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MANAGEMENT AND ACCOUNTABILITY



A. CORPORATE GOVERNANCE

INTRODUCTION

A generally accepted definition of public sector governance is the set of responsibilities and practices, policies and procedures, exercised by an agency's executive, to provide strategic direction, ensure objectives are achieved, manage risks and use resources responsibly and with accountability.

To help us achieve good corporate governance as an organisation, members of our senior leadership and senior management committees are asked to model good governance behaviour and to demonstrate a commitment to achieving objectives through accountable processes.

Over the last year, the department's Business Continuity Plan and Risk Management Framework were endorsed, new financial delegations were approved and implemented, and a revision of the Chief Executive Instructions got under way.

SENIOR LEADERSHIP

Secretary: Terry Moran was responsible for providing the overall leadership of the department and shaping its future. The Secretary determines priorities and appropriate resource allocations, delivers organisational performance and directs high-priority initiatives. In consultation with the deputy secretaries, the Secretary is responsible for overseeing corporate governance and providing strategic direction in the department.

Deputy secretaries: The responsibilities of deputy secretaries at 30 June were as follows:

- Duncan Lewis was the Deputy Secretary responsible for the International Division and the Office of National Security.
- Mike Mrdak was the Deputy Secretary responsible for the People, Resources and Communication Division, the Government Division, the Cabinet Division and the Australia 2020 Summit Secretariat.

- Paul Tilley was the Acting Deputy Secretary responsible for the Industry, Infrastructure and Environment Division and the Economic Division.
- Serena Wilson was the Acting Deputy Secretary responsible for the Social Policy Division, the Office of Work and Family, and the COAG Skills Recognition Taskforce.

First Assistant Secretaries: The responsibilities of our First Assistant Secretaries at 30 June were as follows:



Hugh Borrowman, head of the International Division, supports the Prime Minister on international affairs, provides a whole-of-government perspective to advice on international issues coming before Cabinet, and

coordinates advice to the Prime Minister on foreign affairs, trade and aid policies. In addition, the division was responsible for administering the State Occasions and Official Visits program.



Angus Campbell, head of the Office of National Security, provides whole-of-government advice to the Prime Minister and his office on national security issues and on defence and intelligence matters. In

addition, the Office provides secretariat and policy support to the National Counter-Terrorism Committee.



Sue Ball, acting head of the People, Resources and Communications Division, provides the department's internal information services, including information technology, library

services, records management and ministerial correspondence. The division also provides support functions in regard to people management, finance, corporate governance, facilities, personnel and physical security. The division managed the Prime Minister's official residences through the Official Establishments Section and provided administrative support for the Official Establishments Trust.



Barbara Belcher, head of the Government Division, provides policy advice on public administration, parliamentary and electoral matters; legal policy issues; the establishment of royal

commissions; the implications of court decisions for the Commonwealth; matters relating to the arts, national collecting institutions and cultural heritage; and policy issues relating to Australian and foreign honours and the use of the Australian national symbols.



Wendy Southern, head of the Cabinet Division, provides support to the Prime Minister and the Cabinet on the full range of Cabinet and Cabinet Committee business, as well as providing support to the

Federal Executive Council and monitoring the implementation of government policy through the Cabinet Implementation Unit



Rhonda Dickson, head of Industry, Infrastructure and Environment Division, provides whole-of-government advice to the Prime Minister on a range of policy issues covering industry;

national competition policy; sustainable development, agriculture, fisheries and forestry; environment and heritage; regional services; transport; communications; information technology; sport; tourism; energy and Council of Australian Governments matters.



Patrick Sedgley, acting head of the Economic Division, provides whole-of-government advice to the Prime Minister on domestic and internal economic conditions and prospects; developments in financial

markets; financial sector policy; workplace relations and wages policy; fiscal policy and budget initiatives; taxation and superannuation policy; and Commonwealth–State financial relations.



Michelle Patterson, acting head of the Social Policy Division, provides whole-of-government advice to the Prime Minister on social policy issues, including education, employment, families,

income support, community services, health and ageing, immigration, Indigenous policy, pandemic preparedness and veterans' affairs.



Liza Carroll, head of the Office of Work and Family, provides advice, briefing and support to the Prime Minister on work and family issues, including early childhood education and child care and family

impact statements, including on presentation of the government's decisions in these areas.

SENIOR MANAGEMENT COMMITTEES

We have a number of committees that support the Secretary in controlling and governing performance and conformance. The key management committees are the:

- Executive Group
- Senior Management Group
- Senior Executive Forum
- functional committees, including the:
 - Audit Committee
 - Consultative Committee
 - Health and Safety Committee
 - Security Committee
 - Information Management Strategic Advisory Committee
 - People and Leadership Committee (until May 2008).

EXECUTIVE GROUP

The Executive Group comprises the Secretary and deputy secretaries and deals with corporate management issues across the department.

SENIOR MANAGEMENT GROUP

The Senior Management Group comprises the Executive Group and division heads. This group, which was formerly called the Corporate Leadership Group, meets weekly to discuss current issues.

SENIOR EXECUTIVE FORUM

The Senior Executive Forum comprises all Senior Executive Service officers and meets regularly to discuss corporate and business issues across the department. This group helps to ensure a collegiate approach to meeting our objectives and supporting all of our people.

FUNCTIONAL COMMITTEES

Audit Committee

The Audit Committee recently revised its charter and membership. Under the new charter, Audit Committee membership will comprise a chair, the Deputy Secretary Governance, two senior executives and two external independent members.

The Audit Committee is responsible for risk management, including fraud control, the department's control framework, its external accountability responsibilities, compliance with legislation, and its internal and external audit activities.

During 2007–08 the Audit Committee:

- reviewed the charter
- reviewed the internal audit strategic program
- reviewed four internal audit reports

- reviewed the annual Certificate of Compliance
- reviewed the department's financial statements
- undertook a self-assessment
- reviewed the risk management framework and plan, and
- reviewed the business continuity plan.

The committee met five times during the year and invited a different guest speaker to three of the meetings. The topics presented by the guest speakers included:

- changes to the financial management framework and results from the Certificate of Compliance
- insights and experiences from a member of numerous public sector audit committees, and
- the Public Sector Internal Audit Framework.

Consultative Committee

The Consultative Committee provides a forum for management and staff to discuss matters affecting the workplace. Staff representatives are elected from each level to provide an avenue for all staff to participate. Staff are encouraged to contribute their ideas or raise any concerns they may have about the workplace by talking to their representatives. The committee is chaired by the Deputy Secretary Governance.

Health and Safety Committee

The establishment of a Health and Safety Committee is a requirement under the *Occupational Health and Safety Act 1991*.

The Health and Safety Committee met four times and facilitated discussion between management and staff regarding occupational health and safety issues in the workplace. The committee also developed Health and Safety Management Arrangements through consultation with all staff.

Security Committee

The role of the Security Committee is to provide advice to the Executive Group on the strategies, policy and development of procedures for physical, personnel, information and information technology security to support the department's business outcomes.

The Security Committee met on five occasions during the year, discussing a range of issues and producing a number of outcomes, including the:

- development of a Security Committee Charter
- introduction of new Photographic Access Pass Arrangements
- installation of new Electronic KeySafe arrangements
- development and introduction of a new Blackberry policy
- improvement in security awareness which saw a 52 per cent reduction in security breaches compared to the previous period
- continued identification and improvement in the department's security infrastructure
- revision of security policies, and
- development of a new staff security handbook and security awareness program.

People and Leadership Committee

The People and Leadership Committee reported to the former Corporate Leadership Group. The role of the People and Leadership Committee was to develop the department's capability with particular emphasis on people and leadership. The committee provided strategic advice and support to the Corporate Leadership Group in setting the direction for people management and leadership.

The People and Leadership Committee was dissolved in May 2008 when its functions were transferred to the Senior Management Group.

Information Management Strategic Advisory Committee

The role of the Information Management Strategic Advisory Committee is to provide advice to the Senior Management Group on the strategies and policy for the effective use of information resources and the development of information infrastructure and services that support the department's business outcomes. The committee did not meet during 2007–08.

ETHICAL STANDARDS

The department is strongly committed to the APS Values and Code of Conduct set out in the *Public Service Act 1999*. The APS Values and Code of Conduct is an integral part of the human resource framework and is readily accessible to staff via the intranet.

All new starters receive promotional material such as the Australian Public Service Commission's bookmark on the APS Values and Code of Conduct in the department's kit for new starters. The importance of the APS Values and Code of Conduct is also emphasised during induction courses.

We continued to promote the importance of maintaining high ethical standards appropriate to APS employees.

B. EXTERNAL SCRUTINY

EXTERNAL AUDITS

The department was involved in a cross-portfolio review of Australia's pandemic preparedness that was conducted by the Australian National Audit Office (ANAO). The report was tabled in September 2007. The department continues to play a major role in coordinating whole-of-government preparedness and response strategies in the event of a pandemic outbreak.

An audit is currently being conducted by the ANAO on the administration of contracting arrangements in relation to government advertising. The Government Communications Unit within the department was abolished on 3 December 2007, with the result that the aggregate media buying function and AUSPIC, the government photographic service, were transferred to the Department of Finance and Deregulation (see page 68 for more information). Residual functions were transferred to output 4.5.

OTHER EXTERNAL SCRUTINY

Legal action involved the department in a range of matters during 2007–08, but none of them involved particular developments in external scrutiny of the department. There were no judicial decisions or decisions of administrative tribunals during 2007–08 (specific to this department or otherwise) that have a significant impact on the operations of the department.

C. MANAGEMENT OF HUMAN RESOURCES

The People and Governance Branch manages and develops human resources and governance-related matters and works closely with all areas of the department to achieve our objectives. The Branch Head participates in a number of departmental committees to provide specialist human resource input on strategic and operational issues.

During 2007–08 we conducted a number of bulk and individual recruitment exercises, introduced 19 new graduates to the department and finalised our new Collective Agreement (2007–10).

OUR WORKFORCE

There has been a significant reduction in our staffing levels during 2007–08, predominantly due to the conclusion of the APEC Taskforce in September 2007. A large number of non-ongoing contracts concluded, people who were on secondment returned to their home agencies, and PM&C staff working on the taskforce were successfully reintegrated back into our mainstream workforce.

Staffing

At 30 June 2008 we had a total of 464 staff, including those who are working part-time or were non-ongoing. This represents a 29 per cent decrease from 655 at 30 June 2007. A detailed breakdown across levels is given in table 7.1.

A profile of our workforce

Over 65 per cent of our workforce is female and 70 per cent are under the age of 44 years. An increasing proportion of our staff are taking advantage of our flexible work provisions, with the number of people working part-time increasing from 3.9 per cent of our workforce in 2006–07 to 8.2 per cent in 2007–08.

Due to a range of new measures implemented under our strategy in response to the 2006 Management Advisory Committee report, *Employment of people with disability in the APS*, there has also been an increase in our representation of people with a disability, increasing from 1.07 per cent in 2006–07 to 1.9 per cent in 2007–08.

Table 7.1: Workforce profile, ongoing and non-ongoing staff, 2006–07 and 2007–08

Workforce profile	At 30 June 2007			At 30 June 2008		
	Ongoing	Non-ongoing	TOTAL	Ongoing	Non-ongoing	TOTAL
CLASSIFICATION OF JOB						
Secretary	1	0	1	1	0	1
SES Band 3	4	0	4	3	0	3
SES Band 2	9	0	9	9	1	10
SES Band 1	27	1	28	27	2	29
EL 2	80	18	98	86	5	91
EL 1	126	78	204	117	3	120
PM&C Band 2 (APS4–6)	170	100	270	160	15	175
PM&C Band 1 (APS1–3)	19	7	26	12	4	16
Graduate	15	0	15	19	0	19
Total	451	204	655	434	30	464
Working part-time	22	4	26	33	5	38
On long-term leave with pay	14	1	15	7	0	7
LOCATION						
Canberra, ACT	416	68	484	427	29	456
Sydney	31	136	167	4	0	4
Other	4		4	3	1	4
Total	451	204	655	434	30	464
STAFF AGE PROFILE						
Age <25	23	18	41	36	4	40
Aged 25–34	166	84	250	135	11	146
Aged 35–44	134	57	191	128	8	136
Aged 45–54	92	26	118	103	1	104
Aged 55–64	34	18	52	30	6	36
Aged 65+	2	1	3	2	0	2
Total	451	204	655	434	30	464
EQUAL EMPLOYMENT OPPORTUNITY GROUP PARTICIPATION						
Female	229	95	324	290	17	307
NESB	13	5	18	12	0	12
Indigenous	4	3	7	6	0	6
People with a disability	6	1	7	9	0	9
Proportion of staff volunteering personal data			81%			79%

RECRUITMENT

Bulk recruitment processes continued to be our primary method of recruitment in 2007–08. We undertook eight bulk recruitment processes throughout the year which attracted over 1,500 applications. With the exception of technical, specialist or SES roles, most vacancies were filled from our bulk recruitment processes. We maintain merit lists of highly suitable and suitable applicants from each of the bulk recruitment processes, which are used to fill future vacancies.

In addition to bulk recruitment, we also undertook 29 individual recruitment processes to fill specialist, technical or SES positions.

Following the announcement of the establishment of the new Strategy and Delivery Division from 1 July 2008, we also started seven bulk recruitment processes and seven individual processes to fill SES and non-SES vacancies in this new unit.

The majority of job vacancies are advertised in the press and in the weekly online APSJobs (www.apsjobs.gov.au). More information about individual vacancies is available on our website at www.pmc.gov.au, from a telephone typewriter (TTY) facility or on request from the job contact officer.

OUR GRADUATE DEVELOPMENT PROGRAM

Our department provides unparalleled opportunities for graduates to work on, and learn about, the strategic issues of government in a rewarding and challenging environment.

The Graduate Development Program is designed to build on the existing knowledge of graduates, refine their skills and develop expertise within the APS and the department. These outcomes are achieved by providing extensive professional development opportunities covering such topics as:

- APS induction
- policy formulation
- introduction to the Senate
- legislation and APS decision making

- Budget processes
- essential business writing, and
- current developments in public administration.

Additionally, graduates participate in a rotation scheme that places each individual in three separate divisions over the course of the 11-month program, ensuring graduates have maximum exposure to various facets of the department. To further assist the development of graduates, they are provided with access to mentors such as their supervisors, managers or members of the Graduate Support Group.

In July 2007 the process to select graduates for 2008 began with 432 highly competitive applications received. In early February 2008, 19 graduates began the development program within the department. The 2008 graduates had the opportunity to be involved in the Australia 2020 Summit in a range of roles, including:

- acting as the secretariat for discussion groups
- being assigned to assist invited guests, such as Governors, the Premier etc, and
- providing assistance to chairpeople and facilitators during sessions.

This experience proved invaluable for the graduates, providing them with direct access to powerful strategic discussions on topical political subjects such as:

- the Australian economy
- sustainability and climate change
- Australia's future in the world, and
- communities and families.

GRADUATE SUPPORT GROUP

The Graduate Support Group is created to provide guidance and support to graduates and their supervisors on development and performance issues and advises senior management on issues relating to the graduate development program. Membership of the group for 2008 includes SES and EL2-level staff as well as a representative from the 2007 Graduate Development Program. The make-up of the group is



Former Secretary Dr Peter Shergold AC with the department's 2008 graduates

designed to provide an even representation of divisions across the department.

STAFF TURNOVER AND RETENTION

Retention of staff continued to be a high priority for us during the reporting period. Recruits are often attracted to the department to broaden their policy coordination experience in a whole-of-government environment or to work on specialist projects or taskforces. Often their intention is to gain this experience and then return to a line agency. While this movement can be expected, our staff turnover rate has increased further this year (see table 7.2) and we are continuing to focus our efforts on developing new initiatives that aim to encourage staff to stay with the department for longer periods. We plan to implement additional retention strategies in 2008–09.

Table 7.2: Five-year staff profile at 30 June each year

	2003–04	2004–05	2005–06	2006–07	2007–08
Total staff	382	370	528	655	464
Non-ongoing staff	25	26	89	204	30
COMMENCEMENTS					
Ongoing non-APS recruits					
Graduates	14	10	18	15	19
Other non-APS recruits	19	22	54	42	31
Ongoing APS recruits					
Promoted into PM&C	10	17	19	26	6
Transferred into PM&C	71	68	81	91	71
Recruited as non-ongoing	61	59	179	203	101
Total commencements	175	176	351	377	228
RETENTION OF ONGOING STAFF					
Turnover rate	19%	26%	21%	* 26%	* 33%
Promoted within PM&C	29	40	52	28	27
Non-ongoing transfer out of PM&C	12	9	18	14	37
SEPARATIONS					
Ceased non-ongoing relationship with PM&C	64	44	43	62	# 217
Transferred out of PM&C	49	31	23	55	82
Promoted out of PM&C	7	19	30	19	26
Machinery of government change	N/A	N/A	N/A	14	26
Resignation or retirement	21	32	21	42	32
Retrenchment	0	3	2	0	0
Invalidity/death	0	0	0	2	0
Total separations	141	129	119	194	383

* Based on separations of ongoing staff, not including separations due to machinery of government changes.

Includes 180 APEC Taskforce staff concluding their contracts

WORK-LIFE BALANCE

Our new Collective Agreement (2007–10) continues to reinforce our commitment to balancing our work and life demands. Staff have access to a range of options to achieve a work–life balance, including flexible working hours, working from home opportunities, access to part-time work and job-sharing.

While we encourage staff to work reasonable hours, we also ensure that staff are compensated for working hours in excess of what would reasonably be expected. APS-level staff record their hours and any additional time worked can be taken later under our flextime arrangements. Alternatively, where hours worked are outside our core hours of Monday to Friday 7am to 7pm, APS-level staff have the option of accessing overtime payments. Executive Level staff may claim time off in lieu for working hours significantly beyond what would reasonably be expected and for any hours required to be worked on a weekend or public holiday.

Where staff are required to perform duties at a higher level over an extended period, staff may be paid a skills and responsibilities loading for taking on additional responsibilities.

In addition to the measures above, eligible staff can access:

- up to 18 days of personal leave, which covers sick leave, carers leave, leave to meet family responsibilities, and paternity leave
- up to 20 days of recreation leave
- up to six weeks of purchased additional leave
- 14 weeks of paid maternity leave
- long service leave, in accordance with the *Long Service Leave (Commonwealth Employees) Act 1976*
- other types of leave for a variety of parental situations, such as adoption or foster carers leave
- an on-site nursing mothers and carers room, and
- our reflection room.

Over the Christmas and New Year period we ‘shut down’ (that is, maintain minimal staffing) so that staff can spend time with their families. Following the 2007 federal election, the period before the 2007 Christmas shut-down was particularly busy for our department, but we chose to continue with the shut-down and the vast majority of staff took this time off.

We recognise that achieving a work–life balance is a shared responsibility and that we need to continue discussing ways in which we can improve. This year, a new service was introduced to support staff in balancing their work–life commitments. It provides an information and resource service that helps staff source any type of dependant care, health or lifestyle service.

Our quarterly Work–Life Balance Report has continued to provide managers with a useful suite of information about ordinary hours of work, extra duty payments, skills and responsibilities loading, use of flextime and time off in lieu, and use of personal and annual leave. With results presented at a departmental and divisional level, managers are able to review and track their own area, to ensure staff are maintaining a healthy balance between work and life.

More information about the pay and conditions we offer is set out in our Collective Agreement (2007–10). This is available on our website at www.pmc.gov.au.

HEALTH AND WELLBEING

Our employees were encouraged to participate in a wide variety of our health and wellbeing activities in 2007–08. These included:

- health assessments providing general health, strength and fitness checks and goal-setting support
- lunchtime exercise programs, such as pilates
- quit smoking support, such as subsidies for quit smoking programs and free reference books
- flu vaccinations

- awareness campaigns on health issues such as breast cancer and organ donations
- access to an employee assistance program, and
- encouraging walking during lunch breaks.

Once again, in 2007–08 our flu vaccination program was well subscribed and our on-site health checks continued to be a popular initiative. Access to our employee assistance program decreased slightly, with 36 staff seeking assistance in 2007–08 compared with 41 in 2006–07.

WORKPLACE RELATIONS

Our staff are employed under one of three arrangements, as set out in table 7.3: our collective agreement, an Australian workplace agreement, or a determination under Section 24(1) of the *Public Service Act 1999*.

COLLECTIVE AGREEMENT

The department's fourth collective agreement was negotiated directly with non-SES staff under section 327 of the *Workplace Relations Act 1996*. The agreement covers the period 1 October 2007 to 30 September 2010 and provides for:

- a pay increase of 4.5 per cent each year from 1 October 2008
- increased allowances
- increased leave provisions for maternity, supporting partners, adoption and purchased leave
- increased studies assistance, and
- an increase in ordinary hours from 7 hours 30 minutes per day to 7 hours 36 minutes per day.

Table 7.3: Trends in the nature of employment agreements

At 30 June	2006	2007	2008
Australian workplace agreements (AWAs)**			
SES	49	50	31
% of SES staff covered by an AWA	100%	100%	74%
Non-SES	220	371	156
% of non-SES staff covered by an AWA	46%	61%	37%
Section 24(1) determinations (S24)			
SES	-	-	11
% of SES staff covered by a S24 determination	-	-	26%
Non-SES	-	-	-
Collective agreement (CA)			
SES	-	-	-
Non-SES	259	234	265
% of non-SES staff covered by CA	54%	39%	63%
Total staff	528	655	463*

* Total staff does not include the Secretary.

** The department stopped offering AWAs to staff, both new and existing, in November 2007.

This table includes both ongoing and non-ongoing staff. While the abolition of AWAs has slightly affected trends in 2008, the main factor is staff no longer being employed by the APEC Taskforce.

Table 7.4: Trends in available base salary ranges by staff classification

At 30 June	2007		2008	
	Min	Max	Min	Max
PMC Band 1 (APS1–3)	33,763	46,841	35,282	48,949
PMC Band 2 (APS 4–6)	48,362	69,045	50,538	72,152
PMC Band 3 (EL1)	74,215	82,733	77,555	86,456
PMC Band 4 (EL2)	86,382	102,807	90,269	107,433
SES Band 1	110,240	145,600	124,000	169,000
SES Band 2	154,000	167,800	154,000	209,000
SES Band 3	191,443	212,791	182,000	272,000
Secretary	The Secretary's remuneration is as determined by the Prime Minister after taking into account the recommendations of the Remuneration Tribunal			

Salary ranges reflect our collective agreement and remuneration policy. Allowances may also be payable, for example, to departmental liaison officers, first aid officers and APS-level staff performing extra duties. Different pay scales may apply to specialist staff, junior staff and non-ongoing staff engaged in intermittent or irregular duties.

PERFORMANCE MANAGEMENT

Our Performance Management and Development Scheme provides the framework for performance management in the department, both through individual performance agreements (established at the start of each performance appraisal cycle, or when people start working at PM&C) and through a process of regular reviews and feedback exchanges between employees and their managers during the year.

The scheme ensures that all employees understand their roles in the department and the standards of performance expected of them. The scheme provides a way of recognising individual contributions and achievements and for identifying and addressing learning and development needs.

PERFORMANCE BONUSES

SES staff and Executive Level staff may be eligible for a performance bonus if they achieve a performance rating of 'fully effective' or above.

SES staff may be eligible for a performance bonus of up to 15 per cent of their base salary, and EL staff up to 12 per cent of their base salary. Table 7.5 outlines the performance bonus payment information at 30 September 2007.

Table 7.5: Performance bonus paid in 2007–08

Level	Staff paid	Amount paid (\$)	Average (\$)	Range (\$)
EL1	96	518,427	5,400	838 – 10,366
EL2	82	572,264	6,979	1,014 – 13,492
SES Band 1	30	374,418	12,481	3,785 – 20,350
SES Band 2	10	145,026	14,503	6,515 – 23,556
SES Band 3	3	91,170	30,390	13,943 – 28,716
Total	221	1,701,305		

CONSULTATIVE COMMITTEE

We are committed to consulting with our employees. A Consultative Committee, established under the terms of our collective agreement, facilitates communication, consultation, cooperation and input from staff on matters affecting the workplace.

The Consultative Committee is consulted on the development or review of any guidelines or other corporate documents relating to matters covered by the Collective Agreement. Staff representatives are nominated from each division to ensure an efficient consultation process for all staff. Staff members are encouraged to involve themselves in the committee's activities by discussing their ideas or raising any concerns they may have about the workplace with their divisional representatives. The committee is chaired by the Deputy Secretary Governance.

The committee met four times during the year and undertook a diverse range of activities, including:

- updating human resources guidelines to reflect the new Collective Agreement (2007–10)
- consulting with staff on work–life balance issues, learning and development activities, health activities, building facilities, workplace relations and other employee programs
- developing a new health activities program for staff
- developing a Corporate Contact Directory for the department

- providing new ideas and perspectives on staff-related issues, and
- monitoring work–life balance indicators.

HEALTH AND SAFETY COMMITTEE

Under an amendment to the *Occupational Health and Safety Act 1991*, our existing Health and Safety Committee was dissolved in August 2007 to allow staff consultation on the development of effective Health and Safety Management Arrangements (HSMAs). *Effective Management of HSMAs* was released in April 2008 and provides for development, review and variation of HSMAs, policies and guidelines relating to occupational health and safety, management of disputes on the treatment or resolution of a health and safety issue, and informing staff in relation to occupational health and safety matters.

Staff were asked to consider how they wanted to be represented, and they overwhelmingly elected to continue with Health and Safety Representatives and a Health and Safety Committee. A new committee was elected and their key focus during the year was the development of HSMAs and related consultations with staff. Staff are encouraged to participate by consulting with their elected Health and Safety Representative who uses the committee forum to raise and manage ongoing health and safety matters.

LEARNING AND DEVELOPMENT

We are committed to providing staff with efficient and effective learning and development opportunities to maximise our capabilities. New recruits are provided with extensive induction training sessions that include the following elements:

- A one-on-one introductory session with a staff member from Human Resources in which new recruits are provided with a *Welcome to PM&C* pack.
- A one-hour *Fast start* session that includes details about departmental information technology, security, financial management, occupational health and safety, and learning and development products.
- An introductory training session to *Slipstream* which presents an overview of the system used for ministerial correspondence.
- An intranet-based APS induction product targeting PM&C staff who are new to the Public Service called *Welcome to the APS*.

We require all new recruits to attend mandatory training sessions such as *Fast start*, *Giving and receiving feedback* and *Cultural awareness training*. *Giving and receiving feedback* workshops strengthen staff skills in the key area of communication which impacts on performance management and interpersonal relationships. Topics covered in these sessions include:

- understanding personal styles and adjusting interpersonal communication
- how to manage effective feedback sessions, and
- clarifying goals and expectations in preparing for performance appraisal meetings.

Our *Cultural awareness training* workshops were introduced as a result of our Reconciliation Action Plan that was launched in 2007, providing an opportunity for staff to learn more about Indigenous cultures. The sessions discuss the importance of land, kinship and community for Indigenous cultures, as well as the impact this nation's history has had on their culture. The seminar encourages participants to apply the

knowledge they have gained once they get back into their workplace.

Learning and Development offers a number of other opportunities, such as the Professional Development Opportunity Fund. This fund allows staff to participate in training that is beyond the scope of their current roles. In 2007–08 PM&C supported 60 staff members to pursue many diverse development opportunities.

The Study Assistance Scheme gives staff the opportunity to undertake study that complements the expected professional requirements of their role. We support staff members accessing the scheme by providing study leave and financial reimbursement of successfully completed courses. In 2007–08 there were 43 staff members who benefited from the scheme.

In addition to this study scheme, we offered a Full Time Study Award to a staff member, helping the successful applicant complete a Bachelor of Laws at the Australian National University.

Learning and Development holds regular training opportunities for staff wanting to develop key capabilities in a practical and effective way. In 2007–08 Learning and Development delivered such seminars as:

- Cabinet processes
- Interview tips and techniques
- Resume preparation
- Caretaker conventions in PM&C, and
- Accountability in the Public Service.

Learning and Development also provides access to individually tailored development sessions through the Career Advisory Panel. The panel consists of a number of independent advisers who are available to provide personalised consultations for any ongoing member of staff. The coaching sessions can address issues such as resume writing and interview skills, leadership skills, and career development plans. Staff members can pursue up to three coaching sessions per year, and in 2007–08 there were 68 staff members who made the most of this development opportunity.

We continued our Guest Speaker Series during the year, inviting high-profile speakers to present subjects that were relevant and interesting to PM&C staff. Staff members enjoyed high-calibre guests such as Professor Chris Huxham (Professor of Management at the University of Strathclyde Business School), who spoke about Managing Collaboration, and Robert Fitzgerald AM (Commissioner of the Productivity Commission and convenor of the Steering Committee for the

Review of Government Service Provision Indigenous Working Group), who spoke about the *Overcoming Indigenous disadvantage* report.

ACKNOWLEDGING OUR STAFF

We continue to recognise the work of our staff through our annual Australia Day Achievement Awards. Table 7.6 shows the 2008 recipients.

Table 7.6: Australia Day Achievement Awards

Award recipients	Reason	
APEC Australia 2007 Team Award	Susan Murphy Patricia Tint Nicholas MacLachlan Danijela Svob Miles Armitage Nektarios Tsirbas Rebecca Curtis Suzanne Varrall Ruth Adam Jillian Harding Felicity Smith Melissa Moore	For their outstanding performance in the preparation and delivery of APEC Australia 2007.
2007 Election Team Award	Anne Dowd Henry Thomson Anne O'Connor Sharon Massey Julie Campigli Clare Holly Stacey Lucas-Smith	For their contribution during the 2007 federal election period.
Indigenous Policy Team Award	Shane Hoffman Glennys Purcell Angela Rymmer Wayne Beswick Andrew Davitt Kym-Maree Wiseman Thomas Hamilton Claire Chambers Simon Mackenzie Jacqueline Jago Joseph Solomon	For their work on the Northern Territory Emergency Response.
Slipstream Project Team Award	Julia Keating Robert Crosbie James Stewart Joanne Jackson	For their significant contribution to the implementation of the Slipstream system for the electronic management of ministerial and parliamentary workflow processes.

	Award recipients	Reason
Joint awards	Bev Sims Carole van Eldik	For their contribution to the Prime Ministerial Task Group on Emissions Trading and their part in setting up the Climate Change Group.
	Sachi Wimmer Thomas Hamilton	For driving substantial improvement to inter-agency coordination of civil maritime security.
Individual awards	Sharon McCluskey	For her utmost dedication, professionalism and excellent support for the Secretary and wider Executive.
	Stewart Noble	For his outstanding service to the department, particularly in relation to drought policy.
	Mark Ross	For his outstanding service to the department, through his support to the Prime Minister and his office, particularly in relation to sports policy.
	Jacqueline Tucker	For her outstanding contribution to improving CABNET processes and particularly for her coordination of the creation of the new database structure for implementation after the 2007 election.



Deputy Secretaries Ms Jenny Goddard and Dr Louise Morauta PSM with recipients of the department's annual Australia Day Achievement Awards

D. COMMONWEALTH DISABILITY STRATEGY

The Commonwealth Disability Strategy aims to ensure that people with disabilities can participate fully in community life. It challenges agencies to consider how they approach and report on their performance in terms of five broad roles. Three of these roles—the regulator, purchaser and provider roles—are not applicable to the department. However, we are required to report on our roles as policy adviser and employer.

OUR POLICY ADVISER ROLE

The role of policy advisers is to initiate and develop government policy. They consider the needs of different groups and advise on what the government should achieve for the community as a whole.

We worked with key agencies across a broad range of policy matters to identify the needs of people with a disability and their carers and to advise government on the measures required to achieve the desired outcomes for the community. Key areas of work in this area included advice on increasing the number of supported employment places and advice on progressing the government's ratification of the United Nations' Convention on the Rights of Persons with Disabilities.

PM&C encourages a whole-of-government approach to policy development and program effectiveness for people with disabilities. We aim to ensure that new or revised policies/programs:

- are developed in consultation with people with disabilities if they might impact in different ways on the lives of people with disabilities
- assess the direct impact on the lives of people with disabilities before decisions are made, and
- are complemented by communication strategies that are developed and sufficiently resourced to inform people with disabilities.

In this role, we are proactive about consulting external stakeholders, to enable us to draw on a wide range of different perspectives.

We seek to ensure that all the proposals we put to government—or that other agencies lodge with us for consideration by Cabinet—are clear about:

- what community consultation has occurred to date
- how proposals are likely to impact on the community, and
- how and when any decision is to be communicated.

OUR EMPLOYER ROLE

The role of the employer is to provide a range of work conditions, including wages, in exchange for labour, to produce goods and services. All portfolio agencies undertake this role and are required to ensure that:

- employment policies and practices comply with the requirements of the *Disability Discrimination Act 1992*
- recruitment information for potential jobseekers is available in accessible formats on request
- agency recruiters and managers apply the principle of reasonable adjustment training and development programs consider the needs of staff with disabilities training and development programs include information on disability issues as they relate to the content of the program, and
- complaints/grievance mechanisms, including access to external mechanisms, are in place to address issues and concerns raised by staff.

Our employment policies reflect the requirements of relevant laws, including the *Disability Discrimination Act 1992*. To strengthen our ongoing commitment to the employment of people with a disability, in 2007–08 we developed and implemented a strategy to address the matters raised in the 2006 Management Advisory Committee report *Employment of people with disability in the APS*.

The initiatives implemented under this strategy have seen our employment of ongoing staff with a disability increase from 1.07 per cent in 2006–07 to 1.9 per cent in 2007–08. Our Gold Membership with the Australian Employers Network on Disability was also maintained.

Where necessary, staff and their managers are offered support in making the reasonable adjustments that may be required to accommodate an employee with a disability.

Some of the services we can offer include:

- individual workstation assessments to establish staff members' needs
- the purchase and installation of specialist equipment, such as computer software and accessories
- job modifications, and
- access to disabled car parking.

All potential recruits are offered support to ensure their application receives fair and non-discriminatory consideration, such as interpreters or the relay services of the Australian Communication Exchange for hearing- or speech-impaired applicants.

E. OCCUPATIONAL HEALTH AND SAFETY

We have a strong commitment to best practice occupational health and safety (OH&S). During 2007–08 we continued to re-evaluate, improve and raise awareness of our OH&S practices by:

- meeting quarterly with the elected representatives of our Health and Safety Committee to discuss OH&S matters (see page 86 for more information)
- consulting with staff to develop new Health and Safety Management Arrangements
- ensuring that an overview of OH&S is included in our induction sessions
- strengthening the content and resources available on our OH&S intranet page, and
- providing personalised management for both compensation and fitness-for-duty injuries and illnesses.

During 2007–08 we undertook 124 workstation assessments compared with 412 in 2006 (a decrease of 70 per cent) and 86 staff members attended the newly introduced OH&S induction sessions. The higher number of workstation assessments in 2006–07 related to the move to our new building and to assessments conducted for the APEC Taskforce.

As required under section 68 of the *Occupational Health and Safety (Commonwealth Employment) Act 1991* (the OH&S Act), there was one notification of an accident or dangerous occurrence during the year. There were no directions or notices issued to the department under the OH&S Act (sections 29, 30, 45, 46, 47).

Table 7.7: Health and Safety Performance

	2006–07	2007–08
PROACTIVE MEASURES		
Workstation assessments	412	124
Flu vaccinations	234	220
OH&S induction session attendees	155	86
WELLBEING INDICATORS		
Staff receiving employee assistance	41	36
Bullying and harassment	0	0
INCIDENT MANAGEMENT		
Notifications of accidents and dangerous occurrences (s68 occurrences)	1	1
Directions or notices issued to PM&C under the Occupational Health and Safety Act (s29, 30, 45, 46, 47)	0	0

SPECIAL FEATURE: A SENSE OF COMMUNITY

SHAVE FOR A CURE

In the six weeks leading up to 8 March 2008, our graduate group held a number of fundraising events for the Leukaemia Foundation.

Activities included a charity movie screening and a gigantic 'bake sale' for which staff members contributed hundreds of baked items. The bake sale raised over \$1,000 thanks to the incredibly generous contribution of cakes, muffins and cookies by the staff.

There was a raffle that included 10 stunning prize packages, thanks to the generosity of local businesses. Barbeques and a casual clothes day also contributed to the fundraising effort.

The final event was the shave itself, when 17 staff members shaved or coloured their hair in the name of charity. Several members of the Senior Executive Service volunteered their scalps, and one brave woman shaved her head for \$1,600.

The event was a huge success and involved all members of staff, with over 500 people contributing to the fundraising. The event raised over \$11,142.



Amy Crawford having her head shaved to raise money for the Leukaemia Foundation



Staff participating in the Hartley Ability Cycle Challenge

HARTLEY ABILITY CYCLE CHALLENGE

Over the election weekend, 10 staff, including two support crew members, volunteered to participate in the Hartley Ability Cycle Challenge in support of Hartley Lifecare. This is the first year PM&C has participated in the event.

The Hartley Challenge raises awareness in the community of the many issues confronting people with physical and complex disabilities. Importantly, the challenge raises funds to help provide high-quality residential, recreational, respite and transitional services for both children and adults with complex needs.

Participants rode some 454 kilometres from Canberra to Mt Kosciuszko and back over three days. Despite inclement weather, our team stayed the course and comfortably made it to the 'roof of Australia'. Good bike skills and teamwork made for a relatively speedy and happy return journey from Jindabyne, through Cooma and along the Monaro highway to Canberra.

Our major corporate sponsor, NEC, generously contributed \$10,000 to support Hartley Lifecare, along with meeting the key costs associated with getting the team on the road – including providing our team uniform. We thank NEC for their support.

NATIONAL FAMILIES WEEK, 11–17 MAY 2008

Members of our staff and their families celebrated National Families Week 2008 with a colourful afternoon tea of cupcakes, fairy bread and fruit juice. Staff invited their children, partners and grandparents to attend, giving them the opportunity to see where their family members work, and tour the facilities at One National Circuit, such as the carers' room.

An art competition, with over 70 entries from staff and their families, was displayed in conjunction with the afternoon tea. Every child who participated received a certificate, and prize winners were awarded book vouchers, kindly provided by the PM&C Social Club. The children enjoyed the afternoon, and staff and their families said they appreciated the opportunity to mix work and family life.

National Families Week also saw the launch of the Family Friendly Work–Life Balance page on our intranet site, put together by Human Resources to inform staff about what the department does to encourage a healthy work–life balance.

Des Swift judging a bake sale to raise money to support the Hartley Ability Cycle Challenge team



NAIDOC WEEK, 8–15 JULY 2007

Every year, PM&C celebrates Indigenous culture during National Aborigines and Islanders Day Observance Committee (NAIDOC) Week by holding events that focus on contemporary Indigenous subjects and people. With a number of important anniversaries coinciding with NAIDOC Week in 2007, we held several special events that focused on the arts and Indigenous-inspired food.

There was a special viewing for PM&C staff of the 'Drawing together' art exhibition at the National Archives of Australia. Staff were invited to hear a presentation by the Secretary, Dr Peter Shergold, and then enjoy the artworks at their leisure.

PM&C was a Gold sponsor of the awards night for the 'Drawing together' exhibition, which took place at the National Museum of Australia. Several staff from our Reconciliation Action Plan working group attended the night to represent PM&C.

There were also on-site Indigenous film screenings followed by a buffet of traditional Indigenous food sources with a contemporary twist, such as crocodile sausage rolls.

NAIDOC Week is an important part of PM&C's special event calendar for staff. Each year we look at new ways to highlight Indigenous history and culture through our events and we encourage staff awareness through participation.

F. PURCHASING

Our procurement policies and practices reflect the principles set out in the Commonwealth Procurement Guidelines. We focus on:

- value for money
- encouraging competition
- government resources
- accountability and transparency, and
- compliance with other Australian Government policies.

Our Chief Executive's Instructions on procurement reflect these principles and the need for compliance by all staff when choosing procurement methods, sourcing potential supplies or entering into contracts. As part of these arrangements, in 2007–08 we published details of:

- publicly available business opportunities with a value of \$10,000 or more on AusTender (www.tenders.gov.au)
- actual contracts or standing offers awarded with a value of \$10,000 or more on AusTender (www.tenders.gov.au). Two contracts were exempted from publication on AusTender on the basis that it would disclose exempt matters under the *Freedom of Information Act 1982*, and
- actual contracts or standing offers with a value of \$100,000 or more on our website (www.pmc.gov.au), as required by Senate Order 192.

All major contracts for activities previously performed in-house included a requirement for contractors to allow access to their premises by the Australian National Audit Office. More information on expected procurement in 2008–09 is published in our annual procurement plan, which is available at www.tenders.gov.au. This outlines our planned procurement for the coming year, giving prospective suppliers the opportunity to plan for potential work with the department.

G. CONSULTANTS

Consultants are engaged to provide professional, independent and expert advice or services where we need specific expertise or where independent assessments or input are considered desirable. We select consultants in the same way that we procure other goods and services. Details of trends in consultancies are shown in table 7.8.

In 2007–08 we spent a total of \$743,111 on consultancies: \$215,385 on four existing consultancies and \$527,726 on 15 new consultancy contracts.

In Appendix A at the end of this chapter we have provided some basic information about consultancy contracts let during the year to a value of \$10,000 or more. For more detailed information, refer to the online version of this annual report at www.pmc.gov.au/annual_report.

More information about our expenditure on contracts and consultancies is also available on the AusTender website at www.tenders.gov.au.

Table 7.8: Trends in consultancies*

	2004–05	2005–06	2006–07	2007–08
No. of existing consultancies	5	4	11	4
No. of new consultancies	15	69	97	15
Total consultancies	20	73	108	19
Total expenditure	\$0.5m	\$3.5m	\$4.4m	\$0.7m

* Historical data is taken from the previous year's annual reports and may understate consultancy expenditures and values to some extent due to definitional changes. It also includes activity related to APEC 2007 between 2005 and 2007, and activity by the Office of the Status of Women before its transfer to the Department of Family and Community Services in 2004–05.

H. FREEDOM OF INFORMATION

The *Freedom of Information Act 1982* gives individuals the right to view documents held by Australian Government ministers and agencies, with some exceptions. Section 8 of the Act requires us to report on:

- our organisation and functions (for more information, see chapter 2)
- any arrangements for outside participation in policy formulation or administration (see chapter 2)
- the types of documents we hold (see below), and
- our freedom of information (FOI) procedures, facilities and contact details.

- copies of questions in the parliament together with related replies
- tender documents, and
- government policy statements, communiqués, guidelines and media releases.

Our annual report and selected other documents relating to PM&C are available on our website at www.pmc.gov.au.

More information about the classes of personal information we hold is available from the Office of the Privacy Commissioner at www.privacy.gov.au/government/digest.

DOCUMENTS WE HOLD

The types of documents we hold include:

- submissions to, and the official records of, the Cabinet, its committees and the Federal Executive Council
- documents of Royal Commissions and other major inquiries
- representations to the Prime Minister and Cabinet Secretary on various aspects of government activity
- working files, including departmental correspondence, analysis and advice
- internal administrative records, such as personnel files, staffing and financial records, and office procedures
- cables
- papers relating to new and amending legislation, drafting instructions and draft legislation
- briefing papers and submissions prepared for the Prime Minister, the Cabinet Secretary and the Parliamentary Secretary to the Prime Minister
- documents relating to meetings (such as agendas, minutes and reports)

HOW TO LODGE AN FOI REQUEST

If you want to view one or more documents, you must send us a request in writing—by mail, fax or email. You need to provide an address in Australia where we can send you notices under the Act, and you also need to include:

- the \$30 application fee (a cheque or money order made out to the Collector of Public Monies)
- as much detail as possible about the document(s) you want to access, and
- a phone number in case we need to clarify your request.

If your request is approved, you will be provided with either a copy of the document(s) or the opportunity to inspect them at our Canberra office. Copying charges may apply.

You can apply to the National Archives of Australia for access to records that are more than 30 years old.

Under the *Archives Act 1983*, special access may be available to:

- former Governors-General, ministers and senior officials who want to refresh their memories of records they personally dealt with while in office

- people connected to government who have placed their personal records in the custody of the National Archives of Australia, and
- people researching authorised biographies of office holders, or major works that are considered to be of national importance.

MORE INFORMATION

For more information, contact our Freedom of Information Coordinator in one of the following ways:

FOI Coordinator
Department of the Prime Minister and Cabinet
PO Box 6500
CANBERRA ACT 2600

Email	foi@pmc.gov.au
Phone	02 6271 5849
Fax	02 6271 5776

I. ADVERTISING AND MARKET RESEARCH

In accordance with section 311A of the *Commonwealth Electoral Act 1918*, this section contains information about advertising and marketing research.

All Australian Government departments and agencies subject to the *Financial Management and Accountability Act 1997* are required to place their advertising through the Central Advertising System. The Australian Government operates this system to:

- consolidate government advertising expenditure

- secure optimal media discounts and value-added benefits, and
- make sure Australian Government departments and agencies do not compete against one another for media time and space.

More information about the Central Advertising System is available at www.finance.gov.au/Advertising/index.html

In 2007–08 PM&C spent a total of \$0.27 million on the placement of advertising by HMA Blaze, the master media placement agency appointed through the Central Advertising System.

Table 7.9: Expenditure on market research and media advertising organisations in 2007–08

Firm	Service provided	Payments made in 2007–08
MARKET RESEARCH ORGANISATIONS		
N/A		
All market research organisations		\$Nil
MEDIA ADVERTISING ORGANISATIONS		
HMA Blaze Pty Ltd	Recruitment and other non-campaign advertising*	\$273,298
All media advertising organisations		\$273,298

*May include payments under \$10,500.

J. ECOLOGICALLY SUSTAINABLE DEVELOPMENT AND ENVIRONMENTAL PERFORMANCE

HELPING THE ENVIRONMENT

Our building at One National Circuit was built in accordance with the Australian building greenhouse rating scheme to have an energy rating of 4.5 stars. The achievement of 4.5 stars is on track, with the assessment for the first 16 months of occupation to commence in July 2008.

The department has adopted a 'green lease schedule' for its building, which contains mutual obligations for tenants and owners of office buildings to achieve energy-efficient targets. Under the schedule, both parties agree to an energy management plan and work jointly to review progress against the plan, monitor energy targets and address issues as they arise.

MINIMISING HARM

Measures to minimise harm to the environment were integrated into the high performance building structure of our new One National Circuit building.

We applied sustainable design principles to ensure a high energy rating throughout the building's lifecycle. The focus on premium grade services, innovative techniques and state-of-the-art technology ensures reliable systems, low outgoings and optimum energy efficiency. The building incorporates a large number of energy-saving and water-saving devices designed to reduced greenhouse emissions.

In August 2007 the then Secretary endorsed our Environmental Policy Statement and Green Commitment. Through this policy and commitment, we aim to reduce our impact on the environment and comply with relevant environmental legislation, regulations, policies and initiatives.

The policy is the driver for our Environmental Management System at One National Circuit. This system has been developed in line with International Standard for Environmental Management Systems ISO14001:2004 and is a tool for continuous improvement in its environmental management. As part of the Environmental Management System, we developed a set of programs to outline specific initiatives addressing environmental performance issues and we established an Environmental Management System Steering Group.

Our Green Commitment 2007–08 outlined the areas where we can make a difference in reducing our environmental impact in a simple, practical way on a day-to-day basis. During 2007–08 we focused on reducing the generation of waste and the consumption of energy, and on incorporating environmental better practice in our purchasing activities. The Green Commitment also aimed to increase staff awareness of environmental issues and responsibilities.

From 12–18 November 2007 we celebrated National Recycling Week with a recycling awareness display and a waste and recycling quiz. The display provided staff with practical examples of what can and cannot be recycled, both at work and at home.

Waste recycling was routinely monitored and measured on a monthly basis throughout 2007–08. On average, we consistently recycled around 95 per cent of our waste each month.

On Saturday 29 March 2008 we participated in Earth Hour, an initiative led by World Wildlife Fund Australia to raise awareness of climate change. During Earth Hour, lights were turned off along with the majority of our computers, multi-function devices, printers, office equipment and whitegoods. On the day of Earth Hour, we achieved a reduction of 15.82 per cent in electricity use.

As described under Output Group 1, the Industry, Infrastructure and Environment Division provides information, analysis and advice to the Prime Minister and the senior executive on environment policy covering the marine environment, forests, natural resource management, heritage and climate change. The division helps coordinate the implementation of the government's policies.

Measures taken to reduce the department's environmental impacts in 2007–08 included:

- configuring all printers and multi-function devices with duplex printing as the default
- commencing a virtualisation project to reduce the number of information technology servers supporting the department and consequently reducing energy usage
- developing a Go Green @ One National campaign using our intranet site, screen savers and posters to raise staff awareness of environmental issues, and their responsibilities
- introducing a recycling initiative for mobile phones
- including environmental clauses in appropriate tender documentation and recycling clauses in appropriate contracts, and
- conducting regular reviews of the operating times of lighting and air conditioning systems to achieve continued improvement in energy efficiency, particularly in the 'office, tenant, light and power' category.

We report energy consumption annually in the whole-of-government energy report (titled *Energy use in the Australian Government's operations*), highlighting progress towards achieving government targets in relation to electricity, gas and fuel consumption.

We source 10 per cent of our electricity needs from renewable sources under the whole-of-government energy supply contract managed by the Department of Defence, reducing the carbon dioxide produced in order to supply our needs.

At June 2008, 66 per cent of our pool fleet and 50 per cent of the entire vehicle fleet were rated at 10.5 per cent or better according to the Green

Vehicle Guide. The guide scores vehicles on a performance scale based on air pollution, greenhouse emissions and fuel consumption. The better the environmental performance of the vehicle, the higher the score. The Australian Government has set a target requiring 28 per cent of government fleet vehicles to have a Green Vehicle Guide score of 10.5 or more. We continue to monitor the use of E10 ethanol blended fuel in our vehicle fleet, in line with the government commitment to encourage biofuel use where possible. More than 49 per cent of the fuel we used in 2007–08 was E10.

We will continue to demonstrate our commitment to ecologically sustainable development and environmental performance through:

- developing and implementing measures to prevent and minimise pollution
- incorporating environmental better practice into all technological solutions and daily operations, including purchasing and office accommodation practices
- complying with all relevant Australian Government, state and territory environmental legislation, regulations, policies and initiatives, and any other applicable requirements
- operating in an environmentally responsible manner by reducing waste, recycling and minimising the use of energy, water and natural resources, and
- fostering an environmentally responsible culture throughout PM&C.

Our advice to the Prime Minister takes into account the impact on the environment, the community and the Budget, and includes environmental impact statements where biodiversity and ecological integrity is identified as being at risk. These concepts are particularly relevant when we provide advice on such things as the impact of climate change, water reform and alternative energy.

APPENDIX A

CONSULTANCIES LET WITH A VALUE OF \$10,000 OR MORE

Many individuals, partnerships and corporations provide services to agencies under contracts for services. However, not all contractors are consultants for the purposes of annual reporting. More information on what constitutes a consultancy is available from www.finance.gov.au/publications/fmg-series/15-guidance-on-procurement-publishing.html#appendixc

The contract price includes the goods and services tax, where appropriate. It is the original agreed contract price unless actual expenditure has gone over this price due to changes in project scope, or if no fixed price could be set. In this case, we have marked the price with an asterisk (*) and shown the actual expenditure.

The selection process nominated for each contract is consistent with the processes outlined in the Commonwealth Procurement Guidelines. Following is a brief explanation of each process:

- Open tender—a request for tender was published inviting all businesses that satisfy the conditions for participation to submit tenders.
- Select tender—a select group of potential suppliers was invited to submit tenders in line with mandatory procurement procedures.
- Direct source—a single potential supplier or suppliers were contracted in line with the conditions for direct sourcing set out in the Commonwealth Procurement Guidelines.
- Panel—an arrangement under which a number of suppliers, usually selected through a single procurement process, may each supply property or services.

The justification for the decision to use a consultancy is one of the following:

- A. Need for independent research or assessment
- B. Need for specialised or professional skills
- C. Skills currently unavailable within department.

This is the key used in the 'Justification' column in figure A.1.

Figure A.1: Consultancy services let during 2007–08

Consultant name	Description	Contract price	Selection method	Justification
OUTPUT GROUP 2 – SOCIAL POLICY				
Australian Government Solicitor	Legal advice	\$20,788	Direct source	B
Australian Institute of Family Studies	Provision of a paper on the ongoing concepts and key themes in social inclusion	\$16,500	Direct source	A
Australian Institute of Family Studies	Provision of research on balancing work and family responsibilities	\$27,500	Direct source	A
OUTPUT GROUP 3 – INTERNATIONAL AND NATIONAL SECURITY POLICY				
GHD Pty Ltd	2008 Review of national counter-terrorism arrangements	\$156,406*	Open tender	A
D Hollway	Services as a special envoy acting on behalf of the Australian Government, in consultation with Australian government departments and agencies, to advance the protection of the Kokoda Track	\$47,525*	Direct source	B
The Oakton Group	Development of an evaluation framework for the Research Support for Counter-Terrorism program	\$22,275	Direct source	B
Richard Smith AO	Services as Head of the Homeland and Border Security Review	\$90,000	Direct source	A
OUTPUT GROUP 4 – SUPPORT SERVICES FOR GOVERNMENT OPERATIONS				
Clayton Utz	Legal advice	\$18,000	Direct source	B
CORPORATE (NOT ATTRIBUTABLE TO ANY SPECIFIC OUTPUT)				
Ron McLeod	Services in connection with the conduct of the departmental diagnostic audit	\$52,800	Direct source	A
HBA Consulting	Provision of advice in relation to PM&C's workplace bargaining framework	\$19,800	Direct source	B
KPMG	Due diligence review for APEC	\$42,900	Direct source	B

* see 2nd paragraph page 113 for explanation.