



Australian Government  
Attorney-General's Department

# Legal Services Expenditure Report **2010 – 11**

Office of Legal Services Coordination

Legal Services  
Expenditure Report  
**2010 – 11**

Office of Legal Services Coordination

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# Contents

<b>1. Introduction</b>	<b>1</b>
<b>2. Executive Summary</b>	<b>1</b>
<b>3. Background</b>	<b>2</b>
<b>4. Office of Legal Services Coordination</b>	<b>2</b>
<b>5. Reporting legal services expenditure</b>	<b>2</b>
<b>6. Expenditure on legal services 2010–11</b>	<b>3</b>
Total legal services expenditure for 2010–11	3
Total internal and external expenditure for 2010–11	5
Professional fees	7
Counsel	7
Direct briefing of counsel	8
Selection of counsel	8
Pro bono legal services	9
<b>7. Conclusion</b>	<b>11</b>
<b>Appendices</b>	
Appendix A Breakdown of total legal services expenditure by agency 2008–09 to 2010–11	12
Appendix B Breakdown of internal and external legal services expenditure by agency 2008–09 to 2010–11	19
Appendix C Acronyms	32
Appendix D Guidance Note 8 – Issued 22 June 2011	33

## Figures

Figure 1	Total 2008–09 to 2010–11 FMA agency legal services expenditure	4
Figure 2	Total 2008–09 to 2010–11 CAC agency legal services expenditure	4
Figure 3	Total expenditure of top 10 FMA agencies 2008–09 to 2010–11	5
Figure 4	Total expenditure of top 10 CAC agencies 2008–09 to 2010–11	5
Figure 5	Top 10 FMA and CAC agencies internal expenditure 2008–09 to 2010–11 (GST inclusive)	6
Figure 6	Top 10 FMA and CAC agencies external expenditure 2008–09 to 2010–11 (GST inclusive)	6
Figure 7	Direct briefing of counsel by FMA and CAC agencies 2008–09 to 2010–11	9
Figure 8	Combined FMA and CAC agency overall percentage of fees earned by male and female counsel 2010–11 (GST inclusive)	9

## Table

Table 1	Approximate percentage of professional fees earned by law firms 2008–09 to 2010–11	7
Table 2	Pro bono legal work 2008–09 to 2010–11	10

## 1. Introduction

The purpose of this report is to:

- > Provide an overview of legal services expenditure across the Commonwealth for the 2010–11 financial year, and
- > Identify and report on trends, patterns and changes in agency legal services spend compared with the previous financial years.

This report has been compiled based on information reported to the Office of Legal Services Coordination (OLSC) as required by subparagraph 11.1(da) of the *Legal Services Directions 2005* (the Directions).

## 2. Executive Summary

In 2010–11, the total legal services expenditure of *Financial Management and Accountability Act 1999* agencies (FMA agencies) was \$598.9m<sup>1</sup> which is an increase of 4.7% from 2009–10. The total expenditure of *Commonwealth Authorities and Companies Act 1997* agencies (CAC agencies) was \$77.7m, which is an increase of 13% from 2009–10.

For FMA agencies, there was an increase in expenditure on internal legal services (7.7%), external legal services (2.3%) and disbursements (17.8%) and a modest decrease in expenditure on Counsel (-1.4%). For CAC agencies, there was an increase in expenditure on internal legal services (18.7%), external legal services (9.4%) and disbursements (11.2%).

There has been an increase in overall expenditure in some of the traditionally high spending Commonwealth agencies, such as the Department of Defence, the Department of Immigration and Citizenship, Defence Materiel Organisation, the Australian Taxation Office and Centrelink. It is also notable that several agencies reported decreases in expenditure, including the Australian Investment and Securities Commission, Department of Education Employment and Workplace Relations, and the Fair Work Ombudsman.

There were fewer briefs to Counsel by both FMA and CAC agencies than in the previous reporting period, but an increase in the number of direct briefs to Counsel. The distribution of briefs between male and female counsel was consistent with the distribution in the previous reporting period, with female counsel continuing to be briefed in higher proportion to their reported representation at the Bar<sup>2</sup>.

<sup>1</sup> All figures in this report are GST inclusive.

<sup>2</sup> Based on information contained in the Australian Law Council Report *2009 Court Appearance Survey – Beyond the Statistical Gap*. Recommendation 2 of this report is that this survey be repeated in 2014.



### 3. Background

Within 60 days after the end of the financial year, all FMA agencies and non-FMA bodies<sup>3</sup> are required to report to OLSC about their legal services expenditure. Non-FMA bodies became subject to this reporting obligation in 2008–09.

Legal services expenditure data has been required to be reported using a template approved by OLSC since 2008–09. The intention of the template form was, amongst other things, to facilitate consistency in reporting and enable a clear break down of data across the Commonwealth.

The 2010–11 financial year is the third time agencies have been required to report using the template.

### 4. Office of Legal Services Coordination

The Office of Legal Services Coordination (OLSC) is located within the Civil Law Division, and the Civil Justice and Legal Services Group of the Attorney-General's Department. OLSC's objective is the strategic coordination of Commonwealth Legal Work, including that Commonwealth agencies receive consistent and well coordinated legal services that are of a high standard, uphold the public interest, and are sensitive to whole-of-government interests.

OLSC is embarking on a series of reforms to enhance the delivery and strategic management of legal services to the Commonwealth. The reforms involve all aspects of legal services procurement and provision across the Commonwealth. They are designed to not only deliver better value and quality legal advice to Commonwealth Government agencies and departments, but also to enhance the professionalism of in-house legal practices. In August 2010, the General Counsel Working Group (GCWG) was established to provide a forum for consideration of strategic issues concerning the Commonwealth legal services market.

The GCWG has considered issues including a shared approach to the professional development and support of in-house government lawyers and the promotion of a whole-of-government approach to the provision of legal services.

### 5. Reporting legal services expenditure

Pursuant to the Directions, there are three primary sources from which Commonwealth agencies may purchase legal services:

- > from a legal services provider (i.e. a law firm), under a Deed of Standing Offer or other arrangement;
- > from a barrister, engaged through a legal services provider or directly briefed by an agency; or
- > from an internal legal services provider (i.e. an in-house legal practice).

<sup>3</sup> CAC agencies which are not Government Business Enterprises (GBE) prescribed under the *Commonwealth Authorities and Companies Act 1997* (Cth) or Corporations Act companies controlled by the Commonwealth.

The legal services expenditure reporting template requires reporting of all three sources of purchase. Fees paid to legal services providers are recorded under 'professional fees' and are also broken down into a firm by firm report. Barrister fees are reported under 'Counsel' and are also broken down into total number of briefs and number of briefs by gender. In-house legal practices are recorded under 'internal legal services expenditure'.

As noted in Guidance Note 8 released on 22 June 2011 (**Appendix D**), internal legal services expenditure is the total cost incurred in the provision of legal services by an in-house practice. Consistent with the Australian National Audit Office, *Legal Services Arrangements in Australia Government Agencies: Better Practice Guide*, the full cost of an in-house legal practice is to include:

- > direct salary costs
- > indirect salary costs (superannuation, leave entitlements)
- > direct overhead (costs of desks, stationary, computers etc)
- > indirect overhead (apportioned electricity, rent etc)
- > legal unit overhead (specialist software, licences, cost of law library), and
- > learning and development overhead, including training in legal and non-legal skills.

Increased awareness of the components of internal legal services expenditure and better reporting practices are resulting in more accurate reporting of this category of expenditure. However, this category may still be under-reported.

## 6. Expenditure on legal services in the 2010–11 reporting period

### Total legal services expenditure for 2010–11

A total of 161 FMA and CAC agencies reported legal services expenditure in the reporting period. This figure excludes agencies that are exempt from reporting under the Directions.

The reported total legal services expenditure for FMA agencies in the 2010–11 reporting period was \$598.9m (see **figure 1** for a breakdown of total FMA legal services expenditure)<sup>4</sup>. This is a 4.7% increase from the 2009–10 reporting period, in which FMA agencies reported total legal services expenditure of \$571.9m.

The reported total legal services expenditure for CAC agencies in the 2010–11 reporting period was \$77.7m (see **figure 2** for a breakdown of total CAC legal services expenditure)<sup>5</sup>. This is a 13% increase from the 2009–10 reporting period, in which CAC agencies reported total legal services expenditure of \$68.7m.

The overall increase in total legal services expenditure for both FMA and CAC agencies from the 2009–10 reporting period is 5.6%. **Figures 3 and 4** show total legal services expenditure for the top 10 FMA and CAC agencies over the 2008–09, 2009–10, and 2010–11 reporting periods. A breakdown of total legal services expenditure by agency, compared to the 2008–09 and 2009–10 reporting period, is shown at **Appendix A** of this report.

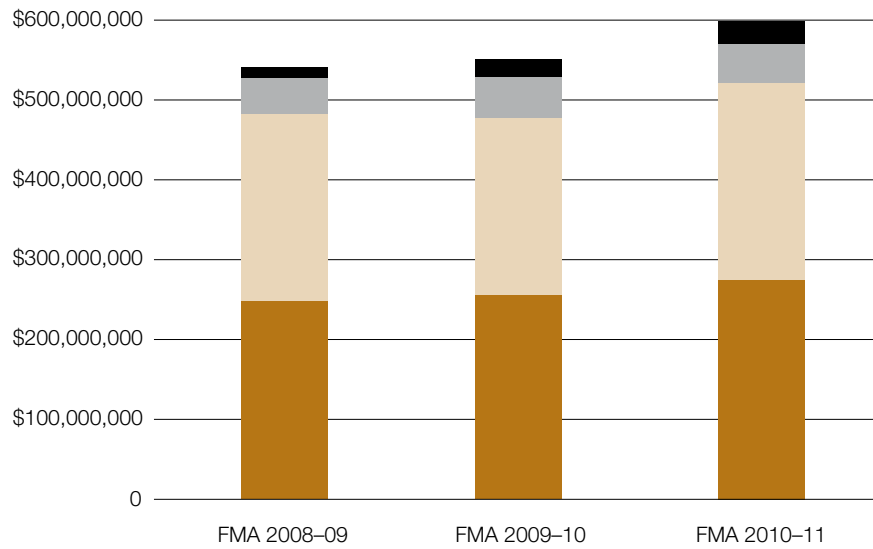
4 This breakdown is as reported to OLSC. Some agencies were unable to provide this breakdown, which means there is a discrepancy between the total legal services expenditure reported and the sum of the breakdown.

5 See footnote 3.



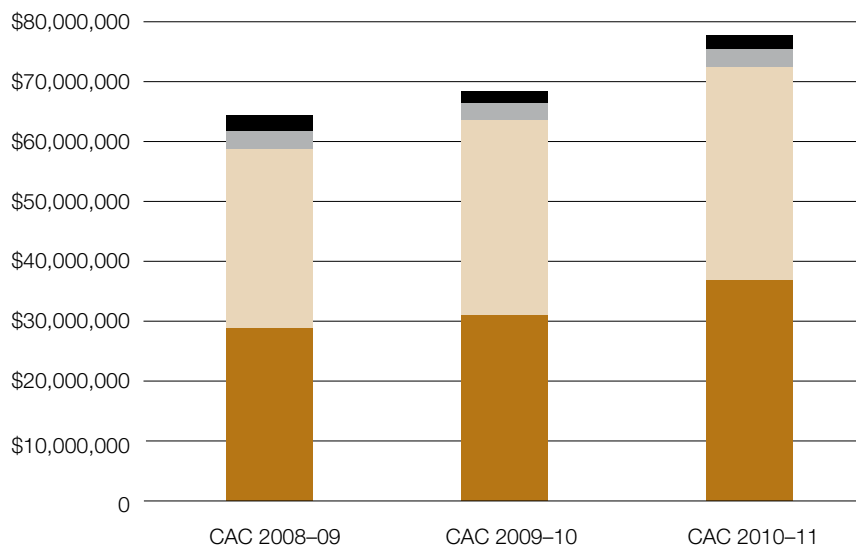


**Figure 1: Total 2008–09 to 2010–11 FMA agency legal services expenditure**



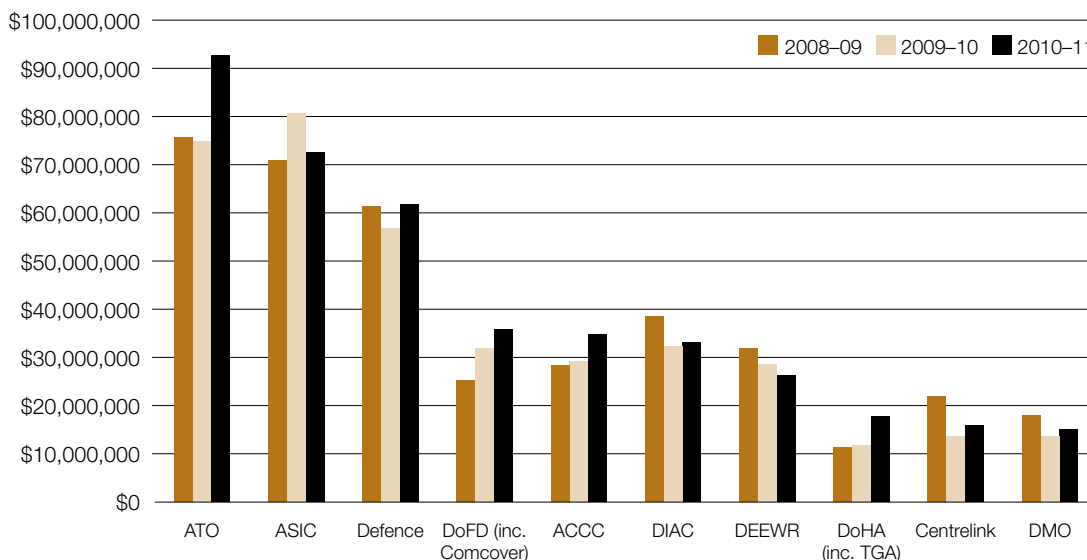
Other external disbursements excluding counsel (GST inclusive)	\$14,039,772.65	\$23,634,198.23	\$28,761,274.24
Counsel (GST inclusive)	\$45,211,050.48	\$50,310,770.58	\$49,628,558.25
Professional fees (GST inclusive)	\$234,632,540.22	\$222,481,309.77	\$245,976,610.51
Internal	\$247,464,621.63	\$255,003,867.96	\$274,567,529.94

**Figure 2: Total 2008–09 to 2010–11 CAC agency legal services expenditure**

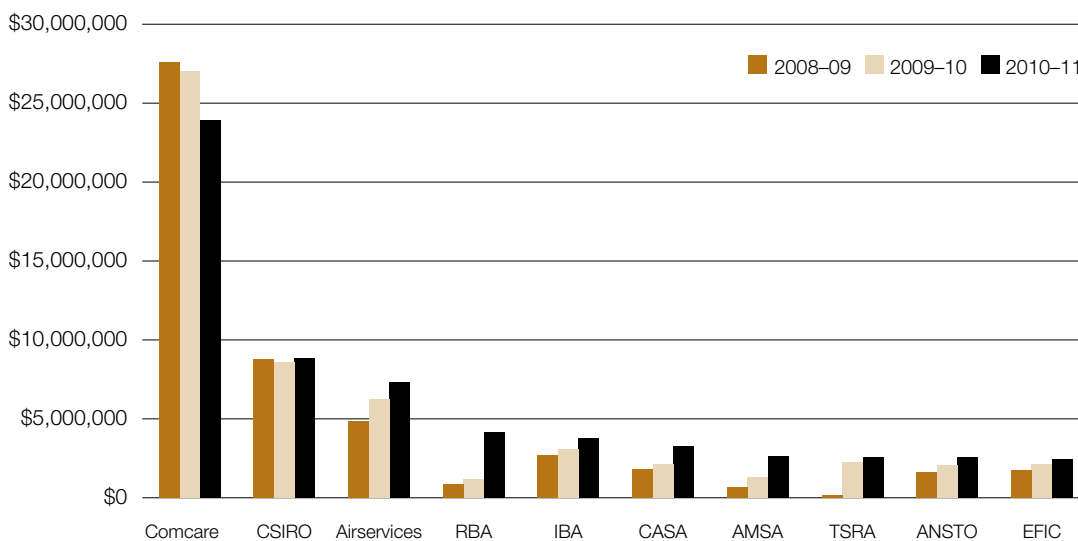


Other external disbursements excluding counsel (GST inclusive)	\$2,622,692.26	\$2,107,986.97	\$2,345,018.74
Counsel (GST inclusive)	\$2,979,077.20	\$2,846,405.16	\$2,924,934.99
Professional fees (GST inclusive)	\$30,019,059.74	\$32,462,387.21	\$35,608,910.15
Internal	\$28,789,899.90	\$31,014,508.92	\$36,795,403.94

**Figure 3: Total expenditure of top 10 FMA agencies 2008–09 to 2010–11**



**Figure 4: Total expenditure of top 10 CAC agencies 2008–09 to 2010–11**



### Total internal and total external expenditure for 2010–11

In 2010–11 FMA agencies reported \$324.2m on external legal services<sup>6</sup> and \$274.6m on internal legal services. External legal services expenditure increased by approximately \$7.4m (2.3%) and internal legal services expenditure increased by approximately \$19.6m (7.7%) from the previous reporting period.

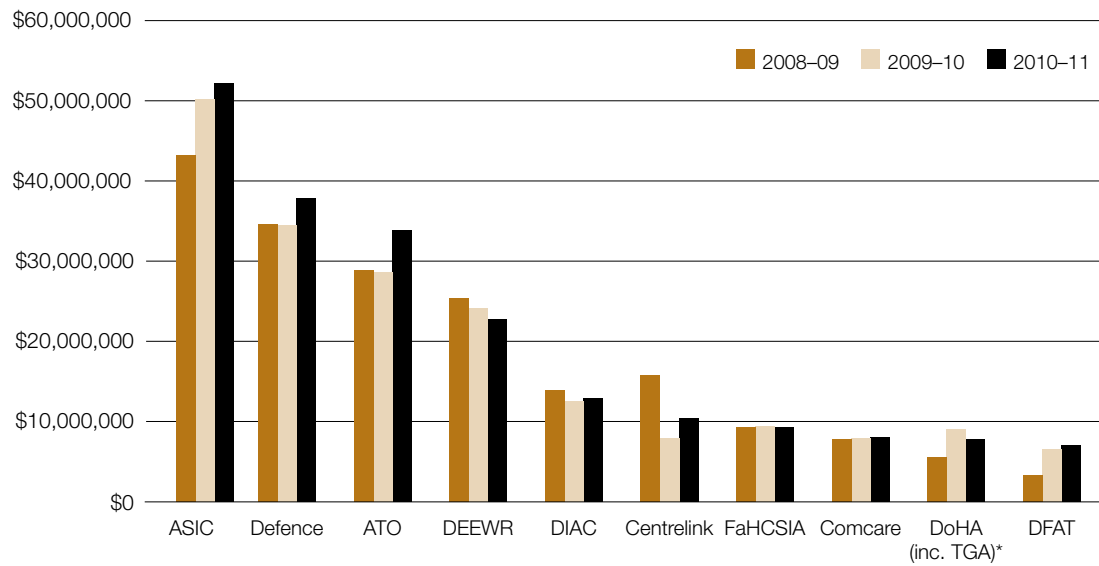
<sup>6</sup> This is the total external expenditure sum as reported to OLSC. Some agencies were unable to provide a breakdown of external expenditure into professional fees, counsel and disbursements, which means there is a discrepancy between the total external expenditure sum reported and the sum of the breakdown as provided in figure 1. There were also discrepancies in some agency reports between the reported total expenditure and the sum of the reported totals of internal and external expenditure.



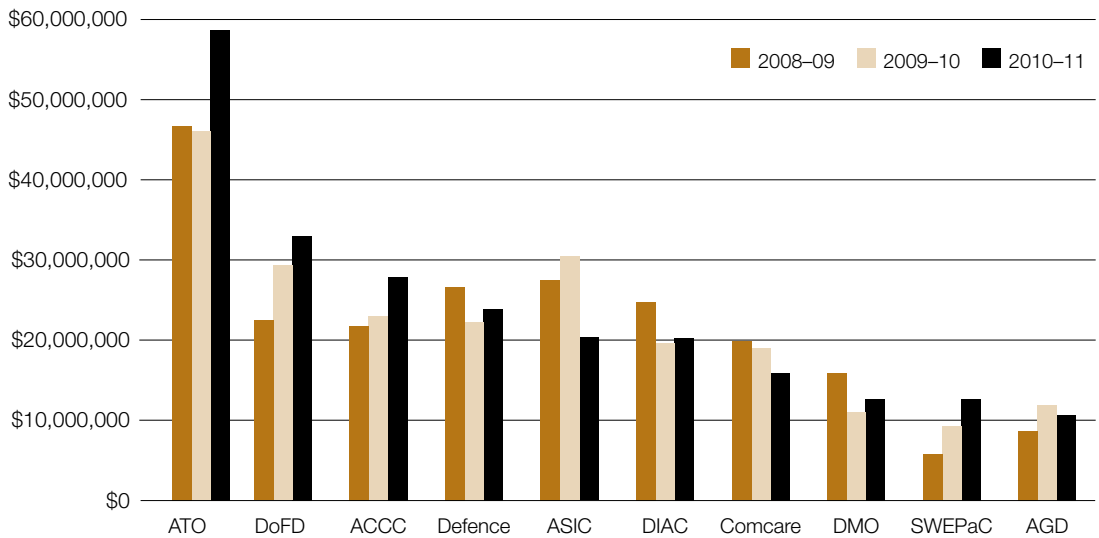
In 2010–11 CAC agencies reported \$40.9m on external legal services<sup>7</sup> and \$36.8m on internal legal services. External legal services expenditure increased by approximately \$3.5m (9.4%) and internal legal services expenditure increased by approximately \$5.8m (18.7%) from the previous reporting period (see **figures 5 and 6** for internal and external legal services expenditure for the top 10 FMA and CAC agencies over 2008–09, 2009–10 and 2010–11 ).

A breakdown of internal and external legal services expenditure by agency, compared to the 2008–09, 2009–10 and 2010–11 reporting period is shown at **Appendix B**.

**Figure 5: Top 10 FMA and CAC agencies internal expenditure 2008–09 to 2010–11 (GST inclusive)**



**Figure 6: Top 10 FMA and CAC agencies external expenditure 2008–09 to 2010–11 (GST inclusive)**



<sup>7</sup> This is the total external expenditure sum as reported to OLSC. Some agencies were unable to provide a breakdown of external expenditure into professional fees, counsel and disbursements, which means there is a discrepancy between the total external expenditure sum reported and the sum of the breakdown as provided in figure 2. There were also discrepancies in some agency reports between the reported total expenditure and the sum of the reported totals of internal and external expenditure.

## Professional fees

In 2010–11, FMA and CAC agencies paid a total of \$281.6m in professional fees to legal services providers, with the top 10 firms receiving approximately 89% of that total. A total of 152 legal services providers were identified in agency reports as providing legal services to the Commonwealth.

In 2009–10 it was reported that 291 legal services providers provided legal services to the Commonwealth. The difference in reported numbers of legal services providers from 2009–10 to 2010–11 can partly be attributed to more accurate reporting and the clear distinction between legal services providers such as law firms and Counsel.

**Table 1: Approximate percentage of professional fees earned by law firms 2008-09 to 2010-11**

Law Firm	Percentage of professional fees earned 2008–09	Percentage of professional fees earned 2009–10	Percentage of professional fees earned 2010–11
AGS	40	43	40
Clayton Utz	13	11	13
Blake Dawson	8	8	7
DLA	8	7	7
Corrs Chambers Westgarth	4	3	6
Minter Ellison	6	6	4
Sparke Helmore	6	5	3
Mallesons	3	3	3
Freehills	2	*	*
Lawlab Pty Ltd	*	*	3
Norton Rose (formerly Deacons)	1	2	3
Dibbs Barker	*	1	*
Total – Other	8	11	11

\* Percentage included in Total – Other Law Firms

## Counsel

In 2010–11 FMA and CAC agencies paid a total of \$52.5m to counsel, consisting of 2,577 briefs. This is a decrease of approximately \$0.7m from the 2009–10 reporting period, in which FMA and CAC agencies paid a total of \$53.2m to counsel, consisting of 2,821 briefs.

In 2010–11 the average value of a brief to counsel was approximately \$20,400. By comparison, in 2008–09 the average value of a brief to counsel was \$21,000 and in 2009–10 was \$18,900.

## Direct briefing of counsel

In 2010–11, FMA and CAC agencies reported 1,112 briefs to counsel on a direct brief basis. This is an increase of approximately 45% from the previous reporting period, in which FMA and CAC agencies reported 767 direct briefs to counsel (see **figure 7**).

## Selection of counsel

Paragraph 2 of Appendix D to the Directions provides that agencies are encouraged to brief a broad range of counsel and, in particular, women. Further, agencies are to ensure that arbitrary and prejudicial factors do not operate to exclude the engagement of female Counsel or to limit the range of Counsel being considered for the brief.

Of the 2,577 briefs to counsel in the reporting period, 1,890 were issued to male counsel and 687 to female counsel. This means that 73.34% of all briefs to counsel went to male counsel.

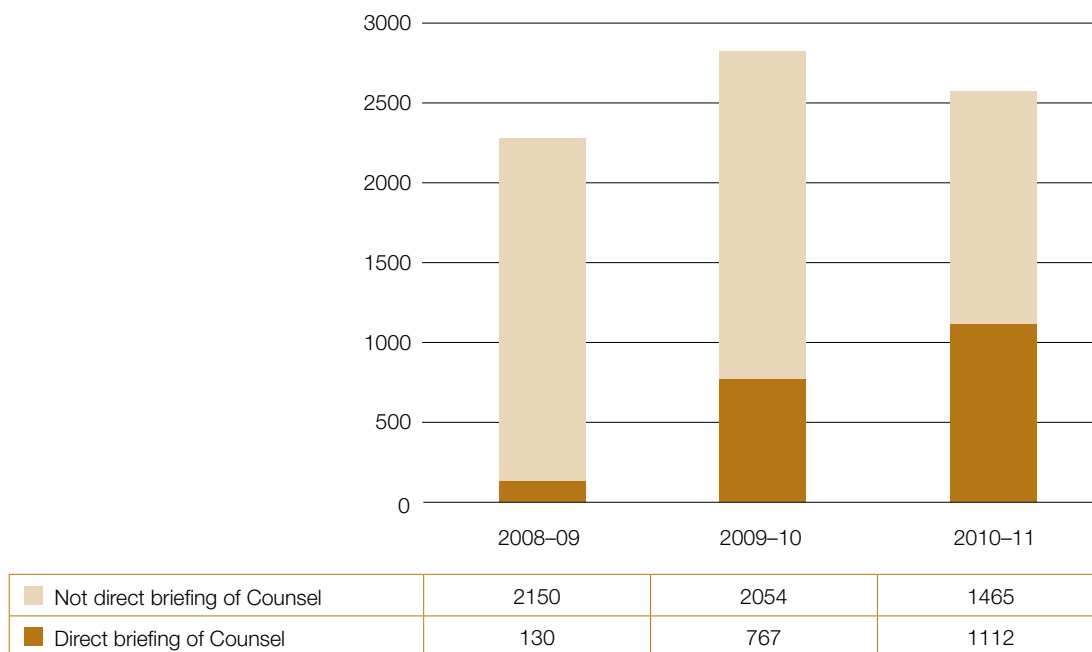
This represents a very slight decrease from the 2009–10 reporting period, in which 73.9% of all Commonwealth briefs to counsel went to male counsel and a slight increase from the 2008–09 reporting period in which 72.6% of all Commonwealth briefs to counsel went to male counsel.

In 2009–10, 2,821 briefs were issued to counsel and of those 2,085 were issued to male counsel, and 736 were issued to female counsel. In 2008–09, 2,280 briefs were issued to counsel and of those, 1,655 briefs were issued to male counsel, and 625 briefs were issued to female counsel.

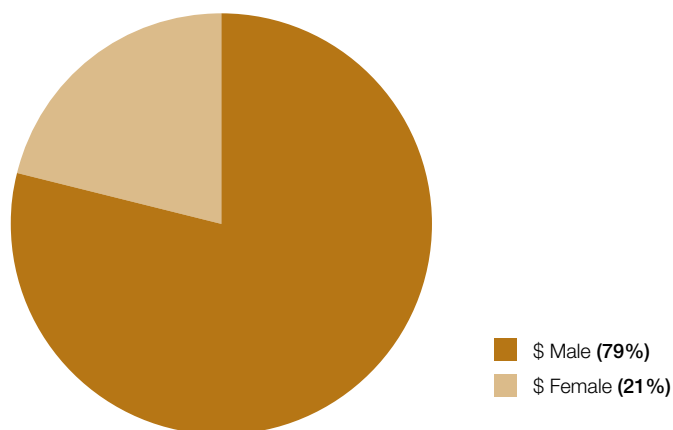
The figures indicate that women are briefed by the Commonwealth in greater proportion to their representation at the Bar, based on the composition of the Bar nationally as reported in the Law Council of Australia's report, *2009 Court Appearance Survey – Beyond the Statistical Gap*. The report recorded that as at December 2008 the gender representation of men at the Bar was 81% with women constituting 19%.

In 2010–11 female counsel received 21.3% of Commonwealth expenditure on counsel, and male counsel the remaining 78.7% (see **figure 8**).

**Figure 7: Directing briefing of Counsel by FMA and CAC agencies 2008–09 to 2010–11**



**Figure 8: Combined FMA and CAC agency overall percentage of fees earned by male and female counsel 2010–11 (GST inclusive)**



### Pro bono legal services

Appendix F to the Directions supports and encourages legal services providers to the Commonwealth to undertake pro bono work.

As a result of reforms introduced in 2008 Commonwealth agencies are required, when approaching the market, to consider information from law firms about their current pro bono activities, what they aspire to achieve by way of pro bono if successful at tender, and whether the firm is a signatory to the National Pro Bono Aspirational Target. The target is a voluntary commitment of 35 hours of pro bono legal work per lawyer per year.

In 2010–11, 30 Commonwealth legal services providers reported on their pro bono work, as compared with 21 in 2009–10. While the common form deeds of standing offer only requires reporting on pro bono from firms entering into ongoing arrangements from 2008, the Office of Legal Services Coordination considers that the reports below are a reasonable indication of the commitment of Commonwealth legal services providers to pro bono legal work.

The table below compares the pro bono work undertaken by legal services providers to the Commonwealth from 2008-09 until 2010–11.

**Table 2: Pro bono legal services 2008–09 to 2010–11**

Firms	Hours of pro bono work per lawyer		
	2008–09	2009–10	2010–11
Allens Arthur Robinson		51	No report
Australian Government Solicitor	5	16.5	17
Bartier Perry		16	7.35
Blake Dawson Waldron	42	47	47.8
Clayton Utz		49	41.3
Corrs Chambers Westgarth	41	50	45.49
Craddock Murray Neumann			10
DLA Phillips Fox		43	53
FCB Workplace Law		391*	11
Ffrench Commercial Lawyers		0	40
Freehills		53	43
Gadens			6
Henry Davis York			32.8
Holding Redlich Lawyers		19	24.2
Hickson Lawyers			100*
Hunt & Hunt Lawyers		5	7.13
HWL Ebsworth Lawyers	3.68		8.5
Lawlab		50	67
Maddocks			22.17
Mallesons Stephen Jacques	28.5	30	38.4
Maurice Blackburn Lawyers		40	\$589,280**
McCullough Robertson		15	25
Media & Entertainment Law	70		No report
Middletons			8.4
Minter Ellison	19.7	18	20
Moray & Agnew Lawyers		548*	3.6

Firms	Hours of pro bono work per lawyer		
	2008–09	2009–10	2010–11
Myer Vandenburg			1.87
Norton Rose		Not available	11.22
Piper Alderman		2.7	2.9
Russell Kennedy		28	48
Sparke Helmore Lawyers	3.8	2.5	9.11
Zeeman & Zeeman		35–40	40

\* denotes total reported for the firm to OLSC rather than total per lawyer

\*\* Value of pro bono services provided rather than hours per lawyer

## 7. Conclusion

The expenditure data provided to OLSC provides valuable information as to how the Commonwealth is purchasing and managing its legal services. OLSC continues to assist agencies to more accurately and consistently record and report on legal services expenditure.



## Appendix A

### Total Legal Services Expenditure by FMA Agencies

Agency	2008–09 total (GST Inclusive)	2009–10 total (GST Inclusive)	2010–11 total (GST Inclusive)
Australian Taxation Office	75,561,417.00	74,786,243.00	92,584,527.00
Australian Securities and Investments Commission	70,803,026.00	80,728,134.00	72,575,628.55
Department of Defence	61,249,724.06	56,769,373.04	61,792,686.93
Department of Finance and Deregulation *	25,323,841.86	31,907,194.54	35,746,636.71
Australian Competition and Consumer Commission	28,425,188.00	29,801,573.51	34,836,276.00
Department of Immigration and Citizenship	38,595,674.00	32,186,000.00	33,132,616.00
Department of Education, Employment and Workplace Relations	31,936,873.40	28,479,967.19	26,177,201.89
Department of Health and Ageing	11,268,576.38	11,589,674.72	17,699,531.54**
Centrelink	21,811,854.63	13,698,241.85	15,818,772.67
Defence Materiel Organisation	18,045,278.41	13,542,180.22	15,079,406.89
Department of Sustainability, Environment, Water, Population and Communities (previously known as Department of the Environment, Water, Heritage and the Arts)	7,179,892.04	10,284,001.35	14,134,323.45
Attorney-General's Department	9,397,101.70	12,851,432.29	11,830,853.69
Department of Families, Housing, Community Services and Indigenous Affairs	12,434,247.89	11,767,472.53	11,504,207.02
Department of Human Services	8,594,186.21	10,575,232.00	9,238,027.62
Department of Foreign Affairs and Trade	6,082,601.00	9,810,222.00	9,822,547.00
Australian Federal Police	7,787,011.36	8,712,759.09	9,794,493.75
Office of the Australian Building and Construction Commissioner	6,365,399.08	9,066,124.02	9,369,237.86
Department of Veterans' Affairs	10,084,213.56	10,092,905.02	8,859,924.00
Office of the Fair Work Ombudsman	8,936,348.69	12,955,881.44	8,403,184.49
Department of Broadband, Communications and the Digital Economy	8,529,991.13	7,561,048.00	8,044,262.01
Australian Customs and Border Protection Service	8,382,986.46	8,758,870.18	7,814,594.01
Australian Prudential Regulation Authority	3,997,068.03	3,182,101.78	7,231,912.46
Department of Resources, Energy and Tourism	3,769,389.84	7,083,211.00	5,840,763.00
Department of Innovation, Industry, Science and Research	5,146,350.87	6,196,070.92	5,671,467.73

Agency	2008–09 total (GST Inclusive)	2009–10 total (GST Inclusive)	2010–11 total (GST Inclusive)
Department of Climate Change and Energy Efficiency	4,569,402.59	6,125,727.66	5,511,335.32
Australian Crime Commission	5,175,499.64	5,707,708.60	5,448,042.47
Australian Communications and Media Authority	5,040,838.53	4,994,146.87	4,279,967.24
Department of Agriculture, Fisheries and Forestry	4,317,873.37	3,841,656.80	4,023,424.82
ComSuper	2,638,243.45	2,867,035.54	3,554,157.58
Department of Infrastructure and Transport***	5,507,345.96	4,375,833.03	3,152,888.54
Migration Review Tribunal and Refugee Review Tribunal	2,743,485.19	2,847,898.90	2,950,614.61
Medicare Australia	2,607,345.81	3,648,395.00	2,695,719.73
Murray-Darling Basin Authority	666,294.99	2,624,850.87	2,411,659.97
Department of the Treasury	4,512,972.82	5,484,066.91	2,331,257.40
Insolvency and Trustee Service Australia	1,271,440.00	1,247,072.00	1,984,388.00
Australian Trade Commission	1,074,379.00	2,031,790.00	1,868,493.00
Department of the Prime Minister and Cabinet	605,796.32	862,421.00	1,614,172.00
Australian Transaction Reports and Analysis Centre	1,386,157.71	1,225,843.00	1,493,366.00
Future Fund Management Agency	1,080,849.27	941,915.31	1,466,099.17
Department of Regional Australia, Regional Development and Local Government***	Was not an agency in this form	Was not an agency in this form	1,389,476.32
AusAID	863,366.91	1,269,134.59	1,294,579.58
Australian Pesticides and Veterinary Medicines Authority	1,402,931.73	990,554.07	1,264,223.18
Australian Human Rights Commission	1,038,639.04	1,119,521.92	1,261,912.23
Australian Sports Anti-Doping Authority	954,655.14	1,307,533.66	1,085,589.05
Australian Electoral Commission	975,183.24	929,608.80	959,638.00
Great Barrier Reef Marine Park Authority	644,327.50	695,825.00	883,183.80
CrimTrac Agency	746,886.13	604,995.86	857,299.83
Professional Services Review Scheme	697,026.06	1,100,529.00	870,086.12
Bureau of Meteorology	524,065.76	696,512.00	797,865.34
National Native Title Tribunal	693,541.00	884,480.00	786,093.00
IP Australia	572,448.00	491,595.00	666,821.00
Australian Fisheries Management Authority	1,434,569.95	934,293.59	630,657.35
Australian Public Service Commission	623,050.12	438,784.00	545,439.00
National Blood Authority	561,860.20	442,684.00	535,548.00
Office of the Commonwealth Ombudsman	385,453.79	507,573.43	509,205.99

Agency	2008–09 total (GST Inclusive)	2009–10 total (GST Inclusive)	2010–11 total (GST Inclusive)
National Capital Authority	311,125.71	434,084.05	501,803.35
National Competition Council	542,547.00	1,721,708.94	342,119.91
Australian Transport Safety Bureau	Was not an agency until 1 July 2009	580,683.73	395,064.24
Australian Commission for Law Enforcement Integrity	299,192.15	367,279.55	458,016.81
National Offshore Petroleum Safety Authority	655,717.22	522,862.82	437,049.73
Safe Work Australia	Commenced operation 1 November 2009	32,019.90	356,623.00
Office of the Renewable Energy Regulator	128,767.03	248,085.23	342,707.95
National Archives of Australia	206,443.55	266,272.28	303,714.00
Australian Reward Investment Alliance	284,070.00	366,365.00	296,482.44
Australian Bureau of Statistics	491,692.17	343,029.25	289,948.19
Australian Radiation Protection and Nuclear Safety Agency	38,235.00	338,300.00	278,340.00
Office of the Australian Information Commissioner Formerly known as the Office of the Privacy Commissioner	133,972.02	178,049.10	227,481.45
Family Court of Australia	211,231.00	228,456.23	222,963.94
Australian National Audit Office	279,025.00	206,122.00	194,847.04
Fair Work Australia ****	Was not an agency until 1 July 2009	170,318.76	213,504.23
Geoscience Australia	352,252.67	135,313.53	212,323.69
Department of Parliamentary Services	285,488.18	217,075.84	177,787.00
Australian Office of Financial Management	21,345.50	95,249.00	156,142.39
National Health and Medical Research Council	161,869.84	54,741.95	154,351.95
Australian Research Council	122,070.73	140,663.33	151,382.10
Office of the Inspector-General of Intelligence and Security	54,889.73	32,413.60	142,439.41
Wheat Exports Australia	477,027.08	197,158.00	138,824.45
Royal Australian Mint	378,295.53	171,908.18	129,582.07
National Water Commission	126,819.07	207,394.26	98,724.63
Federal Court of Australia	68,451.29	60,353.47	68,461.45
Office of the Official Secretary to the Governor-General	45,454.75	71,044.53	67,124.00
Productivity Commission	24,996.55	19,660.30	61,995.02
Cancer Australia	11,372.96	14,424.45	59,011.64

Agency	2008–09 total (GST Inclusive)	2009–10 total (GST Inclusive)	2010–11 total (GST Inclusive)
Office of the Director of Public Prosecutions	272,853.69	394,599.20	31,744.00
Australian Organ and Tissue Donation and Transplantation Authority	336	42,664.99	40,931.00
Office of the Auditing and Assurance Standards Board	22,285.45	821.21	30,091.60
Australian Centre for International Agricultural Research	0	22,391.60	7,287.79
Federal Magistrates Court of Australia	21,528.00	904.75	26,491.72
Australian Institute of Family Studies	36,020.00	30,357.14	23,026.78
Private Health Insurance Ombudsman	7,250.31	9,550.20	22,882.00
Office of National Assessments	27,134.88	147,769.85	19,907.47
Administrative Appeals Tribunal	25,030.12	53,058.80	18,265.81
Old Parliament House	20,406.00	60,456.97	16,929.55
Inspector-General of Taxation	0.00	3,300.00	16,226.10
Commonwealth Grants Commission	0.00	12,035.00	16,127.00
Department of the Senate	3,916.40	74,983.83	15,739.68
Office of Parliamentary Counsel	1,983.85	0.00	13,473.35
Equal Opportunity for Women in the Workplace Agency	15,342.80	11,172.45	7,678.00
Department of the House of Representatives	0.00	10,307.50	2,069.10
Australian Industrial Registry	77,363.00	0.00	Ceased being an agency in 2010
Corporations and Markets Advisory Committee	0.00	0.00	0.00
Office of the Australian Accounting Standards Board	3,069.00	0.00	0.00
Seafarers Safety, Rehabilitation and Compensation Authority	0.00	0.00	0.00
Workplace Authority	4,582,890.80	Superseded by Fair Work Australia	-
Australian Fair Pay Commission Secretariat	56,456.27	Ceased operation in 2009	-
Dairy Adjustment Authority	5,781.00	Ceased operation 31 December 2008	-
<b>Total FMA (GST-inclusive)</b>	<b>\$555,916,170.11</b>	<b>\$571,921,310.87</b>	<b>\$598,933,972.94</b>

\* These figures include the legal services expenditure by Comcover

\*\* The 2010–11 figures include the legal services expenditure by the Therapeutic Goods Administration

\*\*\* Underwent Machinery of Government changes in the reporting period

\*\*\*\* These figures include the Workplace Authority

## Total Legal Services Expenditure by CAC Agencies

Agency	2008–09 total (GST inclusive)	2009–10 total (GST inclusive)	2010–11 total (GST inclusive)
Comcare	27,583,073.00	26,998,775.00	23,889,102.00
Commonwealth Scientific and Industrial Research Organisation	8,792,308.93	8,613,909.78	8,865,261.03
Airservices Australia	4,833,398.00	6,242,702.00	7,288,908.03
Reserve Bank of Australia	841,816.27	1,165,913.51	4,162,339.44
Indigenous Business Australia	2,700,548.00	3,089,431.82	3,799,724.80
Screen Australia	3,432,829.67	2,569,656.50	2,208,277.00
Civil Aviation Safety Authority	1,829,507.00	2,140,299.00	3,238,014.00
Australian Maritime Safety Authority	650,899.34	1,299,959.80	2,656,873.98
Torres Strait Regional Authority	154,556.75	2,265,261.00	2,594,513.00
Australian Nuclear Science and Technology Organisation	1,627,517.00	2,077,986.00	2,585,593.00
Export Finance and Insurance Corporation	1,725,958.15	2,099,971.81	2,440,863.19
Indigenous Land Corporation	2,347,282.00	1,211,015.43	1,824,965.32
Central Land Council	915,636.50	1,256,867.00	1,469,807.07
Northern Land Council	Did not report	100,000.00	1,328,695.60
Food Standards Australia New Zealand	830,259.29	854,241.00	995,358.91
Health Workforce Australia	0.00	77,791.32	860,107.70
Australian Curriculum, Assessment and Reporting Authority	4,064.52	468,444.54	754,994.70
National Transport Commission	624,696.91	504,693.00	746,104.00
Tourism Australia	671,818.84	748,285.23	692,497.09
Australian Hearing Services (Australian Hearing)	640,801.88	312,252.00	558,558.00
Australian Sports Commission (Australian Institute of Sport)	551,316.00	537,615.00	473,948.00
Director of National Parks	375,154.66	388,969.58	445,670.53
Grains Research and Development Corporation	474,670.71	413,778.73	417,433.33
Australian Institute of Marine Science	313,105.91	399,449.00	368,981.24
National Museum of Australia	201,658.45	327,359.02	367,300.30
National Film and Sound Archive	228,401.00	305,960.55	325,175.68
Australian Film, Television and Radio School	112,840.85	211,419.96	289,645.99
Sydney Harbour Federation Trust	258,899.59	148,402.00	266,880.54
Australia Council	78,685.00	100,692.00	212,279.93

Agency	2008–09 total (GST inclusive)	2009–10 total (GST inclusive)	2010–11 total (GST inclusive)
Tiwi Land Council	312,988.82	41,286.47	211,772.06
Private Health Insurance Administration Council	184,325.48	123,361.06	206,862.00
National Library of Australia	267,741.22	112,748.87	129,633.97
Australian Institute of Criminology	22,111.00	8,965.34	118,469.45
Anindilyakwa Land Council	2,640.00	128,344.00	113,380.92
Fisheries Research and Development Corporation	129,343.94	195,466.29	105,006.00
Australian National Maritime Museum	195,036.60	278,303.01	101,751.07
National Gallery of Australia	2,931.69	31,531.27	92,827.59
Albury-Wodonga Development Corporation	Exempt from the CAC Act until 1 July 2009	128,819.00	89,976.00
Australian War Memorial	68,373.50	134,041.85	75,727.47
Australian Institute of Health and Welfare	15,883.00	79,991.00	72,600.00
Wine Australia Formerly Australian Wine and Brandy Corporation	15,173.35	127,960.94	59,867.00
Rural Industries Research and Development Corporation	84,329.00	122,222.02	43,910.84
Australian Reinsurance Pool Corporation	93,131.75	65,199.93	25,634.40
Grape and Wine Research and Development Corporation	65,150.28	43,131.69	21,015.75
Cotton Research and Development Corporation	15,250.00	40,141.50	20,949.46
Australian Institute of Aboriginal and Torres Strait Islander Studies	57,216.00	98,241.65	16,737.27
NEPC Service Corporation	0.00	0.00	12,262.80
Coal Mining Industry (Long Service Leave Funding) Corporation	30,000.00	16,000.00	10,000.00
Army and Air Force Canteen Service (Frontline Defence Services)	1,094.50	6,544.34	6,457.10
Australian Law Reform Commission	0.00	0.00	5,457.10
Wreck Bay Aboriginal Community Council	30,876.06	2,243.30	2,200.00
Royal Australian Air Force Welfare Recreational Company	0.00	0.00	1,045.32
Royal Australian Air Force Veterans' Residences Trust Fund	382.47	448.80	1,038.18
Sugar Research and Development Corporation	25,674.00	12,131.22	996.44
Royal Australian Navy Central Canteens Board	7,340.74	5,575.29	816.20
Royal Australian Navy Relief Trust Fund	0.00	0.00	0.00

Agency	2008–09 total (GST inclusive)	2009–10 total (GST inclusive)	2010–11 total (GST inclusive)
Royal Australian Air Force Welfare Trust Fund	0.00	0.00	0.00
Criminology Research Council	0.00	0.00	0.00
Australian Military Forces Relief Trust Fund (Army Relief Trust Fund)	0.00	0.00	0.00
Australian Industry Development Corporation	0.00	0.00	Ceased operation in 2009
Land and Water Resources Research and Development Corporation (Land and Water Australia)	128,091.00	Ceased operation in May 2009	-
<b>Total CAC (GST-inclusive)</b>	<b>\$64,556,788.62</b>	<b>\$68,733,170.42</b>	<b>\$77,674,267.79</b>

## Appendix B

### Total Internal Legal Services Expenditure by FMA Agencies

Agency	2008–09 total (GST inclusive)	2009–10 total (GST inclusive)	2010–11 total (GST inclusive)
Australian Securities and Investments Commission	43,280,443.00	50,222,536.00	52,243,616.49
Department of Defence	34,598,357.44	34,500,000.00	37,911,944.35
Australian Taxation Office	28,841,317.00	28,667,784.00	33,866,054.00
Department of Education, Employment and Workplace Relations	25,413,274.08	24,113,862.73	22,795,535.31
Department of Immigration and Citizenship	13,870,125.00	12,563,678.00	12,882,830.00
Centrelink	15,735,182.00	7,866,840.17	10,363,212.00
Department of Families, Housing, Community Services and Indigenous Affairs	9,291,590.74	9,425,138.20	9,349,906.51
Department of Health and Ageing	5,504,740.38	6,049,068.55	7,839,405.98**
Department of Foreign Affairs and Trade	3,352,305.00	6,552,400.00	7,074,018.00
Australian Competition and Consumer Commission	6,653,622.00	6,822,593.00	6,954,712.00
Australian Federal Police	3,597,685.18	4,702,716.00	5,616,238.00
Office of the Fair Work Ombudsman	3,164,415.00	7,875,336.94	4,858,604.10
Australian Prudential Regulation Authority	1,941,364.00	2,138,500.00	4,402,227.00
Department of Broadband, Communications and the Digital Economy	3,622,538.67	3,951,655.33	4,212,554.07
Office of the Australian Building and Construction Commissioner	2,695,591.10	3,658,435.08	3,931,361.40
Australian Communications and Media Authority	3,558,910.60	3,867,991.00	3,868,530.00
Department of Human Services	2,224,624.18	3,597,410.00	3,831,076.00
Department of Veterans' Affairs	3,272,888.34	3,264,227.82	3,117,873.00
Australian Crime Commission	3,689,654.16	3,388,892.03	3,035,207.40
Migration Review Tribunal and Refugee Review Tribunal	2,711,867.90	2,845,260.00	2,912,637.00
Department of Finance and Deregulation *	2,874,200.00	2,583,918.84	2,765,166.63
ComSuper	1,792,025	1,975,776.00	2,585,047.00
Defence Materiel Organisation	2,173,295.65	2,454,217.78	2,410,225.46
Department of Innovation, Industry, Science and Research	1,790,195.30	2,080,739.96	2,171,783.26



Agency	2008–09 total (GST inclusive)	2009–10 total (GST inclusive)	2010–11 total (GST inclusive)
Department of Climate Change and Energy Efficiency	1,382,802.00	1,867,620.00	2,017,642.59
Australian Customs and Border Protection Service	0.00	756,899.75	1,897,319.59
Department of Sustainability Environment Water Population and Communities Formerly Department of the Environment, Water, Heritage and the Arts	1,454,480.83	1,038,063.42	1,468,808.74
Australian Transaction Reports and Analysis Centre	1,306,323.60	1,123,595.00	1,272,569.00
Future Fund Management Agency	958,029.74	847,171.97	1,269,526.68
Medicare Australia	1,653,792.00	1,304,170.00	1,193,739.00
Attorney-General's Department	757,493.39	938,247.49	1,190,701.27
Australian Human Rights Commission	1,032,698.44	1,097,634.52	1,155,773.55
Department of Resources, Energy and Tourism	521,237.00	860,000.00	1,010,618.00
Australian Pesticides and Veterinary Medicines Authority	816,329.69	841,756.72	901,433.55
CrimTrac Agency	0.00	288,011.00	768,241.00
National Native Title Tribunal	642,761.00	705,821.00	670,582.00
Department of Infrastructure and Transport ***	1,409,527.00	843,581.00	652,581.00
Australian Sports Anti-Doping Authority	390,663.47	644,681.00	631,936.00
Great Barrier Reef Marine Park Authority	527,876.00	571,595.00	607,386.18
Australian Fisheries Management Authority	448,490.00	558,464.22	561,196.64
AusAID	463,725.88	636,788.00	541,264.75
Department of the Prime Minister and Cabinet	230,000.00	250,000.00	530,000.00
Department of the Treasury	431,119.22	478,896.14	483,278.49
Australian Electoral Commission	495,370.00	730,251.90	461,817.00
Insolvency and Trustee Service Australia	466,804.00	358,875.00	446,834.00
Office of the Commonwealth Ombudsman	355,851.40	406,592.18	430,837.40
Australian Commission for Law Enforcement Integrity	270,178.99	275,917.20	391,393.66
Murray-Darling Basin Authority	0.00	329,572.00	345,856.00
Australian Transport Safety Bureau	Was not an agency until 1 July 2009	343,855.67	342,036.09
National Blood Authority	461,979.10	372,698.00	309,678.00
Australian Public Service Commission	443,321.18	324,757.00	305,848.00

Agency	2008–09 total (GST inclusive)	2009–10 total (GST inclusive)	2010–11 total (GST inclusive)
Australian Trade Commission	267,450.00	274,252.00	295,118.00
Department of Regional Australia, Regional Development and Local Government ***	Was not an agency in this form	Was not an agency in this form	290,200.00
Bureau of Meteorology	140,575.00	195,204.00	282,824.00
Australian Radiation Protection and Nuclear Safety Agency	0.00	229,001.00	204,135.00
Family Court of Australia	176,300.00	186,107.99	189,459.15
National Offshore Petroleum Safety Authority	0.00	54,000.00	170,900.00
Australian Research Council	0.00	91,935.18	126,587.00
Office of the Australian Information Commissioner Formerly the Office of the Privacy Commissioner	0.00	0.00	122,519.96
Royal Australian Mint	0.00	0.00	23,632.53
Administrative Appeals Tribunal	7,138.60	8,875.18	3,491.16
Department of Agriculture, Fisheries and Forestry	0.00	0.00	0.00
Department of the Senate	0.00	0.00	0.00
Department of the House of Representatives	0.00	0.00	0.00
Department of Parliamentary Services	0.00	0.00	0.00
Federal Magistrates Court of Australia	0.00	0.00	0.00
IP Australia	0.00	0.00	0.00
Geoscience Australia	0.00	0.00	0.00
Australian Office of Financial Management	0.00	0.00	0.00
Australian Bureau of Statistics	0.00	0.00	0.00
Australian Centre for International Agricultural Research	0.00	0.00	0.00
Australian Industrial Registry	0.00	0.00	Ceased being an agency in 2010
Australian Institute of Family Studies	0.00	0.00	0.00
Australian National Audit Office	0.00	0.00	0.00
Australian Organ and Tissue Donation and Transplantation Authority	0.00	0.00	0.00
Cancer Australia	0.00	0.00	0.00
Corporations and Markets Advisory Committee	0.00	0.00	0.00
Equal Opportunity for Women in the Workplace Agency	0.00	0.00	0.00



Agency	2008–09 total (GST inclusive)	2009–10 total (GST inclusive)	2010–11 total (GST inclusive)
Fair Work Australia ****	Was not an agency until 1 July 2009	0.00	0.00
Federal Court of Australia	0.00	0.00	0.00
Inspector-General of Taxation	0.00	0.00	0.00
National Capital Authority	0.00	0.00	0.00
National Competition Council	0.00	0.00	0.00
National Health and Medical Research Council	0.00	0.00	0.00
National Water Commission	0.00	0.00	0.00
Office of National Assessments	0.00	0.00	0.00
Office of Parliamentary Counsel	0.00	0.00	0.00
Office of the Auditing and Assurance Standards Board	0.00	0.00	0.00
Office of the Australian Accounting Standards Board	0.00	0.00	0.00
Office of the Director of Public Prosecutions	0.00	0.00	0.00
Office of the Inspector-General of Intelligence and Security	0.00	0.00	0.00
Office of the Renewable Energy Regulator	0.00	0.00	0.00
Private Health Insurance Ombudsman	0.00	0.00	0.00
Productivity Commission	0.00	0.00	0.00
Professional Services Review Scheme	0.00	0.00	0.00
Wheat Exports Australia	0.00	0.00	0.00
Safe Work Australia	Commenced operation 1 November 2009	0.00	0.00
National Archives of Australia	0.00	0.00	0.00
Old Parliament House	0.00	0.00	0.00
Commonwealth Grants Commission	0.00	0.00	0.00
Seafarers Safety, Rehabilitation and Compensation Authority (Seacare Authority)	0.00	0.00	0.00
Australian Reward Investment Alliance	0.00	0.00	0.00
Office of the Official Secretary to the Governor-General	0.00	0.00	0.00
Workplace Authority	4,302,092.38	Superseded by Fair Work Australia	-

Agency	2008–09 total (GST inclusive)	2009–10 total (GST inclusive)	2010–11 total (GST inclusive)
Dairy Adjustment Authority	0.00	Ceased operation 31 December 2008	-
Australian Fair Pay Commission Secretariat	0.00	Ceased operation in 2009	-
<b>Total FMA (GST-inclusive)</b>	<b>\$247,464,621.63</b>	<b>\$255,003,867.96</b>	<b>\$274,567,529.94</b>

\* These figures include the legal services expenditure by Comcover

\*\* The 2010–11 figures include the legal services expenditure by the Therapeutic Goods Administration

\*\*\* Underwent Machinery of Government changes in the reporting period

\*\*\*\* These figures include the Workplace Authority

### Total Internal Legal Services Expenditure by CAC Agencies

Agency	2008–09 total (GST inclusive)	2009–10 total (GST inclusive)	2010–11 total (GST inclusive)
Comcare	7,770,863.00	7,973,242.00	7,994,256.00
Commonwealth Scientific and Industrial Research Organisation	6,718,808.40	6,632,035.00	6,534,463.50
Airservices Australia	1,914,000.00	2,204,400.00	2,729,000.00
Civil Aviation Safety Authority	1,644,642.00	1,512,314.00	2,208,832.00
Australian Maritime Safety Authority	405,549.00	993,820.00	2,172,192.00
Screen Australia	3,131,199.75	1,916,994.00	1,925,570.00
Export Finance and Insurance Corporation	1,350,092.00	1,557,744.00	1,829,764.00
Central Land Council	879,594.00	1,253,717.00	1,469,807.07
Australian Nuclear Science and Technology Organisation	519,550	643,554.00	1,214,356.00
Northern Land Council	Did not report	0.00	1,082,907.00
Torres Strait Regional Authority	0.00	960,144.00	960,144.00
Food Standards Australia New Zealand	732,195.00	700,718.00	903,407.23
Reserve Bank of Australia	554,306.70	715,061.44	766,695.37
National Transport Commission	624,696.91	503,055.00	694,622.00
Indigenous Land Corporation	573,137.00	657,932.00	624,341.81
Indigenous Business Australia	142,000.00	167,405.14	429,182.00
Director of National Parks	325,738.46	367,947.43	428,280.40
Australian Institute of Marine Science	252,189.00	362,598.00	353,679.12
Australian Sports Commission (Australian Institute of Sport)	326,498.00	305,135.00	327,278.00

Agency	2008–09 total (GST inclusive)	2009–10 total (GST inclusive)	2010–11 total (GST inclusive)
Grains Research and Development Corporation	315,088.00	293,008.50	324,059.00
Australian Hearing Services (Australian Hearing)	0.00	154,798.00	294,832.00
Tourism Australia	217,479.11	224,618.23	286,271.09
National Film and Sound Archive	81,071.00	227,215.00	248,666.48
National Museum of Australia	130,210.19	210,659.87	226,454.45
Health Workforce Australia	0.00	0.00	203,013.00
Australian Film, Television and Radio School	96,583.38	183,450.00	186,000.00
Private Health Insurance Administration Council	19,409.00	38,721.71	156,227.00
Anindilyakwa Land Council	0.00	104,134.00	111,588.99
Australia Council	65,000.00	80,000.00	85,108.37
Tiwi Land Council	0.00	14,779.70	24,406.06
Wine Australia	0.00	53,295.60	0.00
Formerly Australian Wine and Brandy Corporation			
Wreck Bay Aboriginal Community Council	0.00	2,012.30	0.00
Albury-Wodonga Development Corporation	Exempt from the CAC Act until 1 July 2009	0.00	0.00
Army and Air Force Canteen Service (Frontline Defence Services)	0.00	0.00	0.00
Australian Curriculum, Assessment and Reporting Authority	0.00	0.00	0.00
Australian Industry Development Corporation	0.00	0.00	Ceased operation in 2009
Australian Institute of Aboriginal and Torres Strait Islander Studies	0.00	0.00	0.00
Australian Institute of Criminology	0.00	0.00	0.00
Australian Institute of Health and Welfare	0.00	0.00	0.00
Australian Law Reform Commission	0.00	0.00	0.00
Australian Military Forces Relief Trust Fund (Army Relief Trust Fund)	0.00	0.00	0.00
Australian National Maritime Museum	0.00	0.00	0.00
Australian Reinsurance Pool Corporation	0.00	0.00	0.00
Australian War Memorial	0.00	0.00	0.00
Coal Mining Industry (Long Service Leave Funding) Corporation	0.00	0.00	0.00
Cotton Research and Development Corporation	0.00	0.00	0.00

Agency	2008–09 total (GST inclusive)	2009–10 total (GST inclusive)	2010–11 total (GST inclusive)
Criminology Research Council	0.00	0.00	0.00
Fisheries Research and Development Corporation	0.00	0.00	0.00
Grape and Wine Research and Development Corporation	0.00	0.00	0.00
National Gallery of Australia	0.00	0.00	0.00
National Library of Australia	0.00	0.00	0.00
NEPC Service Corporation	0.00	0.00	0.00
Royal Australian Air Force Veterans' Residences Trust Fund	0.00	0.00	0.00
Royal Australian Air Force Welfare Trust Fund	0.00	0.00	0.00
Royal Australian Navy Central Canteens Board	0.00	0.00	0.00
Royal Australian Navy Relief Trust Fund	0.00	0.00	0.00
Rural Industries Research and Development Corporation	0.00	0.00	0.00
Sugar Research and Development Corporation	0.00	0.00	0.00
Sydney Harbour Federation Trust	0.00	0.00	0.00
Land and Water Resources Research and Development Corporation (Land and Water Australia)	0.00	Ceased operation in May 2009	-
<b>Total (GST-inclusive)</b>	<b>\$28,789,899.90</b>	<b>\$31,014,508.92</b>	<b>\$36,795,403.94</b>

### Total External Legal Services Expenditure by FMA Agencies

Agency	2008–09 total (GST Inclusive)	2009–10 total (GST Inclusive)	2010–11 total (GST Inclusive)
Australian Taxation Office	46,720,100.00	46,118,459.00	58,718,473.00
Department of Finance and Deregulation *	22,449,641.86	29,323,275.70	32,981,470.08
Australian Competition and Consumer Commission	21,771,566	22,978,981.51	27,881,564.00
Department of Defence	26,651,366.62	22,269,373.04	23,880,742.58
Australian Securities and Investments Commission (ASIC)	27,522,583.00	30,505,598.00	20,332,012.06
Department of Immigration and Citizenship	24,725,549.00	19,622,322.00	20,249,786.00
Defence Materiel Organisation	15,871,982.76	11,087,962.44	12,669,181.43
Department of Sustainability, Environment, Water, Population and Communities. Formerly Department of the Environment, Water, Heritage and Arts	5,725,411.21	9,245,937.93	12,665,514.71



Agency	2008–09 total (GST Inclusive)	2009–10 total (GST Inclusive)	2010–11 total (GST Inclusive)
Attorney-General's Department	8,639,608.31	11,913,184.80	10,640,152.42
Department of Health and Ageing	5,763,836.00	5,540,606.17	9,860,125.56**
Australian Customs and Border Protection Service	8,382,986.46	8,001,970.43	5,917,274.42
Department of Human Services	6,369,562.03	6,977,822.00	5,406,951.62
Department of Veterans' Affairs	6,811,325.22	6,828,677.20	5,742,051.00
Department of Resources, Energy and Tourism	3,248,152.84	6,223,211.00	4,830,145.00
Centrelink	6,076,672.63	5,831,401.68	5,455,560.67
Office of the Australian Building and Construction Commissioner	3,669,807.98	5,407,688.94	5,437,876.46
Australian Federal Police	4,189,326.18	4,010,043.09	4,178,255.75
Department of Agriculture, Fisheries and Forestry	4,317,873.37	3,841,656.80	4,023,424.82
Office of the Fair Work Ombudsman	5,771,933.69	5,080,544.50	3,544,580.39
Department of Innovation, Industry, Science and Research	3,356,155.57	4,115,330.96	3,499,684.47
Department of Education, Employment and Workplace Relations	6,523,599.31	4,366,104.46	3,381,666.59
Department of Broadband, Communications and the Digital Economy	4,907,452.46	3,609,392.67	3,831,707.94
Department of Climate Change and Energy Efficiency	3,186,600.59	4,258,107.66	3,286,954.73
Australian Prudential Regulation Authority	2,055,704.03	1,043,601.78	2,829,685.46
Department of Foreign Affairs and Trade	2,730,296.00	3,257,822.00	2,748,529.00
Department of Infrastructure and Transport ***	4,097,818.96	3,532,252.03	2,500,307.54
Australian Crime Commission	1,485,845.48	2,318,816.57	2,412,835.07
Department of Families, Housing, Community Services and Indigenous Affairs	3,142,657.15	2,388,584.33	2,154,300.51
Murray-Darling Basin Authority	666,294.99	2,295,278.87	2,065,803.97
Department of the Treasury	4,081,853.60	5,005,170.77	1,847,978.91
Insolvency and Trustee Service Australia	804,636.00	888,197.00	1,537,554.00
Australian Trade Commission	806,929.00	1,757,538.00	1,573,375.00
Medicare Australia	953,553.81	2,344,225.00	1,501,980.73
Department of Regional Australia, Regional Development and Local Government ***	Was not an agency in this form	Was not an agency in this form	1,099,276.32
Department of the Prime Minister and Cabinet	375,796.32	612,421.00	1,084,172.00
ComSuper	846,218.45	891,259.54	969,110.58

Agency	2008–09 total (GST Inclusive)	2009–10 total (GST Inclusive)	2010–11 total (GST Inclusive)
Professional Services Review Scheme	697,026.06	1,100,529.00	870,086.12
AusAID	399,641.03	632,346.59	753,314.83
IP Australia	572,448.00	388,574.00	666,821.00
Bureau of Meteorology	383,490.76	501,308.00	515,041.34
National Capital Authority	311,125.71	434,084.05	501,803.35
Australian Electoral Commission	479,813.24	199,356.90	497,821.00
Australian Sports Anti-Doping Authority	563,991.67	662,852.06	453,653.05
Australian Communications and Media Authority	1,481,927.93	1,126,155.87	411,437.24
Australian Pesticides and Veterinary Medicines Authority	586,602.04	148,797.35	362,789.63
Safe Work Australia	Commenced operation on 1 November 2009	32,019.90	356,623.00
Office of the Renewable Energy Regulator	128,767.03	248,085.23	342,707.95
National Competition Council	542,547.00	1,721,708.94	342,119.91
National Archives of Australia	206,443.55	266,272.28	303,714.00
Australian Reward Investment Alliance	284,070.00	366,365.00	296,482.44
Australian Bureau of Statistics	491,692.17	343,029.25	289,948.19
Great Barrier Reef Marine Park Authority	116,451.50	124,230.00	275,797.62
National Offshore Petroleum Safety Authority	655,717.22	468,862.82	266,149.73
Australian Public Service Commission	179,728.94	114,027.00	239,591.00
National Blood Authority	99,881.10	69,986.00	225,870.00
Australian Transaction Reports and Analysis Centre	79,834.11	102,248.00	220,797.00
Fair Work Australia ****	Was not an agency until 1 July 2009	170,318.76	213,504.23
Geoscience Australia	352,252.67	135,313.53	212,323.69
Future Fund Management Agency	122,819.53	94,743.34	196,572.49
Australian National Audit Office	279,025.00	206,122.00	194,847.04
Department of Parliamentary Services	285,488.18	217,075.84	177,787.00
Australian Office of Financial Management	21,345.50	95,249.00	156,142.39
National Health and Medical Research Council	161,869.84	54,741.95	154,351.95
Office of the Inspector-General of Intelligence and Security	54,889.73	32,413.60	142,439.41
Wheat Exports Australia	477,027.08	197,158.00	138,824.45



Agency	2008–09 total (GST Inclusive)	2009–10 total (GST Inclusive)	2010–11 total (GST Inclusive)
National Native Title Tribunal	50,780.00	178,659.00	115,511.00
Australian Human Rights Commission	5,940.60	21,887.40	106,138.68
Royal Australian Mint	378,295.53	171,908.18	105,949.54
Office of the Privacy Commissioner	133,972.02	178,049.10	104,961.49
National Water Commission	126,819.07	207,394.26	98,724.63
CrimTrac Agency	746,886.13	316,984.86	89,058.83
Office of the Commonwealth Ombudsman	29,602.39	100,981.25	78,368.59
Australian Radiation Protection and Nuclear Safety Agency	38,235.00	109,299.00	74,205.00
Australian Fisheries Management Authority	986,079.95	375,829.37	69,460.71
Federal Court of Australia	68,451.29	60,353.47	68,461.45
Office of the Official Secretary to the Governor-General	45,454.75	71,044.53	67,124.00
Australian Commission for Law Enforcement Integrity	29,013.16	91,362.35	66,623.15
Productivity Commission	24,996.55	19,660.30	61,995.02
Cancer Australia	11,372.96	14,424.45	59,011.64
Australian Transport Safety Bureau	Was not an agency until 1 July 2009	236,828.06	53,028.15
Australian Organ and Tissue Donation and Transplantation Authority	336.00	42,664.99	40,931.00
Migration Review Tribunal and Refugee Review Tribunal	31,617.29	2,638.90	37,977.61
Family Court of Australia	34,931.00	42,348.24	33,504.79
Office of the Auditing and Assurance Standards Board	22,285.45	821.21	30,091.60
Office of the Director of Public Prosecutions	272,853.69	394,599.20	31,744.00
Australian Centre for International Agricultural Research	0.00	22,391.60	27,287.79
Federal Magistrates Court of Australia	21,528.00	904.75	26,491.72
Australian Research Council	122,070.73	48,728.15	24,795.10
Australian Institute of Family Studies	36,020.00	30,357.14	23,026.78
Private Health Insurance Ombudsman	7,250.31	9,550.20	22,882.00
Administrative Appeals Tribunal	17,891.52	44,183.62	14,774.65
Inspector-General of Taxation	0.00	3,300.00	16,226.10
Office of Parliamentary Counsel	1,983.85	0.00	13,473.35

Agency	2008–09 total (GST Inclusive)	2009–10 total (GST Inclusive)	2010–11 total (GST Inclusive)
Department of the House of Representatives	0.00	10,307.50	2,069.10
Australian Industrial Registry	77,363.00	0.00	Ceased being an agency in 2010
Corporations and Markets Advisory Committee	0.00	0.00	0.00
Office of the Australian Accounting Standards Board	3,069.00	0.00	0.00
Seafarers Safety, Rehabilitation and Compensation Authority (Seacare Authority)	0.00	0.00	0.00
Australian Fair Pay Commission Secretariat	56,456.27	Ceased operation in 2009	
Workplace Authority	280,798.42	Superseded by Fair Work Australia	-
Dairy Adjustment Authority	5,781.00	Ceased operation 31 December 2008	-
<b>Total FMA (GST-inclusive*)</b>	<b>\$308,451,548.48</b>	<b>\$316,860,672.31</b>	<b>\$324,159,705.01</b>

\* These figures include the legal services expenditure by Comcover

\*\* The 2010–11 figures include the legal services expenditure by the Therapeutic Goods Administration

\*\*\* Underwent Machinery of Government changes in the reporting period

\*\*\*\* These figures include the Workplace Authority

### Total External Legal Services Expenditure by CAC agencies

Agency	External 2008–09	External 2009–10	External 2010–11
Comcare	19,812,210.00	19,025,533.00	15,894,846.00
Airservices Australia	2,919,398.00	4,038,302.00	4,559,908.03
Reserve Bank of Australia	287,509.57	450,852.07	3,395,644.07
Indigenous Business Australia	2,558,548.00	2,922,026.68	3,370,542.80
Commonwealth Scientific and Industrial Research Organisation	2,073,500.53	1,981,874.78	2,330,797.53
Torres Strait Regional Authority	154,556.75	1,305,117.00	1,634,369.00
Australian Nuclear Science and Technology Organisation	1,107,967	1,434,432.00	1,371,237.00
Indigenous Land Corporation	1,774,145.00	553,083.43	1,200,623.51
Civil Aviation Safety Authority	184,865.00	627,985.00	1,029,182.00
Australian Curriculum, Assessment and Reporting Authority	4,064.52	468,444.54	754,994.70

Agency	External 2008–09	External 2009–10	External 2010–11
Health Workforce Australia	0.00	77,791.32	657,094.70
Export Finance and Insurance Corporation	375,866.15	542,227.81	611,099.19
Australian Maritime Safety Authority	245,350.34	306,139.80	484,681.98
Tourism Australia	454,339.73	523,667.00	406,226.00
Screen Australia	301,629.92	314,580.00	282,707.00
Sydney Harbour Federation Trust	258,899.59	148,402.00	266,880.54
Australian Hearing Services (Australian Hearing)	640,801.88	157,454.00	263,726.00
Northern Land Council	Did not report	100,000.00	245,788.60
Tiwi Land Council	312,988.82	26,506.77	187,366.00
Australian Sports Commission	224,818.00	232,480.00	146,670.00
National Museum of Australia	71,448.26	116,699.15	140,845.85
National Library of Australia	267,741.22	112,748.87	129,633.97
Australia Council	13,685.00	20,692.00	127,171.56
Australian Institute of Criminology	22,111.00	8,965.34	118,469.45
Fisheries Research and Development Corporation	129,343.94	195,466.29	105,006.00
Australian Film, Television and Radio School	16,257.47	27,969.96	103,646.99
Australian National Maritime Museum	195,036.60	278,303.01	101,751.07
Grains Research and Development Corporation	159,582.71	120,770.23	93,374.33
National Gallery of Australia	2,931.69	31,531.27	92,827.59
Food Standards Australia New Zealand	98,064.29	153,523.00	91,951.68
Albury-Wodonga Development Corporation	Exempt from the CAC Act until 1 July 2009	128,189.00	89,976.00
Australian War Memorial	68,373.50	134,041.85	75,727.47
National Film and Sound Archive	147,330.00	78,745.55	75,509.20
Australian Institute of Health and Welfare	15,883.00	79,991.00	72,600.00
Wine Australia Formerly Australian Wine and Brandy Corporation	15,173.35	74,665.34	59,867.00
National Transport Commission	0.00	1,638.00	51,482.00
Private Health Insurance Administration Council	164,916.48	84,539.35	50,635.00
Rural Industries Research and Development Corporation	84,329.00	122,222.02	43,910.84
Australian Reinsurance Pool Corporation	93,131.75	65,199.93	25,634.40
Grape and Wine Research and Development Corporation	65,150.28	43,131.69	21,015.75

Agency	External 2008–09	External 2009–10	External 2010–11
Cotton Research and Development Corporation	15,250.00	40,141.50	20,949.46
Director of National Parks	49,416.20	21,022.15	17,390.13
Australian Institute of Aboriginal and Torres Strait Islander Studies	57,216.00	98,241.65	16,737.27
Australian Institute of Marine Science	60,916.91	36,851.00	15,302.12
NEPC Service Corporation	0.00	0.00	12,262.80
Coal Mining Industry (Long Service Leave Funding) Corporation	30,000.00	16,000.00	10,000.00
Army and Air Force Canteen Service (Frontline Defence Services)	1,094.50	6,544.35	6,457.10
Australian Law Reform Commission	0.00	0.00	5,457.10
Wreck Bay Aboriginal Community Council	30,876.06	231.00	2,200.00
Anindilyakwa Land Council	2,640.00	24,210.00	1,791.93
Royal Australian Air Force Welfare Recreational Company	0.00	0.00	1,045.32
Royal Australian Air Force Veterans' Residences Trust Fund	382.47	448.80	1,038.18
Sugar Research and Development Corporation	25,674.00	12,131.22	996.44
Royal Australian Navy Central Canteens Board	7,340.74	5,575.29	816.20
Central Land Council	36,042.50	3,150.00	0.00
Australian Industry Development Corporation	0.00	0.00	Agency wound up in 2009
Australian Military Forces Relief Trust Fund (Army Relief Trust Fund)	0.00	0.00	0.00
Criminology Research Council	0.00	0.00	0.00
Royal Australian Air Force Welfare Trust Fund	0.00	0.00	0.00
Royal Australian Navy Relief Trust Fund	0.00	0.00	0.00
Land and Water Resources Research and Development Corporation (Land and Water Australia)	128,091.00	Ceased operation in May 2009	
<b>Total (GST inclusive)</b>	<b>\$35,766,888.72</b>	<b>\$37,380,479.01</b>	<b>\$40,877,864.85</b>

## Appendix C

### ACRONYMS

ACCC	Australian Competition and Consumer Commission
AGD	Attorney-General's Department
Airservices	Airservices Australia
AMSA	Australian Maritime Safety Authority
ANSTO	Australian Nuclear Science and Technology Organisation
ASIC	Australian Securities & Investments Commission
ATO	Australian Taxation Office
CAC	<i>Commonwealth Authorities and Companies Act 1997 (Cth)</i>
CASA	Civil Aviation Safety Authority
CSIRO	Commonwealth Scientific and Industrial Research Organisation
DEEWR	Department of Education, Employment and Workplace Relations
Defence	Department of Defence
DIAC	Department of Immigration and Citizenship
DMO	Defence Materiel Organisation
DoFD	Department of Finance and Deregulation
EFIC	Export Finance and Insurance Corporation
FaHCSIA	Department of Families, Housing, Community Services and Indigenous Affairs
FMA	<i>Financial Management and Accountability Act 1997 (Cth)</i>
FWO	Fair Work Ombudsman
IBA	Indigenous Business Australia
OLSC	Office of Legal Services Coordination
TSRA	Torres Strait Regional Authority

## Appendix D

### GUIDANCE NOTE 8

*The Office of Legal Services Coordination (OLSC) provides Guidance Notes in order to assist Australian Government departments and agencies, and legal services providers (as applicable), to comply with the Legal Services Directions 2005, procure legal services, and deal with legal issues in an efficient and effective manner.*

#### Reporting legal services expenditure

1. Commonwealth agencies must report their legal services expenditure to OLSC within 60 days of the end of financial year. This information must be reported in the template approved by OLSC. A copy of the template required for reporting is attached to this Guidance Note, and is available on the OLSC website at [www.ag.gov.au/olsc](http://www.ag.gov.au/olsc).
2. Agencies must also ensure that the expenditure figures are published by 30 October each year. There is no required form for the information to be published. Most agencies publish via the agency annual report or website<sup>8</sup>.

#### Why has the obligation been imposed?

3. The obligation for agencies to report and publish legal services expenditure is to enhance the transparency of legal services expenditure and to ensure reporting of expenditure is in line with the findings of the Australian National Audit Office in its Report No 52 of 2004/05, Legal Services Arrangements in the Australian Public Service (the ANAO Report).
4. The requirement for agencies to report their legal services expenditure to OLSC, in a template approved by OLSC, ensures consistency of reporting across Commonwealth agencies. Further, the extension of the requirement to CAC agencies in 2008 provides better information about the purchase of legal services across the whole of government.

#### Who does the obligation apply to?

5. All agencies regulated by the *Financial Management and Accountability Act 1997* (FMA agencies), and most agencies regulated by the *Commonwealth Authorities and Companies Act 1997* (CAC agencies) are required to report on legal services expenditure.
6. The Chief Executives of FMA agencies are responsible for ensuring that the agency reports its legal services expenditure to OLSC within 60 days of the end of financial year and that the expenditure figures are published by 30 October each year (paragraph 11 of the *Legal Services Directions 2005*).
7. Paragraph 12.3A of the Directions extends the legal services expenditure reporting and requirements to CAC agencies. The publishing requirement does not apply to CAC agencies. The reporting and publishing obligations do not apply to CAC agencies which are Government Business Enterprises, *Corporations Act 2001* companies controlled by the Commonwealth, or agencies which are otherwise exempt from complying with the Directions.

<sup>8</sup> From 2010, OLSC will also publicise certain legal services expenditure information as noted on p5

### What does the obligation require agencies to do?

8. As noted above, agencies are to report legal services expenditure within 60 days after the end of each financial year in a template approved by OLSG.
9. The report must include the following information:
  - a. total legal services expenditure
  - b. division between internal and external expenditure, and
  - c. further break down external legal services expenditure into a number of categories, including:
    - i. total number of Counsel briefed
    - ii. total number of Counsel direct briefed
    - iii. total value of Counsel briefs
    - iv. total of disbursements (excluding Counsel), and
    - v. total of professional fees paid.
10. Relevant explanations, and the details required in respect of the external legal services expenditure breakdown are set out in the following pages.
11. All expenditure is to be reported GST inclusive.

## Legal Services Expenditure Report

[Name of Agency]

*All figures should be inclusive of GST*

### Totals

<b>Total Costs Recovered<sup>1</sup></b>	\$0.00
<i>1 Do not subtract this figure from the legal services expenditure total</i>	
<b>Total External Legal Services Expenditure</b>	\$0.00
<b>Total Internal Legal Services Expenditure</b>	\$0.00
<b>Total (External + Internal) Expenditure</b>	\$0.00

### Summary of External Legal Services Expenditure

• Total value of briefs to Counsel (A)	\$0.00
• Total value of disbursements (excluding counsel) (B)	\$0.00
• Total value of professional fees paid (C)	\$0.00
<b>Total External Legal Services Expenditure (A + B + C)</b>	\$0.00

### Counsel

• Number of briefs to male counsel	0
• Number of briefs to female counsel	0
<b>Total number of briefs to counsel</b>	0
• Number of direct briefs to male counsel	0
• Number of direct briefs to female counsel	0
<b>Total number of direct briefs to counsel</b>	0
• Total value of briefs to male counsel (including direct briefs) <sup>9</sup>	\$0.00
• Total value of briefs to female counsel (including direct briefs) <sup>2</sup>	\$0.00
<b>Total value of briefs to Counsel (A)<sup>10</sup></b>	\$0.00

### Disbursements

<b>Total value of disbursements (excluding counsel) (B)</b>	\$0.00
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### Professional Fees

List each law firm and the amount paid in professional fees in the financial year	\$0.00
<b>Total value of professional fees paid (C)</b>	\$0.00

<sup>9</sup> Includes the value of direct briefs

<sup>10</sup> Includes all expenditure on Counsel



## Definitions and Guidance to the reporting template

### Legal services expenditure

#### *Total costs recovered*

1. This relates to the total legal costs recovered by the Commonwealth in litigation or alternative dispute resolution, such as funds received by the Commonwealth through enforcement of a costs order made by the court, or an amount representative of the Commonwealth's costs received by way of settlement. It only includes actual funds recovered. It does not mean a quantified order of the court which has not been enforced.
2. This amount is included in the report to ascertain where the Commonwealth has defrayed its legal services costs through recovery of costs from another party.
3. The figure for total costs recovered is not to be subtracted from the legal services expenditure total.

### External legal services expenditure

#### *Summary of external legal services expenditure*

4. OLSC requires agencies to provide a figure for the total value of briefs to counsel, the total value of disbursements (excluding counsel), and total value of professional fees paid. OLSC requires that all these figures be included in the total for external legal services expenditure.
5. In some situations, such as a fixed fee arrangement which covers professional fees and counsel fees, agencies may find it difficult to disaggregate these expenses for the purposes of reporting. In those cases, OLSC will accept an agencies' best estimate of the breakdown between professional fees and counsel.

### Counsel

#### *Definition of counsel*

6. Barristers from the private bar or legal practitioners (in a jurisdiction like the ACT where the profession is fused) briefed as barristers to advise or appear in tribunal or court proceedings. When counting Counsel, the Solicitor-General is not included.

#### *Total number of briefs to counsel*

7. This is the total number of briefs to male and female Counsel, broken down by gender of the Counsel briefed, which can be read together with the value of briefs to give an impression of the kind/nature of work Counsel is engaged to perform.
8. Where Counsel is briefed in an appeal from a first instance judgment, this is to be counted as a second brief.

*Total number of briefs to counsel*

9. This is the total number of briefs to Counsel. For example, if an agency briefs one Counsel six times, the response is six – not one.

*Total number of briefs to counsel*

10. This is when an agency briefs a barrister directly, rather than through a law firm.<sup>11</sup>

*Total number of direct briefs to counsel*

11. This is the total number of direct briefs to Counsel. For example, if one Counsel is direct briefed six times, the response is six – not one.

*Total value of Counsel briefs*

12. This is the total value of all Counsel briefs paid by the agency. For example, if the same Counsel is briefed six times at a fixed rate of \$1,000 per brief, the answer is \$6,000 – not \$1,000.
13. This includes the value of all Counsel briefs, whether through a legal services provider or direct briefed.

*Total value of male/female counsel briefed*

14. This is the total value of briefs to Counsel (as calculated above) broken down by gender of the Counsel briefed.
15. The total value of the briefs to male and female Counsel should equal the total value of Counsel briefs.

**Disbursements (excluding counsel)***Total of disbursements (excluding counsel)*

16. Disbursements are costs incurred for goods and services, which are not for Counsel and not professional fees. For example, disbursements could include filing fees, expert witnesses, and administrative fees such as binding and photocopying, travel and accommodation fees where payable.
17. OLSC appreciates there may be difficulties in determining the exact amount of disbursements, depending on how legal services providers invoice and how financial systems capture this information. We ask that details of disbursements be provided where possible, and where it would not require a significant diversion of resources from other tasks.

**Professional fees***Total of professional fees paid*

18. Professional fees are the fees charged by external legal services providers for their professional services; that is, the work done by the solicitors.
19. This includes the professional fees incurred by engaging external legal services providers overseas, if the agency making payment is a FMA or non-exempt CAC agency.

<sup>11</sup> Note the restriction on in-house lawyers acting as solicitor on the record (paragraph 5 of the Directions), so this should ordinarily only relate to a brief to advise.

20. Professional fees should also include fees paid to the Office of Parliamentary Counsel (OPC) and the Office of Legislative Drafting and Publishing (OLDP) for drafting services, and any legal work billed by the Office of International Law (OIL).
21. OLSA notes that some drafting services are provided on a budget-funded basis, and are not charged to agencies. However, where drafting services are costed and billed to agencies this cost should be recorded as a professional fee, with the provider being noted as OLDP.

### Internal legal services expenditure

22. This is the total amount of expenditure within an agency on legal work undertaken by in-house lawyers. This can be undertaken either by a dedicated legal unit (for example, the Legal Services Branch in your agency), or by individual lawyers working within business lines.
23. If there is a dedicated legal unit within an agency, OLSA expects that the entire costs of that unit will be included in the agency's internal legal services expenditure. (See below for information about fully costing internal legal services.)
24. If an agency has legally qualified officers engaged in non-legal roles (for example, they are embedded with operational teams), the agency should determine whether the officer is allocated work because of their legal qualifications or skills, or the work allocated regardless of legal qualifications or skills. If work is allocated due to legal qualifications and skills, or partially so, the cost of that officer (or a pro rata amount) is to be included in the total internal legal services expenditure for the agency.
25. OLSA requires agencies to follow the methodology set out in the Australian National Audit Office Better Practice Guide Legal Services Arrangements in Australian Government Agencies of August 2006 in costing internal legal services (p25). In line with the ANAO Guide, the full cost of an internal legal unit must include:
  - a. direct salary costs;
  - b. indirect salary costs (superannuation, leave entitlements);
  - c. direct overhead (costs of desks, computer, stationery);
  - d. indirect overhead (apportioned rent, electricity, etc);
  - e. legal unit overhead (specialist software licences, cost of law library), and
  - f. learning and development overhead of officers – including training in legal and non-legal skills.

#### *Direct salary costs*

26. Direct salary costs of administrative support staff, paralegals, junior and senior lawyers, principal lawyers and the General Counsel should be captured within the legal unit cost centre. Direct salary costs should be calculated by reference to department/agency workplace agreements.

### *Indirect salary costs*

27. Indirect salary costs should also be captured within the legal unit cost centre. Calculation of indirect salary costs should include:
- a. superannuation (based on the proportions of staff belonging to different funds)
  - b. leave entitlements, and
  - c. other salary related contributions (noting that these costs may be more extensive in some departments/agencies than others).

### *Direct overhead and indirect overhead*

28. Direct overhead costs should be captured within the legal unit cost centre. Where necessary, departments/agencies should use the Department of Finance and Deregulation(DoFD) Overheads Model to assist this calculation. This category should include costs such as:
- a. organisational services costs such as office consumables, travel and accommodation costs, postage, courier services, publishing and printing, management overheads, and taxi and car hire charges;
  - b. average cost per employee of provision of corporate IT;
  - c. professional development, and
  - d. average cost per employee workers' compensation premiums (using the actual premium paid by the department/agency).
29. Records of indirect overheads may not be easily accessible within an agencies financial system. However, agencies should interrogate their systems, with reference to cost centres and other means of recording / categorising expenditure, and use the DOFD Overheads Model to calculate the cost of indirect overheads as accurately as possible. Indirect overheads include:
- a. property operating expenses including apportioned rent/lease costs, related utility service charges, repairs and maintenance, and building security services, and
  - b. desktop information and communication technology services (operation and maintenance) costs, including desktop computer rental/lease costs (as opposed to purchase costs), standard bulk software user licence costs, standard help desk services, routine maintenance costs, and telecommunications costs.
  - c. Legal unit overhead
30. Legal unit overhead costs should be captured within the legal unit cost centre. It is expected that this category will include costs such as:
- a. Staff training and development specific to the legal unit;
  - b. Developing/maintaining a law library, and any specialist software licences
  - c. Software/database systems for knowledge and matter management purposes.

## Publication of Legal Services Expenditure Data

31. It is OLSC's intention to publish an annual report of Commonwealth legal services expenditure on the Attorney-General's Department's website. This report is intended to include the following categories:
- a. Overall legal services
  - b. External legal services
  - c. Internal legal services
  - d. Professional fees paid to law firms
  - e. Number of Counsel briefs
  - f. Number of direct briefs to Counsel
  - g. Value of Counsel briefs
  - h. Disbursements
  - i. Costs recovered pursuant to court order

## Frequently asked questions

General questions		
1.	Does 'legal services expenditure' refer only to briefing legal professionals to appear in court matters, or does it extend to obtaining advice?	Legal services expenditure includes both appearance by legal professionals in litigation, the provision of legal advice, and costs attributed to in-house lawyers.  Refer also to the explanation relating to the reporting of internal legal services expenditure.
2.	Do the reporting requirements apply to fees incurred in respect of overseas legal counsel and solicitors?	Yes.
3.	Does an agency need to report expenditure relating to a transaction where another body has paid for the legal fees?	No.
4.	Do 'Professional fees' cover solicitors' fees (or cover both solicitors' fees and counsel fees)?	For the purposes of legal services expenditure reporting under the Directions, professional fees refer only to solicitors' fees.  Counsel fees should be reported in the relevant line depending on male, female, direct, indirect etc.
5.	What is included in 'Total Costs Recovered'?	In 'Total Costs Recovered' we only require reporting of actual funds recovered by way of a court order or ADR process that is representative of the Commonwealth's incurred costs. This is distinct from the recovery of third party payments, such as compensation payments, which are not required to be reported.
Reporting Figures – Counsel		
6.	When counting Counsel, is the Solicitor-General included?	No. The Solicitor-General is budget funded, so including the briefs to the Solicitor-General in this analysis would skew the expenditure totals.
7.	Does the phrase 'Total value of Counsel briefs' cover both categories of counsel, being those briefed via firms and directly briefed by an agency?	Yes.



Submitting the Report		
8.	In what form should the reports be sent?	<p>The reports should be completed in the template form available on the web site, and the template must be completed in full and without amendment.</p> <p>Reports may be emailed to OLSC at <a href="mailto:olsc@ag.gov.au">olsc@ag.gov.au</a>, or sent via hardcopy to:</p> <p>Assistant Secretary Office of Legal Services Coordination Attorney-General's Department 3-5 National Circuit BARTON ACT 2600</p>
9.	By what date should the report be sent in?	<p>60 days after the end of the financial year.</p> <p>This is usually by 29 August, but if 29 August falls on a weekend, the report is due the next business day.</p>
10.	What are the consequences of failing to report to OLSC in time?	<p>Breaches will be recorded against agencies that fail to report 60 days after the end of the financial year.</p>
Publishing		
11.	What information is required to be published by the FMA agency?	<p>An FMA agency would satisfy the requirement to publish legal services expenditure by publishing a figure for total external and total internal legal services expenditure.</p> <p>The Directions do not require agencies to publish details of the expenditure breakdown between particular legal services providers.</p> <p>In addition, an agency will satisfy the obligation to publish by including the information in its annual report, or by inclusion in a readily accessible place on its website.</p>
12.	By what date should the records be published?	<p>Under paragraph 11.1(ba) of the Directions, an agency is required to publish records of its legal services expenditure for the previous financial year by <b>30 October</b> each year.</p> <p>For example, 2009–10 expenditure must be published by 30 October 2010.</p>

### ANAO Case study – costing legal services

ANAO noted in Audit Report No.52 2004–05 that an audited agency costed its internal legal services and developed charge-out rates for its internal lawyers using a model that included salary, a loading for salary-related expenses and variable, or direct, overheads and fixed, or indirect, overheads.

The salary rates reflected the relevant salary points (from the agency's workplace agreement), and levels of staff. This enabled the agency to calculate the full cost, as well as apply an hourly rate, based on a specified level of 'billable' hours per year. The agency included a figure of 1210 billable hours for junior and senior lawyers and 1100 hours for principal lawyers and general counsel for this purpose.

These annual hours reflected the agency's expectation of 5.5 billable hours per day for junior and senior lawyers and 5 hours per day for principal lawyers and general counsel, over 220 working days per year. The result of this approach was that an internal legal resource could be fully costed, as well as the 'marginal cost' per hour/day for work that could be given to external providers. The hourly rate was calculated by dividing the full cost by the number of productive hours.

The salary-related loading was based on 25 per cent of salary for each staff member, to make provision for superannuation and long service leave, etc.

The variable overhead included the provision of IT, professional development and workers' compensation insurance (the agency's average contribution per employee to Comcare).

The fixed overhead included the total estimated cost of the provision and maintenance of the legal unit's law library, administrative support staff, apportioned costs of accommodation and rent, furniture and fittings, communications (phone and facsimile), office expenses (stationery, photocopiers, consumables, etc), travel, and a provision for annual recruitment costs for the legal unit.

The ANAO considered that this costing model represented a comprehensive and appropriate approach to assessment of that agency's internal legal costs.

Guidance Note issued by:

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