for publishing to the web nor did it facilitate communication with members, all of whom use MS Word. Since 11 February 2003 transcripts of the debates have been prepared using the new HPS. This system was originally developed for the Australian Commonwealth Parliament, and has been modified for New Zealand purposes. It utilises standard MS Office facilities, with FileNet for document management. The system bedded in smoothly, with a full-time trainer employed for three months to assist the staff to make the transition from DOS-based processing to a Windows environment. There were some initial system problems, and the production of “Advances” (the initial transcript for one day of debate) and “Pinks” (the corrected transcript for one week of debate) was delayed, with the “Pink” for the week of 4 to 6 March being distributed at the end of June. These delays are now being progressively reduced. However, there was no delay in the delivery of individual uncorrected speeches (“Yellows”) to members, or in the uploading of the uncorrected transcript of oral questions at 5.30pm each sitting day.

The HPS project was a big development and required considerable implementation time for training users in the new system. As a result, the decision was taken quite early that the project scope would be limited to the production system and getting this operational. The full web publishing element of the project will be a phase 2 project once the new HPS is fully implemented. Interim arrangements were made to continue to publish *Hansard* on the web through a privately-owned site www.knowledge-basket.co.nz.

One important development is the publication of an uncorrected transcript of questions for oral answer by 5.30 pm each sitting day on the Parliament website. Print publishing has been retained for *Hansard*. Daily, corrected advances have continued to be produced.



INTER-PARLIAMENTARY STUDY PROGRAMME

New Zealand was represented on this programme by a Hansard Office parliamentary officer. The programme, based at the Australian Commonwealth Parliament, ran for two weeks during October 2002, with the first week covering general parliamentary topics and the second an elective study of one facet of Parliament. New Zealand studied all aspects of the Australian *Hansard* operation, including subediting guidelines, voice recognition software, House procedures, roster preparation, and details of the Australian HPS in preparation for using the New Zealand HPS in February 2003.

AUSTRALASIAN AND PACIFIC HANSARD EDITORS ASSOCIATION

At the same time as staff were undertaking New Zealand HPS training they were also preparing to host the 30th Annual Conference of the Australasian and Pacific Hansard Editors Association (APHEA). The APHEA conference, held 1 – 3 February 2003, was attended by 16 delegates from Hansard units in Fiji, Kiribati, Papua New Guinea, Samoa, and the Australian Commonwealth and State parliaments including New South Wales, Queensland, Tasmania, Victoria and Western Australia. Delegates were keen to see the New Zealand HPS production process, as well as sharing information about their own recording, transcription and publishing.



COMMONWEALTH HANSARD EDITORS ASSOCIATION

New Zealand was one of about 30 Parliaments represented at the 7th triennial conference of the Commonwealth Hansard Editors Association (CHEA) held in Fiji in early July 2002. The theme of the conference was “The Definition of Our Age”, with discussion during the week focused mainly on the use of technology in the HPS.

The New Zealand presentation focused on changes within the Office of the Clerk over the 10 years since New Zealand was last present at CHEA. Other presentations included reports on the future direction of *Hansard* reporting for the Australian Commonwealth Parliament, the establishment of an African Parliamentary Training Institute (from Ghana), lower costs, faster production and electronic document formats (from the Deputy Deliverer of the Vote, Westminster) and on managing change in the Scottish Parliament.

WEB PAGE

The major activity on the Office of the Clerk website (<http://www.clerk.parliament.govt.nz/>) was not visible to users. The site was changed to a more formalised content management system which has made updating the pages much easier for staff, and has maintained some uniformity of appearance.

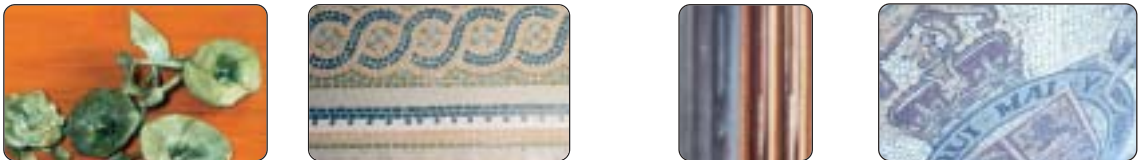
The website is now an integral part of Office operations, with several major publications now available on the internet. The Order Paper, progress of bills, bills before select committees, Journal and questions for written answer, and the answers are all now on the pages.

Although the content of the Parliament website has continued to increase, the appearance, access and navigation has not been modernised. A review of the website to improve access to parliamentary information is planned.

TRANSCRIPTION SERVICES

The use of transcription services for evidence heard by select committees has dramatically increased over the past year, and now accounts for 11.47% of hours spent on transcription. Transcripts were prepared from 64 select committee meetings (28 in 2001/02) being captured in 72 hours and 15 minutes of digital audio recording (61 hours and 45 minutes in 2001/02).

In late 2002 the Office agreed to transcribe the Prime Minister’s weekly press conference, on a cost recovery basis. This service was initially carried out using a hand held dictaphone. But in early 2003 it moved to the use of digital audio, conforming to all other *Hansard* transcription services. During the financial year 30 prime ministerial press conferences were transcribed.



OPENING OF PARLIAMENT 2002

Reporting Services arranged video recording of both the Commission Opening and the State Opening in late August 2002. Twenty copies of the video set were made, to serve as an historic record for planning the next Opening of Parliament. Nine copies were sold at cost to interested participants. A photographic record was also arranged, covering both days.

INTERPRETATION SERVICES

During 2002/03 interpretation, transcription and translation of Māori continued to be carried out for the Office under contract. When members use Māori in debate in the House an interpreter provides an interpretation if the member does not do so himself or herself. Towards the end of 2002 a second interpreter was contracted to provide a service during the evening hours of periods when the House is sitting under urgency.

The interpretation delivered in the House is not itself included in *Hansard* but a transcript of the member’s speech in Māori is included along with an authorised translation prepared for the Office and checked by the member who has spoken.

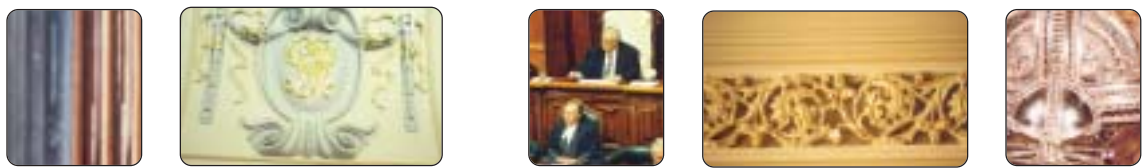
Organisational development and corporate services

This year's organisational development efforts concentrated on cementing in the 2001/02 senior management team structural changes and further developing business planning processes as described in the chief executive's overview. The Office's overall structure remained unchanged during the reporting year, although there were some minor staffing and structural changes within its branches.

The Office's consolidated collective employment agreement was successfully re-negotiated for a two-year period with the two on-site unions (PSA and Service and Food Workers Union). A cordial and productive relationship with the unions continues.

New policies were issued covering appointments and appointment review processes. Work commenced on reviewing the Office's hours of work and performance appraisal policies.

A new confidential employee assistance programme was introduced, and retirement planning programmes were offered to staff in the Office. Work started on the changes necessary to comply with the revised health and safety requirement in the Health and Safety in Employment Act 1992.



An important initiative for the Office was the development and running of a series of ethics workshops, specifically designed to assist staff to deal with the challenges that may confront them in the parliamentary workplace.

The greatly increased requirements of the publications projects described elsewhere in this report led to a quantum increase in the capability of the Office's computing infrastructure and network. The Office moved to the Windows 2000 operating system and upgraded its local area network to a 10 Gb capable network. The server infrastructure was completely replaced and new Network Attached Storage (NAS) technology installed to give the Office a 1.2 terabyte storage capability. All security, backup and support arrangements were also revised during the upgrade.

The work was undertaken in close consultation with the Parliamentary Service and other agencies in the parliamentary complex. The Office's network and infrastructure are now up to date with current technology, are able to deal with technology developments and volume growth for up to five years and, most importantly, are well placed to support future projects designed to enhance services to members. This project was a major undertaking for the Office's Information Services Group and the Office takes pride in their achievement of managing a technically challenging project to specification, on time and within the overall Office budget.

Considerable effort was applied this year to implementing a devolved and collaborative financial management structure. The other major financial challenges this year have come from the publication and computing infrastructure projects which required the Office to pay more attention to its procurement, asset planning and cashflow management practices.

MĀORI RESPONSIVENESS

The Office continued to promote training and awareness of Māori history, culture, and language appropriate to its role in supporting Parliament. The Co-ordinator, Māori Cultural Services Parliamentary (Kaiwhakahaere), continued to play a valuable role in these activities.

Twelve training programmes were provided to staff throughout the Office, covering the Treaty of Waitangi, Māori society, culture and language. Seventy-eight staff attended te reo Māori programmes, 81 attended tikanga Māori programmes and 10 attended Treaty of Waitangi programmes.

The Office supported a review and enhancement of the documentation of Māori protocols in Parliament. These efforts will assist staff across the Office in the facilitation of Māori input into the select committee process.

Advice and assistance was provided to clerks of committee on how to deal appropriately with Māori delegations making submissions in Parliament. Staff from the Select Committee Office continued to increase their knowledge base regarding te reo Māori and tikanga Māori to prepare for future committee meetings held on marae.

The Office supported work to develop a bilingual titles document with the purpose of promoting the Māori language in the Office. The intention is to foster positive attitudes, beliefs and values about the Māori language so that Māori-English bilingualism becomes a valued part of the institution of Parliament.² The document will provide a translation for each word, an abbreviated reference source together with its Māori derivation in order to assist non-Māori speakers to acquire an understanding of each Māori term.

Māori language week ran from Sunday 21 July to Sunday 28 July 2002. The Office marked this by several projects including archival displays in the Parliamentary Library of publications written by the Office in the Māori language between 1865 and 1930.³

The Parliamentary Kaumātua and the Kaiwhakahaere provided cultural advice and assistance to the organising committee in preparation for the Commission and State Openings of Parliament. Liaison with the combined forces cultural group was an important factor in the success of the Māori component on both days. The cultural group provided valuable service and their performance added greatly to the occasion. Kaumātua of the Te Atiawa tribe played a key role in welcoming the Governor-General and the Royal commissioners over the two-day event. The parliamentary Kaumātua was present in the House during the swearing in of members to serve as interpreter and help oversee the taking of the oath or affirmation in the Māori language by members. The blending of Westminster tradition and rituals of Māori culture during opening of the 47th Parliament set a new benchmark for Parliament.

Support was provided to welcome formally (pōwhiri) international delegates to the Australasian and Pacific Hansard Editors Association Conference in February 2003. Enquiries from Hansard Office staff regarding clarification of Māori orthographic conventions and quick translation were responded to during the year.

In September 2002 two new select committee rooms were blessed by the parliamentary Kaumātua at the request of the Clerk of the House. The Chief Executive of the Māori Language Commission launched the video conferencing project with a karakia (prayer) and mihimihi (speech) introducing the new technology. Advice was provided to the Select Committee Office in September 2002 about simultaneous translation.

² Te Puni Kōkiri, 2000, *The Inventory of Māori Language Services*, Purchased/Provided by Government Sector Agencies, Wellington (p.13)

³ Ngā Kōrero Paremete 1881-1906, Kahiti o Niu Tirenī 1865-1930

Research, publications and education about Parliament

PARLIAMENTARY EDUCATION

The Office continues to work with an outside provider to deliver training to public servants on select committees. The programme was developed in consultation with the State Services Commission. Standard training materials have been developed to cover two main areas. The first provides a general overview of select committees and is aimed at those new to the Public Service. It is timed to include a visit to a select committee meeting where evidence is being heard. The second concentrates on the role of public servants in advising select committees on legislation. Several of these sessions have been delivered over the year, both as scheduled courses and specialised in-house training for government departments and other public sector organisations. The aim is to increase general understanding of the select committee process and to improve the legislative process through clear understanding of the role and obligations of departmental advisers.

As in previous years, the Office has been represented among speakers at the annual Public Law Forum. This year’s presentation concentrated on the role of public servants advising select committees on legislation. Feedback continues to show that there is a high level of interest in the public sector and the wider public in hearing about select committees.

Sessions were also organised to familiarise public servants with the parliamentary environment and their role in it, and with procedural aspects concerning the passage of legislation through all stages.

The Office made presentations to parliamentary executive secretaries and electorate secretaries, following the election and throughout the year, on parliamentary processes and sources of information on parliamentary business. The Office also contributed to several induction sessions for Parliamentary Service employees.

Presentations were made to community groups and to social policy and political science honours students from Massey University and Victoria University of Wellington respectively. Senior secondary school students were also given a briefing.

In association with Victoria University’s political science and international relations programme, an intern was attached to a select committee secretariat during the year. The parliamentary internship arrangement has benefits for both the Office and the student carrying out a relevant course of study.

AUSTRALASIAN STUDY OF PARLIAMENT GROUP

The Office continues to support the New Zealand Chapter of the Australasian Study of Parliament Group through provision of secretariat resources. The Group’s four seminars held during the year at Parliament House, involving presentations by invited speakers, were well attended.

HISTORY OF PARLIAMENT PROJECT

The Office of the Clerk, with the Parliamentary Service, continued to support a contract with the History Group of the Ministry for Culture and Heritage to produce and publish a history of the House of Representatives. Work on the history is well advanced. It is intended to publish the history in time for the 150th anniversary of Parliament's first meeting in May 1854.

It is expected that there will be a number of spin-off projects arising from preparation of the history.



PUBLICATIONS AND ADDRESSES

The Office contributed items to various serial publications, including *The Parliamentarian*, the journal of the Commonwealth Parliamentary Association, *The Table*, the annual journal of the Society of Clerks-at-the-Table in Commonwealth Parliaments, and *Parliament Matters*, the half-yearly bulletin of the Australia and New Zealand Association of Clerks-at-the-Table, and to Inter-Parliamentary Union publications.

Publications and addresses by staff are set out below.

Allan Bracegirdle

“Domestic procedures for international treaty actions: Description of New Zealand procedures”, *Public Law Review*, March 2003.

“Members of Parliament and Defamation: The Courts Raise the Bar”. Paper presented to the Annual Conference of the Australasian Study of Parliament Group, Melbourne, October 2002.

Mary Harris

“How is Parliament performing under MMP?”, *New Zealand Law Journal*, July 2002.

Milton Hollard

Review of Constitutional Conversations: Geoffrey Palmer Talks to Kim Hill on National Radio 1994-2001 in *The Parliamentarian*, Issue Two 2003.

David McGee

“Members of Parliament and Defamation: An Update”. Paper presented to 33rd Conference of Australian and Pacific Presiding Officers and Clerks, Brisbane, July 2002.

The Overseers: Public Accounts Committees and Public Spending, 2002.

“Parliamentarism and MMP”, *Public Sector*, December 2002.

Carol Rankin

“Between a Rock and a Hard Place: The Role of Public Servants in Advising Select Committees on Legislation”. Presentation to the 5th Public Law Forum, Wellington, March 2003.

Statement of responsibility

For the year ended 30 June 2003

In our opinion the information presented in the financial statements fairly reflects the position and operations of the Office of the Clerk of the House of Representatives.

The Office operates an accrual accounting system and has a system of internal control which provides reasonable assurance that public moneys and assets are used to manage the Office in an efficient and economical manner.

The Office accepts responsibility for the preparation of the financial statements and the judgments used in the financial statements.



D G McGee

Clerk of the House of Representatives



Peter Carr

Manager, Corporate Services

(Chief Financial Officer)

27 August 2003



REPORT OF THE AUDITOR-GENERAL

**TO THE READERS OF THE FINANCIAL STATEMENTS OF
THE OFFICE OF THE CLERK OF THE HOUSE OF REPRESENTATIVES
FOR THE YEAR ENDED 30 JUNE 2003**

We have audited the financial statements on pages 30 to 55. The financial statements provide information about the past financial and service performance of the Office of the Clerk of the House of Representatives and its financial position as at 30 June 2003. This information is stated in accordance with the accounting policies set out on pages 40 to 42.

Responsibilities of the Clerk of the House of Representatives

The Public Finance Act 1989 requires the Clerk of the House of Representatives to prepare financial statements in accordance with generally accepted accounting practice in New Zealand that fairly reflect the financial position of the Office of the Clerk of the House of Representatives as at 30 June 2003, the results of its operations and cash flows and service performance achievements for the year ended on that date.

Auditor's responsibilities

Section 15 of the Public Audit Act 2001 and section 38(1) of the Public Finance Act 1989 require the Auditor-General to audit the financial statements presented by the Clerk of the House of Representatives. It is the responsibility of the Auditor-General to express an independent opinion on the financial statements and report that opinion to you.

The Auditor-General has appointed A J Shaw of Audit New Zealand, to undertake the audit.

Basis of opinion

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. It also includes assessing:

- ▲ the significant estimates and judgements made by the Clerk of the House of Representatives in the preparation of the financial statements; and
- ▲ whether the accounting policies are appropriate to the Office of the Clerk of the House of Representatives' circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with the Auditing Standards published by the Auditor-General, which incorporate the Auditing Standards issued by the Institute of Chartered Accountants of New Zealand. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from

material misstatements, whether caused by fraud or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Other than in our capacity as auditor acting on behalf of the Auditor-General, we have no relationship with or interests in the Office of the Clerk of the House of Representatives.

Unqualified opinion

We have obtained all the information and explanations we have required.

In our opinion the financial statements of the Office of the Clerk of the House of Representatives on pages 30 to 55:

- ▲ comply with generally accepted accounting practice in New Zealand; and
- ▲ fairly reflect:
 - the Office of the Clerk of the House of Representatives' financial position as at 30 June 2003;
 - the results of its operations and cash flows for the year ended on that date; and
 - its service performance achievements in relation to the performance targets and other measures set out in the forecast financial statements for the year ended on that date.

Our audit was completed on 27 August 2003 and our unqualified opinion is expressed as at that date.



A J Shaw
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand





30 July 2003

**OFFICE OF THE CLERK OF THE HOUSE OF REPRESENTATIVES
STATEMENT OF SERVICE PERFORMANCE
For the year ended 30 June 2003**

The outputs of the Office of the Clerk are largely demand driven by the Government, the House, committees and members of Parliament. The Office provides services for the meetings of the House and committees, to facilitate the consideration of legislation and scrutiny of government activity and public participation in the legislative and scrutiny processes. In no case can the Office control the number of bills introduced, inquiries held, questions asked or submissions received from the public.

As Speaker, I am the Responsible Minister for the Office. But, more importantly, there is a constitutional relationship with the Clerk of the House in the matter of the provision of accurate and independent professional procedural advice, which aims to ensure that members are able to perform their constitutional duties and a properly functioning legislature is maintained. The role of the Clerk and the staff of his Office contribute to the maintenance of a functioning democracy.

As Speaker I am in regular contact with members on sitting days and members have opportunities to raise with me any matters of concern or commendation on the performance of the Office. I am therefore satisfied that I can affirm that the standards stated in this section, and the performance against them, are accurate and have been met to my satisfaction.

A handwritten signature in black ink, appearing to read 'Jonathan Hunt', is written over a large, stylized flourish that extends to the left.

Rt Hon Jonathan Hunt MP
SPEAKER

Statement of objectives and service performance

OUTPUT CLASS ONE: ADMINISTRATIVE AND SUPPORT SERVICES FOR THE HOUSE OF REPRESENTATIVES

Description

This output class involves provision to the House of Representatives of professional advice and services designed to assist the House in the fulfilment of its constitutional functions. Officers assist with the transaction of parliamentary business on the floor of the House and in select committees.

Outcome

A properly functioning legislature in which members of Parliament are able to discharge their constitutional duties in respect of the consideration of legislation and other parliamentary business.

Quality of administrative and support services for the House of Representatives

The output class was demand-driven by the requirements of the Standing Orders of the House, decisions of the House and its committees, the Speaker, members, the Government and the public. The Speaker purchased the following services during the financial year.

The 2002/03 financial year includes an interregnum period of almost three months. This period of no activity in parliamentary proceedings is reflected in the quantity levels recorded in the table.

SERVICE DESCRIPTION	SERVICE QUALITY STANDARD	SERVICE PERFORMANCE
<i>Provision of timely and authoritative professional advice on all aspects of parliamentary law and the rules and customs of parliamentary procedure.</i>	All procedural advice will conform to the Standing Orders, Speakers' rulings and practices of the House and its committees and will be provided to meet the priorities and timetables of the House and its committees, and within timeframes agreed with members.	Procedural advice conformed to the Standing Orders, Speakers' rulings and practices of the House and its committees and was provided to meet the priorities and timetables of the House and its committees and within timeframes agreed with members.
<i>Preparation of the Order Paper and related documents for the House, and provision of all services necessary for the sittings of the House.</i>	Preparation will be made as necessary for the House and its committees to meet and carry out their programmed business, to enable them to meet as scheduled, to provide the necessary papers, and to meet the requirements of the Standing Orders, Speakers' rulings and practices of the House and its committees.	An Order Paper setting out the agenda of business of the House was prepared for each sitting day during the year. Editions of each Order Paper were produced and distributed. Determinations of the Business Committee were notified daily and in the <i>Parliamentary Bulletin</i> . Oral questions were vetted and available prior to each sitting of the House.

SERVICE DESCRIPTION	SERVICE QUALITY STANDARD	SERVICE PERFORMANCE
	<p>Servicing of sittings of the House and select committee meetings will be of high quality to comply with the requirements of the Standing Orders, Speakers' rulings, practices and timetables of the House and its committees.</p>	<p>Questions for written answer were vetted and published on the Parliament website each working day and replies published according to the requirements of the sessional orders.</p> <p>Petitions and motions were vetted and published.</p>
<p><i>Preparation of the record of the House's decisions and the debate in the House.</i></p>		<p>Bills were certified for printing as passed by the House and submitted for Royal assent. The <i>Journals of the House</i> were compiled from the notes made by the clerk at the Table.</p> <p>The record of debates was published in <i>Hansard</i>.</p> <p>Uncorrected transcripts of questions for oral answer were published on the Parliament website each sitting day.</p> <p>An interpreter was made available when members used Māori in debate in the House and did not provide their own interpretation.</p>
<p><i>Development and monitoring of committee programmes to advance select committee business and provision of the necessary operational and administrative assistance for a select committee to operate and have its decisions recorded.</i></p>		<p>After consultation with select committee chairpersons, agendas and minutes were prepared and arrangements made for the select committee and subcommittee meetings held during the year. This included arranging the attendance of witnesses and advisers.</p> <p>Weekly schedules of select committee meetings were published and updated on the Parliament website.</p>
<p><i>Provision and brokering of subject information relevant and necessary for the business of committees and the preparation of reports for select committees.</i></p>		<p>Subject information was prepared for committee items of business, including specialist legal advice for the Regulations Review Committee, specialist tax advice for the Finance and Expenditure Committee, and other specialist advice as required.</p> <p>Advice to select committees and individual committee members on aspects of parliamentary law and the rules and customs of parliamentary practice relating to select committees was prepared.</p>

SERVICE DESCRIPTION	SERVICE QUALITY STANDARD	SERVICE PERFORMANCE
		<p>Analysis of issues and substantive drafting of committee reports were undertaken for committee items of business.</p> <p>Select committee reports were published.</p>
<p><i>Custody and safekeeping of the records of the House and its committees, general and by-election ballot papers and referendum papers.</i></p>	<p>Records safekeeping will comply with the requirements of the Standing Orders and the Electoral Act 1993 as appropriate, and the procedures developed for implementing these.</p>	<p>Records safekeeping complied with the requirements of the Standing Orders and the Electoral Act 1993, and the procedures developed for implementing these.</p>
<p><i>Provision of parliamentary information to the public, and to interested agencies in New Zealand and overseas.</i></p>	<p>All information provided to other agencies and individuals will be accurate and provided in a timely and clear manner.</p>	<p>The <i>Parliamentary Bulletin</i> was published following each sitting week containing summaries of the business transacted in the House and committees.</p> <p>The Parliament website was maintained with up-to-date summaries of the business transacted in the House and committees.</p> <p>Information provided to other agencies and individuals was accurate and provided in a timely and clear manner.</p>
<p><i>Administration, as required by statute, of certain matters relating to indicative referendum petitions.</i></p>	<p>The administration of certain matters relating to indicative referendum petitions will be efficiently and effectively carried out to meet the requirements of the Citizens Initiated Referenda Act 1993.</p>	<p>Administration of matters relating to indicative referendum petitions was efficiently and effectively carried out to meet the requirements of the Citizens Initiated Referenda Act 1993.</p>

Quantity of administrative and support services for the House of Representatives

	1998/99	1999/00	2000/01	2001/02	2002/03
House statistics					
Sitting days of the House serviced	85	66	96	85	77
Calendar days of the House serviced	103	77	100	98	95
Sitting hours in the House					
<i>Normal (hours and minutes)</i>	382.00	299.31	382.36	345.40	353.45
<i>Urgency (hours and minutes)</i>	90.06	77.59	18.45	49.16	54.03
Total House	472.06	377.30	401.21	394.56	407.48
Sitting hours in committee of the whole House					
<i>Normal (hours and minutes)</i>	95.30	50.38	147.21	135.59	74.16
<i>Urgency (hours and minutes)</i>	82.24	48.04	36.48	64.59	75.10
Total committee of the whole House	177.54	98.42	184.09	200.25	149.26
Total House and committee of the whole House	650.00	476.12	585.30	595.21	557.14
Order papers produced	85	66	96	85	77
Parliamentary bulletins produced	32	25	32	32	27
Notice papers issued ⁴	216	197	236	224	85
Replies supplements issued ⁵	44	41	49	49	26
Papers processed for presentation	1,217	1,027	1,072	1,135	1,078
Documents handled by the Bills Office	391,076	331,523	421,038	406,519	285,948
Petitions scrutinised for presentation	516	139	123	78	57
Notices of motion lodged	139	126	104	160	129
Oral questions scrutinised	1,041	778	1,131	1,050	921
Written questions scrutinised for lodging	12,303	15,414	18,201	18,658	14,987
Members' bills drafted/processed	69	69	51	17	23
Bills introduced	104	69	91	72	55
Assents processed	119	95	117	104	94
CIR petition questions determined	1	2	2	1	1
Select committee statistics					
Select committees serviced (including subcommittees)	20	22	20	25	24
Select committee meetings serviced (including subcommittees)	595	461	691	613	495
Select committee reports presented	380	380	387	356	299
Bills considered by select committees	111	111	118	98	77
Hansard statistics					
<i>Hansard</i> Advances produced	103	77	100	98	95
<i>Hansard</i> Weekly ("pinks") produced ⁶	31	24	32	31	18
<i>Hansard</i> Supplement ("greens") produced ⁷	8	9	12	9	7
<i>Hansard</i> bound volumes (debates and questions) produced ⁸	13	10	13	11	8
<i>Hansard</i> Index pamphlets produced ⁹	8	4	8	7	8
<i>Hansard</i> transcription of select committees (hours and minutes) ¹⁰				61.45	72.51

^{4,5,7} Printed copies not produced after December 2002. Information provided in other publications and on website thereafter.

^{6,8,9} Numbers vary from normal years due to production delays associated with introduction of new systems. Information was available via *Hansard* drafts.

¹⁰ Transcription services as a percentage: select committees 11.47%, committee of the whole House 88.53%.

Cost

Outputs in this class were provided within the appropriated sum of \$6,849,000 including GST.

30/6/02 Actual \$000		30/6/03 Actual \$000	2002/03 Main Estimates \$000	2002/03 Supp. Estimates \$000
5,172	Revenue Crown	6,088	4,882	6,088
4	Other Revenue	1	-	-
5,176	Total Revenue	6,089	4,882	6,088
5,172	Total Expenses	6,052	4,882	6,088
4	Net Surplus	37	-	-

OUTPUT CLASS TWO: PARLIAMENTARY PRINTING

Description

This class of outputs involves the processing and printing, in accordance with the parliamentary timetable, of legislation, select committee reports, parliamentary papers generated by or presented to the House of Representatives and the official report of parliamentary debates (*Hansard*).

From 1 February 2003, responsibility for the printing of legislation passed to the Parliamentary Counsel Office. Funding in respect of legislative printing from 1 February 2003 was transferred to Vote Parliamentary Counsel Office. The Office retained responsibility for all other parliamentary printing. A new print-only parliamentary printing agreement has been put in place with SecuraCopy, a member of Blue Star Group, to which Legislation Direct, which previously undertook all printing, also belonged.

Outcome

The timely and cost efficient printing and distribution of all legislation, parliamentary papers and other publications required of the Office to facilitate the work of a properly functioning legislature.

Quality of parliamentary printing

SERVICE DESCRIPTION	SERVICE QUALITY STANDARD	SERVICE PERFORMANCE
<i>The processing and printing of legislation, select committee reports, parliamentary papers generated by or presented to the House of Representatives and the official report of parliamentary debates (Hansard).</i>	<p>Processing and printing efficiently and effectively managed to ensure accurately printed copies of legislation and reports are made available in a timely manner for the House, its committees and the public.</p> <p>The Parliamentary Printing Agreement monitored to ensure standards and processes in the Agreement are met.</p> <p>Printing advice meets the requirements of the Standing Orders.</p>	<p>Pre-press processing, printing and distribution was efficiently and effectively managed to ensure accurately printed copies of legislation and reports were made available in a timely manner for the House, its committees and the public.</p> <p>The Parliamentary Printing Agreement was monitored to ensure standards and processes in the Agreement were met.</p> <p>Advice met the requirements of the Standing Orders.</p> <p>New Parliamentary Printing Agreement enabled projected saving to be met.</p>
<p><i>Participation in the Parliamentary Access to Legislation (PAL) project.</i></p> <p><i>Manage the Office's responsibilities in the handover of responsibility for printing legislation, and manage the termination of the existing printing agreement.</i></p>	<p>Participate in the PAL project to the satisfaction of the Project Manager.</p> <p>Manage the Office's responsibilities in the handover of printing legislation and termination of the existing printing agreement in a manner that meets timing, technical and contractual requirements.</p>	<p>Membership of the PAL Project Steering Committee was maintained.</p> <p>Parliamentary Printing Agreement with Legislation Direct was terminated as at 31 January 2003 and a new agreement with SecuraCopy put in place from 1 February 2003.</p> <p>Responsibility for legislative printing arrangements passed to the Parliamentary Counsel Office as at 1 February 2003 but existing arrangements with Legislation Direct were retained with costs to be met from Vote Parliamentary Counsel Office while the PAL project progressed to completion.</p>

Quantity of parliamentary printing

The services were demand-driven by the House, its committees and the Government. The Speaker purchased the following services during the financial year.

The 2002/03 financial year includes an interregnum period of almost three months. This period of no activity in parliamentary proceedings is reflected in the quantity levels recorded in the table.

	1998/99	1999/00	2000/01	2001/02	2002/03
Order papers printed	85	66	96	85	77
Parliamentary bulletins printed	32	25	32	32	27
Notice papers printed ¹¹	216	197	236	224	85
Replies supplements (answers to written questions) printed ¹²	44	41	49	49	26
Bills printed	204	158	184	207	154
Assents printed	119	95	117	104	94
Statutes prepared for printing	133	94	117	104	94
Select committee reports printed separately	30	30	37	29	13
Compendia of select committee reports ¹³	-	-		4	3
Hansard publications printed ¹⁴	163	127	164	156	136

Cost

Outputs in this class were provided within the appropriated sum of \$5,254,000 including GST.

30/6/02 Actual \$000		30/6/03 Actual \$000	2002/03 Main Estimates \$000	2002/03 Supp. Estimates \$000
5,335	Revenue Crown	4,670	5,115	4,670
4	Other Revenue	-	-	-
5,339	Total Revenue	4,670	5,115	4,670
5,164	Total Expenses	4,548	5,115	4,670
175	Net Surplus	122	-	-

^{11,12} Printed copies not produced after December 2002. Information provided in other publications and on website thereafter.

¹³ All reports on the Estimates, the financial reviews of departments and the reviews of State enterprises, Crown entities, and public organisations are each printed in a single volume. Another volume covers all other reports not printed separately.

¹⁴ Numbers vary from normal years due to production delays associated with introduction of new systems. Information was available via Hansard drafts.

OUTPUT CLASS THREE: INTER-PARLIAMENTARY RELATIONS

Description

This class of outputs involves the arrangement of programmes for visiting parliamentarians and officials, the provision of administrative support for New Zealand parliamentarians attending international conferences, and the arrangement of travel and programmes for New Zealand parliamentarians travelling overseas on official parliamentary business. The Parliament's subscriptions to the Commonwealth Parliamentary Association and the Inter-Parliamentary Union are also provided for.

Outcome

The fulfilment by members of New Zealand's obligations of membership of the Commonwealth Parliamentary Association (CPA) and the Inter-Parliamentary Union (IPU), the promotion of goodwill and the exchange of parliamentary information with overseas parliaments and members.

Quality of servicing of inter-parliamentary relations

SERVICE DESCRIPTION	SERVICE QUALITY STANDARD	SERVICE PERFORMANCE
<p><i>The arrangement of programmes for parliament-to-parliament visits, the provision of administrative support for New Zealand parliamentarians attending international conferences to which the Parliament or its committees are invited, and the arrangement of travel and programmes for New Zealand parliamentarians travelling overseas on official parliamentary business.</i></p> <p><i>The provision of the Parliament's subscriptions to the Commonwealth Parliamentary Association and the Inter-Parliamentary Union.</i></p>	<p>The Office will provide the support services in a manner that contributes to members' fulfilment of New Zealand's membership obligations to the Commonwealth Parliamentary Association and the Inter-Parliamentary Union, and to the promotion of goodwill. The Office will do so by ensuring that all incoming and outgoing travel programmes are organised on time and to the satisfaction of the Speaker, members and incoming delegations.</p>	<p>The Office provided the support services in a manner that contributed to the fulfilment by members of New Zealand's obligations of membership of the Commonwealth Parliamentary Association and the Inter-Parliamentary Union and the promotion of goodwill. The Office did so by ensuring that all incoming and outgoing travel programmes were organised as required and on time, and services were provided to the satisfaction of members and incoming delegations and subscriptions to the CPA and IPU were paid promptly.</p>

Quantity of servicing inter-parliamentary relations

	1998/99	1999/00	2000/01	2001/02	2002/03
Outgoing parliamentary delegations and visits organised	16	20	20	14	23
Incoming parliamentary delegations and visits organised	13	19	54	54	49

Cost

Outputs in this class were provided within the appropriated \$915,000 including GST.

30/6/02 Actual \$000		30/6/03 Actual \$000	2002/03 Main Estimates \$000	2002/03 Supp. Estimates \$000
595	Revenue Crown	813	763	813
-	Other Revenue	-	-	-
595	Total Revenue	813	763	813
516	Total Expenses	657	763	813
79	Net Surplus	156	-	-

Approval in principle has been received to carry forward \$129,000 to the financial year 2003/04.

OUTPUT CLASS FOUR: BROADCASTING OF PARLIAMENT

Description

This class of outputs involves the provision for the broadcasting of the proceedings of the House of Representatives, to ensure that the public is better informed about the processes relating to Parliament, the decisions that Parliament has made and the reasons for those decisions, together with a wider understanding of the performance of its representatives in the Parliament.

Outcome

A public that is better informed about the processes relating to Parliament, the decisions that Parliament has made and the reasons for those decisions, together with a wider understanding of the work of its representatives in Parliament.

Quality of servicing of parliamentary broadcasting

SERVICE DESCRIPTION	SERVICE QUALITY STANDARD	SERVICE PERFORMANCE
<i>All sitting hours of the House broadcast on the AM Network during the year. Today in Parliament and The Week in Parliament programmes are produced.</i>	The broadcasts will cover all sitting hours of the House and the information provided in relation to the proceedings will be accurate.	The broadcasts covered the sitting hours of the House and the information provided in relation to the proceedings was accurate.

Quantity of servicing of parliamentary broadcasting

	1998/99	1999/00	2000/01	2001/02	2002/03
Calendar days House broadcast	103	77	100	98	95
Information programmes produced	212	174	239	232	212

Cost

Outputs in this class were provided within the appropriated sum of \$915,000 including GST.

30/6/02 Actual \$000		30/6/03 Actual \$000	2002/03 Main Estimates \$000	2002/03 Supp. Estimates \$000
796	Revenue Crown	813	813	813
-	Other Revenue	-	-	-
796	Total Revenue	813	813	813
787	Total Expenses	810	813	813
9	Net Surplus	3	-	-

Performance information

STATEMENT OF ACCOUNTING POLICIES

For the year ended 30 June 2003

REPORTING ENTITY

The Office of the Clerk is responsible for discharging certain functions as set out in the Clerk of the House of Representatives Act 1988.

The Office of the Clerk is deemed to be a department as defined by section 2 of the Public Finance Act 1989.

These are the financial statements of the Office of the Clerk prepared pursuant to section 35 of the Public Finance Act 1989.

MEASUREMENT SYSTEM

These financial statements have been prepared on the basis of historical cost.

ACCOUNTING POLICIES

The following particular accounting policies which materially affect the measurement of financial results and financial position have been applied.

Budget figures

The Budget figures are those presented in the Budget day Estimates (Main Estimates) as amended by the Supplementary Estimates and any transfer made by Order in Council under section 5 of the Public Finance Act 1989.

Revenue

The Office derives revenue through the provision of outputs to the Crown. Such revenue is recognised when earned and is reported in the financial period to which it relates.

COST ALLOCATION

The Office has derived the costs of outputs using the cost allocation system outlined below.

Cost allocation policy

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities based on cost drivers and related activity/usage information.

Criteria for direct and indirect costs

“Direct costs” are those costs directly attributed to an output.

“Indirect costs” are those costs that cannot be identified, in an economically feasible manner, with a specific output.

Direct costs assigned to outputs

Direct costs are charged directly to outputs. Depreciation and capital charge are charged on the basis of asset utilisation. Personnel costs are charged on an assessment of the time spent on functions contained in each output.

For the year ended 30 June 2003, direct costs accounted for 98.8 percent of the Office’s costs. (2002: 98.8 percent)

Basis for assigning indirect and corporate costs to outputs

Indirect costs are expenses incurred in the Corporate Office and are assigned to outputs based on a proportion of direct staff costs used for each output.

Total indirect costs were 1.2 percent (2002: 1.2 percent) of total costs.

Debtors and receivables

Receivables are recorded at estimated realisable value, after providing for doubtful and uncollectable debts.

Fixed assets

The initial cost of a fixed asset is the value of the consideration given to acquire or create the asset and any directly attributable costs of bringing the asset to working condition for its intended use.

All fixed assets costing \$2,000 or more, or groups of assets that are material in aggregate, are capitalised and recorded at historical cost.

Depreciation

Depreciation of fixed assets is provided on a straight line basis so as to allocate the cost of assets over their useful lives. The estimated economic useful lives are:

computer equipment	3 years (33.3%)
Office equipment	5 years (20.0%)
software	8 years (12.5%)

Employee entitlements

Provision is made in respect of the Office’s liability for annual, long service and retirement leave and time off in lieu. Annual leave and time off in lieu have been calculated on an actual entitlement basis at current rates of pay while the other provisions have been calculated on an actuarial basis based on the present value of expected future entitlements.

Statement of Cash Flows

Cash means cash balances on hand, held in bank accounts, and deposits with the New Zealand Debt Management Office.

Investing activities are those activities relating to the acquisition and disposal of non-current assets.

Operating activities include cash received from all income services of the Office and record the cash payments made for the supply of goods and services.

Financing activities comprise capital injections by, or repayment of capital to, the Crown.

Foreign currency

Foreign currency transactions are converted into the New Zealand dollar exchange rate at the date of the transaction. Where a forward exchange contract has been used to establish the price of a transaction, the forward rate specified in that foreign exchange contract is used to convert that transaction to New Zealand dollars. Consequently, no exchange gain or loss resulting from the difference between the forward exchange contract rate and the spot exchange rate on date of settlement is recognised.

Financial instruments

The Office is party to financial instruments as part of its normal operations. These financial instruments include bank accounts, short-term deposits, debtors, creditors and foreign currency forward contracts. The Office enters into the foreign currency forward contracts to hedge currency transactions. Any exposure to gains or losses on those contracts is generally offset by a related loss or gain on the item being hedged. Apart from foreign currency forward contracts, all financial instruments are recognised in the Statement of Financial Position and all revenues and expenses in relation to financial instruments are recognised in the Statement of Financial Performance.

Except for those items covered by a separate accounting policy all financial instruments are shown at their estimated fair value.

Goods and Services Tax (GST)

The Statement of Unappropriated Expenditure and the Statements of Departmental Expenditure and Appropriations are inclusive of GST. The Statement of Financial Position is exclusive of GST, except for Creditors and Payables and Debtors and Receivables which are GST inclusive. All other statements are GST exclusive.

The amount of GST owing to or from the Inland Revenue Department at balance date, being the difference between Output GST and Input GST, is included in Creditors and Payables or Debtors and Receivables (as appropriate).

Taxation

As the Office is deemed to be a department, the Office is exempt from the payment of income tax in terms of the Income Tax Act 1994. Accordingly, no charge for income tax has been provided for.

Commitments

Future expenses and liabilities to be incurred on agreements that have been entered into at balance date are disclosed as commitments. Commitments relating to employment contracts are not disclosed.

Contingent liabilities

Contingent liabilities are disclosed at the point at which the contingency is evident.

TAXPAYERS' FUNDS

This is the Crown's net investment in the Office.

CHANGES IN ACCOUNTING POLICIES

There have been no changes in accounting policies, including cost allocation accounting policies, since the date of the last audited financial statements.

All policies have been applied on a basis consistent with other years.

STATEMENT OF FINANCIAL PERFORMANCE

For the year ended 30 June 2003

30/06/02			30/06/03	30/06/03	30/06/03
Actual		Note	Actual	Main Estimates	Supp. Estimates
\$000			\$000	\$000	\$000
REVENUE					
11,898	Crown		12,384	11,573	12,384
8	Other	1	1	-	-
<u>11,906</u>	Total Revenue		<u>12,385</u>	<u>11,573</u>	<u>12,384</u>
EXPENSES					
4,845	Personnel	2	5,251	4,436	5,411
6,648	Operating	3	6,556	6,983	6,656
120	Depreciation	4	235	130	293
26	Capital Charge	5	25	24	24
<u>11,639</u>	Total Expenses		<u>12,067</u>	<u>11,573</u>	<u>12,384</u>
<u>267</u>	Net Surplus		<u>318</u>	<u>-</u>	<u>-</u>

The accompanying accounting policies and notes form part of these financial statements

STATEMENT OF MOVEMENTS IN TAXPAYERS' FUNDS

For the year ended 30 June 2003

30/06/02 Actual			30/06/03 Actual	30/06/03 Main Estimates	30/06/03 Supp. Estimates
\$000		Note	\$000	\$000	\$000
292	Taxpayers' funds brought forward as at 1 July		292	292	292
267	Net surplus	9	318	-	-
<u>267</u>	Total recognised revenues and expenses for the year		<u>318</u>	<u>-</u>	<u>-</u>
0	Capital Contributions		1,070	-	1,070
(267)	Provision for repayment of surplus to the Crown	9	(318)	-	-
<u>292</u>	Taxpayers' funds as at 30 June		<u>1,362</u>	<u>292</u>	<u>1,362</u>

The accompanying accounting policies and notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION

As at 30 June 2003

30/06/02 Actual		30/06/03 Actual	30/06/03 Main Estimates	30/06/03 Supp. Estimates
\$000	Note	\$000	\$000	\$000
TAXPAYERS' FUNDS				
292		1,362	292	1,362
<u>292</u>		<u>1,362</u>	<u>292</u>	<u>1,362</u>
Represented by;				
CURRENT ASSETS				
1,404		2,067	822	922
-	6	18	22	22
85	6	125	75	75
1		-	1	-
<u>1,490</u>		<u>2,210</u>	<u>920</u>	<u>1,019</u>
NON-CURRENT ASSETS				
146	7	1,472	321	1,368
<u>146</u>		<u>1,472</u>	<u>321</u>	<u>1,368</u>
<u>1,636</u>		<u>3,682</u>	<u>1,241</u>	<u>2,387</u>
CURRENT LIABILITIES				
340	8	1,176	172	172
267	9	318	-	-
384	10	417	424	500
<u>991</u>		<u>1,911</u>	<u>596</u>	<u>672</u>
NON-CURRENT LIABILITIES				
353	10	409	353	353
<u>353</u>		<u>409</u>	<u>353</u>	<u>353</u>
<u>1,344</u>		<u>2,320</u>	<u>949</u>	<u>1,025</u>
<u>292</u>		<u>1,362</u>	<u>292</u>	<u>1,362</u>

The accompanying accounting policies and notes form part of these financial statements

STATEMENT OF CASH FLOWS

For the year ended 30 June 2003

30/06/02 Actual		30/06/03 Actual	30/06/03 Main Estimates	30/06/03 Supp. Estimates
\$000		\$000	\$000	\$000
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash provided from				
supply of outputs				
11,898	- Crown	12,385	11,573	12,385
4	- Other	(18)	-	-
<u>11,902</u>	Subtotal	<u>12,367</u>	<u>11,573</u>	<u>12,385</u>
Cash disbursed to				
Produce outputs:				
4,791	- Personnel	5,083	4,436	5,295
6,632	- Operating	5,726	6,931	6,765
(17)	- Net GST paid	113	-	71
26	- Capital charge	25	24	24
<u>11,432</u>	Subtotal	<u>10,947</u>	<u>11,391</u>	<u>12,155</u>
<u>470</u>	Operating activities net cash flows	<u>1,420</u>	<u>182</u>	<u>230</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash provided from				
4	sale of Fixed Assets	1	-	-
Cash disbursed to				
(45)	purchase of fixed assets	(1,561)	(180)	(1,515)
<u>(41)</u>	Investing activities net cash flows	<u>(1,560)</u>	<u>(180)</u>	<u>(1,515)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash Provided from:				
-	Capital Contributions Received	1,070	-	1,070
Cash disbursed to				
(86)	payment of Net Surplus to Crown	(267)	-	(267)
<u>(86)</u>	Financing activities net cash flows	<u>803</u>	<u>-</u>	<u>803</u>
343	Net increase (decrease) in cash held	663	2	(482)
1,061	Add opening cash brought forward	1,404	820	1,404
<u>1,404</u>	Closing cash	<u>2,067</u>	<u>822</u>	<u>922</u>

The accompanying accounting policies and notes form part of these financial statements

RECONCILIATION OF NET SURPLUS TO NET CASH FLOWS FROM OPERATING ACTIVITIES

For the year ended 30 June 2003

30/06/02 Actual		30/06/03 Actual	30/06/03 Main Estimates	30/06/03 Supp. Estimates
\$000		\$000	\$000	\$000
267	Net surplus	318	-	-
	ADD NON-CASH ITEMS			
120	Depreciation	235	130	293
(7)	Inc in non-current employee entitlements	56	-	-
<u>113</u>	Total non-cash items	<u>291</u>	<u>130</u>	<u>293</u>
	WORKING CAPITAL MOVEMENTS			
7	(Inc)/Dec in debtors and prepayments	(58)	-	10
-	(Inc)/Dec in Debtor-Crown	1	-	1
16	Inc/(Dec) in creditors and payables	836	52	(190)
71	Inc/(Dec) in current employee entitlements	33	-	116
<u>94</u>	Working capital movements - net	<u>812</u>	<u>52</u>	<u>(63)</u>
	ADD/(LESS) INVESTING ACTIVITY ITEMS			
(4)	(Gain) on sale of physical assets	(1)	-	-
<u>(4)</u>	Total investing activity items	<u>(1)</u>	<u>-</u>	<u>-</u>
<u>470</u>	Net cash flow from operating activities	<u>1,420</u>	<u>182</u>	<u>230</u>

The accompanying accounting policies and notes form part of these financial statements

STATEMENT OF COMMITMENTS

As at 30 June 2003

30/06/02 Actual		30/06/03 Actual
\$000		\$000
	OPERATING COMMITMENTS	
2,424	Less than one year	716
-	One to two years	716
-	Two to five years	716
-	More than five years	-
2,424	Total operating commitments	2,148
2,424	Total Commitments	2,148

The accompanying accounting policies and notes form part of these financial statements

STATEMENT OF CONTINGENT LIABILITIES

As at 30 June 2003

As at 30 June 2003, there are contingent liabilities totalling \$280,000. (2002: nil) The majority of this amount relates to a legal action to maintain parliamentary privilege. The balance relates to internal employment matters.

As at 30 June 2003 there was an indemnity given under section 59 of the Public Finance Act 1989 in relation to a legal action relating to parliamentary privilege. (2002: nil)

STATEMENT OF UNAPPROPRIATED EXPENDITURE

For the year ended 30 June 2003

For the year ended 30 June 2003 there is no unappropriated expenditure. (2002: nil)

The accompanying accounting policies and notes form part of these financial statements

STATEMENT OF DEPARTMENTAL EXPENDITURE AND APPROPRIATIONS

For the year ended 30 June 2003

(Figures are GST inclusive where applicable)

		30/06/03 Expenditure Actual	30/06/03 Appropriation Voted**
		\$000	\$000
APPROPRIATIONS FOR CLASSES OF OUTPUTS			
D1	Administrative and Support Services for the House of Representatives	6,813	6,849
D2	Parliamentary Printing	5,132	5,254
D3	Inter-Parliamentary Relations	759	915
D4	Broadcasting of Parliament	912	915
	Total	<u>13,616</u>	<u>13,933</u>

		30/06/03 Expenditure Actual	30/06/03 Appropriation Voted**
		\$000	\$000
CAPITAL CONTRIBUTION TO THE DEPARTMENT			
	Capital Investment	1,070	1,070
	Total	<u>1,070</u>	<u>1,070</u>

** This includes adjustments made in the Supplementary Estimates.

The accompanying accounting policies and notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2003

NOTE 1 OTHER REVENUE

30/06/02 Actual		30/06/03 Actual	30/06/03 Main Estimates	30/06/03 Supp. Estimates
\$000		\$000	\$000	\$000
4	Net gain on sale of fixed assets	1	-	-
4	Miscellaneous	-	-	-
<u>8</u>		<u>1</u>	<u>-</u>	<u>-</u>

NOTE 2 PERSONNEL COSTS

30/06/02 Actual		30/06/03 Actual	30/06/03 Main Estimates	30/06/03 Supp. Estimates
\$000		\$000	\$000	\$000
4,639	Salaries and wages	4,900	4,265	5,093
142	Other personnel costs	262	171	264
64	Annual, retirement and long service leave	89	-	54
<u>4,845</u>		<u>5,251</u>	<u>4,436</u>	<u>5,411</u>

NOTE 3 OPERATING COSTS

30/06/02 Actual		30/06/03 Actual	30/06/03 Main Estimates	30/06/03 Supp. Estimates
\$000		\$000	\$000	\$000
13	Audit fees to auditors for audit of the financial statements	13	17	17
-	Loss on Sale of Fixed Assets	-	-	-
4,133	Printing Contract	2,574	2,927	2,927
672	Broadcasting costs	787	784	784
1,830	Other operating costs	3,182	3,255	2,928
<u>6,648</u>	Total Operating Costs	<u>6,556</u>	<u>6,983</u>	<u>6,656</u>

NOTE 4 DEPRECIATION COSTS

30/06/02 Actual		30/06/03 Actual	30/06/03 Main Estimates	30/06/03 Supp. Estimates
\$000		\$000	\$000	\$000
117	Computer Systems	229	124	287
3	Office Equipment	6	6	6
120	Total Depreciation Expenses	235	130	293

NOTE 5 CAPITAL CHARGE

The Office pays a capital charge to the Crown on its taxpayers' funds as at 30 June and 31 December each year. The capital charge rate for the year ended 30 June 2003 was 8.5 percent (2002, 9.0 percent).

NOTE 6 DEBTORS AND RECEIVABLES

30/06/02 Actual		30/06/03 Actual
\$000		\$000
-	Other Debtors	18
85	Prepayment	125
85	Total debtors and receivables	143

NOTE 7 FIXED ASSETS

30/06/02 Actual		30/06/03 Actual
\$000		\$000
	COMPUTER SYSTEMS	
561	At cost	2,096
(424)	Accumulated depreciation	(650)
137	Computer Systems - net book value	1,446
	Office Equipment	
65	At cost	69
(56)	Accumulated depreciation	(43)
9	Office Equipment - net book value	26
	TOTAL FIXED ASSETS	
626	At cost	2165
(480)	Accumulated depreciation	(693)
146	Total Fixed Assets - Carrying Value	1,472

NOTE 8 CREDITORS AND ACCRUALS

30/06/02 Actual		30/06/03 Actual
\$000		\$000
-	Trade Creditors	-
269	Accrued Expenses	992
71	GST Payable	184
<u>340</u>		<u>1,176</u>

NOTE 9 PROVISION FOR REPAYMENT OF SURPLUS TO THE CROWN

30/06/02 Actual		30/06/03 Actual
\$000		\$000
267	Net operating surplus	318
-	Add: Other expenses (not for production of outputs)	-
<u>267</u>	Net operating surplus from delivery of outputs	<u>318</u>
<u>267</u>	Total provision for repayment of surplus	<u>318</u>

NOTE 10 PROVISION FOR EMPLOYEE ENTITLEMENTS

30/06/02 Actual		30/06/03 Actual
\$000		\$000
	CURRENT LIABILITIES	
307	Annual Leave	353
23	Retirement Leave	24
48	Long Service Leave	37
6	Time off in lieu	3
<u>384</u>	Total Current Portion	<u>417</u>
	NON CURRENT LIABILITIES	
313	Retirement Leave	368
40	Long Service Leave	41
<u>353</u>	Total non-current portion	<u>409</u>
<u>737</u>	Total provision for employee entitlements	<u>826</u>

NOTE 11 FINANCIAL INSTRUMENTS

The Office is party to financial instrument arrangements as part of its everyday operations. These include instruments such as bank balances, debtors, receivables and trade creditors

Credit risk

Credit risk is the risk that a third party will default on its obligations to the Office causing it to incur a loss.

In the normal course of its business, the Office incurs credit risk from trade debtors, transactions with financial institutions and the New Zealand Debt Management Office (NZMDO).

The Office does not require any collateral or security to support financial instruments with financial institutions that it deals with, or with the NZMDO, as these entities have high credit ratings. For its other financial instruments, the Office does not have significant concentrations of credit risks.

The maximum exposures to credit risk are as follows:

	30/06/03	30/06/02
	Actual	Actual
	\$000	\$000
Bank balances	2,067	1,404
Debtors and receivables	143	86

The Office is not exposed to any other concentrations of credit risk.

Fair value

The fair value of the Office’s financial instruments is equivalent to the carrying amount disclosed in the Statement of Financial Position.

Currency risk and interest rate risk

The Office has no significant exposure to interest rate risk on its financial instruments.

NOTE 12 RELATED PARTY INFORMATION

The Office is a wholly-owned entity of the Crown. The Parliament significantly influences the role of the Office as well as being the major source of revenue.

The Office enters into some transactions with other Government departments, Crown agencies, and State-owned enterprises. These transactions are carried out on an arm’s length basis. These transactions are not considered to be related party transactions.

NOTE 13 MAJOR BUDGET VARIATIONS

Statement of Financial Performance

Explanations for major variations from the main estimates are outlined below:

Revenue - Crown

An increase in funding was approved for additional staffing, mainly in the Select Committee Office and a transfer of expenses from the Parliamentary Service.

Personnel

Personnel expenditure was 18% above the original budget. Additional funds were obtained to retain temporary staff in the Select Committee Office until the end of September 2002. Additional funding was obtained in the Supplementary Estimates as a permanent increase to the Office's baseline to improve the services to select committees on a permanent basis.

Operating

Operating expenditure was 6% under the original budget. This is due mainly to the shift of the legislative printing contract to the Parliamentary Counsel Office (PCO) on 1 February 2003. Funding was transferred to PCO as part of the Supplementary Estimates.

Depreciation

Provision for depreciation was 80% above the original budget. This was due to a large increase in capital expenditure arising from the publishing projects and the associated replacement of the Office's computer network equipment. Neither of these items were included in the original budgets due to uncertainties about the printing project at budget time.

Statement of Movements in Taxpayers' Funds**Capital contributions**

An increase in the taxpayers' funds was approved to cover most of the capital costs of the publishing projects and the Office's computer network equipment.

Statement of Financial Position**Cash**

Cash on hand was 151% above the original budget. This is due to payments being made late in the year and not clearing the bank account prior to 30 June 2003. This is offset by a larger than budgeted amount for 'creditors and accruals' in the current liabilities.

Fixed assets

Fixed assets are significantly above the original budget due to the increase in capital expenditure arising from the publishing projects and the replacement of the Office's computer network equipment. Neither of these items had been included in the original budgets.

Statement of Cash Flows**Cash provided from the Crown**

Cash provided by the Crown is 7% above the original budget. This was for the transfer of expenses from the 2001/02 financial year and funding for new initiatives approved in the 2002/03 Supplementary Estimates. Actual funding for these was \$1,327,000 but this was offset by the reduction of \$515,000 in the Printing Output (transferred to PCO).

Personnel and operating

See comments above for Statement of Financial Performance.

Statement of Departmental Expenditure and Appropriations**D3 Inter-Parliamentary Relations**

Expenditure is 17% less than the original budget. The Speaker's trip to Japan, Korea and Russia due to have taken place in April 2003 was postponed due to the SARS outbreak. Approval in principle has been obtained to carry-forward the expense to the 2003/04 year.

Financial performance

The financial performance of the Office of the Clerk of the House of Representatives for the year ended 30 June 2003 resulted in -

30/06/02 Actual		Unit	30/06/03 Actual	30/06/03 Budget
OPERATING RESULTS				
8	Revenue – Other	\$000	1	-
11,639	Output expenses	\$000	12,067	11,573
293	Operating surplus before capital charge	\$000	343	24
267	Net surplus	\$000	318	-
WORKING CAPITAL MANAGEMENT				
499	Net current assets*	\$000	299	324
150	Current ratio**	%	116	154
9	Creditor payment period	Days	14	30
RESOURCE UTILISATION				
Physical assets:				
146	Total physical assets at year-end	\$000	1,472	321
31	Additions as a % of physical assets	%	106	56
Taxpayers' funds:				
292	Level at year end	\$000	1,362	292
NET CASH FLOWS				
470	Surplus/(deficit) operating activities	\$000	1,420	182
(41)	Surplus/(deficit) investing activities	\$000	(1,560)	(180)
(86)	Surplus/(deficit) financing activities	\$000	803	-
343	Net increase/(decrease) in cash held	\$000	663	2
HUMAN RESOURCES				
14	Staff turnover	%.	8	10
10	Average length of service with the Office***	Years	7	7
87	Total permanent staff	No.	100	87

* Current assets minus current liabilities.

** Current assets as a proportion of current liabilities.

*** Note change of base: previous service now excluded.