

## Part 5 Managing our business

### Strategic plan

The DEEWR Strategic Plan 2008–2011 outlines the department’s vision, goals and strategies. The plan, available at [www.deewr.gov.au](http://www.deewr.gov.au), reflects the Government’s priorities for early childhood development, quality education at all levels, a skilled workforce in safe and successful workplaces and a participative and inclusive society. It also articulates DEEWR’s commitment to closing the gap for Aboriginal and Torres Strait Islander peoples, improving services in regional Australia and improving outcomes for people experiencing disadvantage.

The department is currently reviewing the plan and consulting with staff on the development of a new plan for 2012 and beyond.

### Business planning

DEEWR business plans outline the major initiatives for the year ahead and the key measures of success, including work towards the Closing the Gap targets. Plans are developed annually at the cluster and group level and are reviewed biannually. The plans align with the vision, goals and strategies in the DEEWR strategic plan. Through the business plans, the strategic plan cascades into and links with staff individual performance and development plans.

Key areas of departmental planning are integrated in the business planning process. The business plans connect:

- strategic risk assessments (including fraud, security and IT)
- mission-critical activities requiring a business continuity plan
- activities in the Reconciliation Action Plan 2009–2011
- resourcing and capability requirements.

### Governance

The Executive Meeting is the key decision-making body for the department. Membership consists of the Secretary, Associate and Deputy Secretaries and the Chief Finance Officer. In exercising its functions the Executive Meeting facilitates the department’s work across organisational boundaries to achieve corporate objectives. It promotes the core principles of good public sector governance (accountability, transparency, integrity, stewardship, efficiency, leadership and risk management).

A broader governance committee structure underpins the Executive Meeting. Those committees are organised into the following streams based on their functional roles:

- organisational stream—supports and monitors the department’s business. Committees under this stream are Accommodation; Audit; Business Management; Information Technology; and People and Leadership
- strategic linkages stream—discusses forward-looking policy and business linkages. Committees under this stream are Closing the Gap; DEEWR Implementation Steering; and Strategic Information Management and Research
- business stream—manages the department’s business and implements policy at an outcome or program level. Committees under this stream are Office of Early Childhood Education and Child Care Senior Executive Meeting; Schools Board; Tertiary, Skills and International Senior Executive Meeting; Employment Steering; and Workplace Relations and Economic Strategy Senior Executive Meeting.

Committees review their terms of reference and functional performance annually to ensure that their decisions and policies are consistent and coherent. The results of each review are provided to the Executive Meeting.

The DEEWR governance framework ensures that the department meets its requirements through transparent reporting, accountability and decision making.

## **Implementing the Government's initiatives**

Government agencies face many challenges to implementation and delivery of program and policy initiatives. Agencies need to demonstrate an open and transparent process, which requires evidence and accountability for policy and program decisions. DEEWR has a robust corporate governance structure in place to ensure that initiatives are implemented seamlessly and to a consistently high standard in accordance with government and community expectations and accountability responsibilities.

During 2010–11 the department developed additional tools for internal use, harnessing lessons learnt over several years of monitoring initiatives within the portfolio. This is in accordance with expectations that better policy outcomes are achieved through a culture of delivery that emphasises adequate consideration of challenges faced in the provision of policy advice in the initial planning phase.

One of DEEWR's key governance committees is the DEEWR Implementation Steering Committee. The committee is responsible for overseeing governance, risk and implementation strategies and ensuring that arrangements are in place to meet external reporting obligations. The committee considers and provides strategic oversight through monitoring of key government commitments.

## **Risk management**

A new risk management framework was endorsed by the department's Executive on 7 December 2010. The framework formalises DEEWR's approach to risk management in the context of a positive risk culture and promotes risk management as an integral component of business delivery, everyday practice and good governance. Supported by a corporate philosophy and culture that encourages all employees to manage risk as part of their everyday responsibilities, the enterprise-wide risk management framework commits the department to proactively identifying, treating and monitoring risks related to potential threats, harm, losses, failures and opportunities. An enterprise-wide risk information management system has also been developed to provide a central repository for DEEWR's risk plans.

The framework supports the enterprise-wide management of risks by ensuring that risk management processes are integrated across all levels of the department through fraud controls, business continuity planning, project management, procurement, finance and other business functions. Accurately identifying, treating and monitoring DEEWR's risks and opportunities at the operational and organisational level informs the Executive's management of risk at the strategic level. Enterprise-wide risk management enhances DEEWR's resilience and capacity to positively respond to a complex and changing environment.

DEEWR participates in Comcover's annual Risk Management Benchmarking Survey. The survey benchmarks the department's risk management framework and capabilities against other participating agencies as well as peer groups. In 2011 DEEWR achieved an overall risk management maturity rating of 'structured', with key achievements in risk management policy and objectives, review and evaluation and positive risk culture. DEEWR's overall score was higher than the average result of both peer group agencies and all agencies that participated.

## **Internal audit**

DEEWR's Internal Audit Group provides objective and independent assurance to the Secretary, the Executive and the DEEWR Audit Committee that the department's key controls are operating efficiently, effectively and ethically.

Through the Internal Audit Work Plan, Internal Audit assists the department to achieve its objectives by providing a systematic, disciplined approach to evaluating and improving the effectiveness and efficiency of risk and financial management, control and governance processes. The work plan is designed to promote better practice and identify potential risks that could impede the department's achievement of successful outcomes and portfolio responsibilities. Internal Audit monitors the

implementation of its recommendations and reports progress to the Audit Committee. It also monitors the progress of implementation of Australian National Audit Office (ANAO) report recommendations.

### **Audit Committee**

The Audit Committee was established in accordance with the *Financial Management and Accountability Act 1997* (FMA Act). The committee provides the Secretary with independent assurance of the appropriateness of the department's accountability and control framework. During the year, the committee met seven times, focusing on the effective and efficient use of Commonwealth resources, management of risks, financial management and compliance and program management. The committee fulfilled its role in a number of ways, including:

- monitoring the department's compliance with legislative and other obligations relating to financial management, including the FMA Act and the *Auditor-General Act 1997*
- advising the Secretary on whether the annual financial statements represent a true and fair view of the department's financial management
- approving, monitoring and reporting on the Internal Audit Work Plan
- reviewing all ANAO activity undertaken in or associated with the portfolio
- monitoring the department's compliance with legislation, regulations and government policy
- monitoring the department's fraud and risk control policy and frameworks
- improving the effectiveness of the internal audit function.

The members of the Audit Committee include an Associate Secretary and a Deputy Secretary (Chair and Deputy Chair), two group managers and two independent external members.

### **Fraud control**

As required by the *Commonwealth Fraud Control Guidelines 2011* and the FMA Act, the department has a fraud control plan in place. Management of fraud risk is part of the department's business planning process. The business planning cycle underpins the development of fraud control initiatives, as do fraud risks identified in the course of audits and program-specific compliance activity.

In 2010–11, the department promoted fraud awareness, prevention and procedures by:

- providing fraud awareness training to employees
- maintaining a suite of fraud control guidance documents for all employees
- providing advice to program and policy areas on fraud risk analysis and management
- investigating incidents of fraud in accordance with the Australian Government Investigations Standards and the guidelines.

### **Ministerial and parliamentary services**

During 2010–11, the portfolio's parliamentary workflow was affected by changes to ministerial responsibilities, an extended caretaker period and new ministers. There was a considerable reduction in the volume of ministerial correspondence (55 per cent) from 2009–10, while other areas of activity such as briefings and questions on notice remained steady (see Table 53).

**Table 53 Parliamentary workflow, 2010–11**

Responsible area	Ministerial correspondence (received)	Briefings	Question time briefs	Answers to parliamentary questions on notice (tabled)	Senate Estimates questions on notice (tabled)
Department	12 237	4168	535	38 <sup>a</sup>	815
Agencies	303	72	4	5	240
<b>Total<sup>b</sup></b>	<b>12 540</b>	<b>4240</b>	<b>539</b>	<b>43</b>	<b>1055</b>

### Service charter

The DEEWR Service Charter explains the department's service commitments and standards. It also provides the general business context within which the department's program-specific service-level agreements operate. Staff are encouraged to conduct program implementation and service delivery within the overall framework of the service charter. A link to the service charter is featured on the department's intranet and internet sites.

### Information technology management

Information technology plays a pivotal role in assisting the department to fulfil its critical policy processes and functions. The department has developed and supports a number of large-scale IT systems to underpin the delivery of critical business programs across the portfolio. These systems support client servicing, contracted service delivery and grants management, and include real-time interfaces to other Commonwealth agencies' systems, including the Schools Education Information Management System, the Employment Services System, the Higher Education Information Management System and the Training Youth Information Management System.

The department replaced the fleet of personal computers and upgraded the operating systems as part of the Desktop 2010 project to replace assets that had reached the end of their useful life and to consolidate the fleet for more efficient management. The hardware and software rollout of approximately 7000 computers across the department and its agencies commenced in July 2010 and was completed in April 2011, providing staff with an up-to-date and more reliable ICT system. The operating systems were upgraded to Windows 2007 and Office 2007.

A number of initiatives were implemented during the year, including multifunction devices with print-on-demand software, the email storage system Enterprise Vault and an increase in virtual servers. This removed approximately 2400 local printers, resulting in significant financial and environmental savings.

The department's ICT hardware assets include personal computers, multifunction devices, phones, laptops, mainframes and servers. DEEWR's network includes electronic forms, electronic file storage solutions, websites, databases and program-specific support tools. These assets are supported by infrastructure and facilities, including three data centres, an extensive data and voice network, a large mainframe, over 2000 servers, and a high-speed secure internet gateway.

### Services for other agencies

The department continues to provide ICT services to the Australian Public Service Commission, the Australian Building and Construction Commission, Safe Work Australia and the Fair Work Ombudsman. Several new agencies entered into agreements during 2010–11, including Tertiary Education Quality and Standards Agency, Australian Skills Quality Authority, IP Australia and Comcare. The services vary between agencies and involve desktop computers, network

<sup>a</sup> Five of these were provided to the Table Office before 30 June but did not appear in Hansard until after that time because parliament was not sitting.

<sup>b</sup> An estimated 2018 campaign letters were received but are not included in these figures.

communications, applications hosting, storage, investigation services and gateway. Some clients also receive telephony services and application development and maintenance services.

## **Our people**

### ***Ethical standards***

The *Public Service Act 1999*, through the APS Code of Conduct and APS Values, sets the framework for behavioural and ethical standards in the public service. These standards govern how the department does its business, particularly in regard to the behaviour of its employees and relationships with the public, government and the parliament.

### ***Hypothetical events***

DEEWR is working towards increasing staff awareness and understanding of the APS Values and how they should be implemented in the workplace. To ensure staff are engaged in ethical decision making and ethical behaviour, the department has adopted four pillars.

- Ethics—aware of the need to act ethically and in accordance with the APS Values and Code of Conduct and the importance of ethical decision making.
- Diversity—understanding the value of harnessing diversity to achieve results.
- Respect—understanding the importance of communication on the basis of mutual respect.
- Self-awareness and resilience—having a level of self-awareness and ability to find the win-win in a situation.

The department presented a series of hypothetical events based on these themes, providing staff with forums to discuss the themes in action in theoretical situations. The hypotheticals support existing initiatives in the department such as ethics awareness, diversity and wellbeing programs.

The department's values and conduct standards are incorporated into employee performance and development plans and form an integral part of the department's work and leadership behaviours.

### ***Strategic people management and people capability***

Under DEEWR's governance arrangements, the People and Leadership Committee is responsible for ensuring that the department has appropriate and effective people management strategies to enable it to meet its business goals.

A key priority for the department during 2010–11 was to support its staff through a time of significant organisational change and downsizing resulting from a reducing budget. Central to managing the downsizing process was the development of workforce and resourcing strategies in each of the business areas, which provided a means to match departmental priorities with available resources and people capability.

The DEEWR Executive endorsed a range of measures designed to support organisational agility and ensure that staff experiencing changing roles and responsibilities were supported. The department's people management policies and systems were repositioned to support internal redeployment and mobility, ensuring that the workforce was agile enough to move with changed priorities and to meet future capability requirements.

A range of new initiatives were introduced to improve communication to staff about changes in DEEWR. They included timely advice about changes, for example through the Secretary's messages and video clips. A Secretary's blog, direct telephone line and direct email to the Secretary were established, and the change management website was redesigned to provide more accessible information for managers and staff on planning for and dealing with change.

The department encourages a learning culture and over the past year has strengthened its approach to learning and development, and developing leadership capability through tailored programs. These range from onboarding to specialised leadership opportunities for Senior Executive Service and

Executive Level staff. Staff individual performance and development plans continue to be effective in identifying individual learning and development needs.

The Manager One Removed process, which allows for open, two-way communication and feedback, continues to be offered to staff.

The department commenced initial work on a human capital framework which will, when implemented, enable close alignment between human resource management strategies and organisational performance.

The department also worked closely with the Australian Public Service Commission on DEEWR's implementation of the Blueprint reforms (outlined in the report *Ahead of the game: Blueprint for the reform of Australian Government administration*), focusing on the recommendations in relation to strategic leadership, strengthening of workforce planning and other strategies to enhance people capability.

### **Recruitment**

During 2010–11, DEEWR lowered its overall staffing numbers to meet departmental budget targets. DEEWR implemented an internal recruitment and mobility strategy where the primary focus was to use internal options to fill vacancies in preference to external recruitment. This was supported by staff training and development opportunities to assist staff in making the transition between roles. DEEWR continued some external recruitment for specialised skills sets and for specific locations.

#### *Entry-level programs*

Graduate recruitment is a key entry-level program for the department to refresh its workforce. Fifty-nine graduates commenced their 12-month program of comprehensive on- and off-the-job training in February 2011, a decrease by 39 from the previous year.

The department increased its other entry-level programs from seven in 2009–10 to 41 in 2010–11. These programs included the first Indigenous Australian Graduate Development Program, and the continuation of cadets and apprentices/trainees.

Overall, the level of participation in entry-level programs in 2010–11 was similar to that of the previous year.

#### *Aboriginal and Torres Strait Islander recruitment*

The department is committed to closing the gap on Aboriginal and Torres Strait Islander disadvantage. Recruiting, retaining and developing capable and talented staff is one way that DEEWR can improve its effectiveness in achieving outcomes for Aboriginal and Torres Strait Islander peoples.

DEEWR has continued to build on its existing entry-level programs, including the administration of the successful APS-wide Indigenous Australian Government Development Program.

The Australian Government has set a target to increase Aboriginal and Torres Strait Islander employment levels to a minimum of 2.7 per cent across the public sector by 2015. At 30 June 2011, 5.2 per cent of DEEWR's staff identified as Aboriginal or Torres Strait Islander (see Table 54).

**Table 54 DEEWR ongoing and non-ongoing full-time and part-time staff self-identifying as Indigenous and non-Indigenous at 30 June 2011**

	Ongoing full-time	Ongoing part-time	Non-ongoing full-time	Non-ongoing part-time	Total
Indigenous	249	27	8	1	285
Non-Indigenous	4377	652	125	32	5186
<b>Total</b>	<b>4626</b>	<b>679</b>	<b>133</b>	<b>33</b>	<b>5471</b>

DEEWR's National Mura Kaimel – Yarrangi (MKY) Committee is the department's peak Indigenous body and an important element of DEEWR's governance structure. The committee provides advice to the department on strategies for improving Aboriginal and Torres Strait Islander employees'

recruitment, development and retention. There are also MKY committees in each state and national office which inform the National MKY Committee's agenda and help deliver local initiatives.

With the support of the MKY committee and DEEWR's Indigenous Leader over the past year, DEEWR:

- refreshed the MKY Action Plan with a focus on advising, influencing, displaying leadership and providing peer support and advocacy to improve the recruitment, retention and career development of the department's Aboriginal and Torres Strait Islander staff
- developed an Aboriginal and Torres Strait Islander Cultural Capability Development Framework for the department
- implemented a new online module in the orientation program for new staff focusing on Aboriginal and Torres Strait Islander peoples and cultures
- evaluated the implementation of the Identified Positions Policy, which showed an increase in the number of identified positions advertised in 2010–11
- regularly profiled Aboriginal and Torres Strait Islander staff at all levels through department-wide communications to highlight their achievements and contribution.

### ***Performance management systems***

DEEWR's performance management system provides a common and consistent basis for performance management where managers and employees equally commit to, and understand, their performance management responsibilities. As part of the performance management system, separate ratings are provided for key deliverables and observable work behaviours. Both ratings are given equal weight to emphasise the importance not only of what we deliver, but also how we deliver it.

### ***Workforce profile***

At 30 June 2011 the department had 5471 staff.

Tables 55, 56 and 57 give a breakdown of staffing by classification, employment status and location at 30 June 2011. The figures in brackets in the tables are DEEWR's statistics as reported in the 2009–10 annual report.

**Table 55 DEEWR staff by classification at 30 June 2011**

<b>Classification</b>	<b>Female</b>	<b>Male</b>	<b>Total</b>
Cadets	4 (3)	4 (4)	8 (7)
Apprentices/Trainees	1 (2)	0 (1)	1 (3)
Indigenous Australian Government Development Program Trainees	26 (–)	8 (–)	34 (–)
Graduates	41 (61)	18 (37)	59 (98)
APS Level 1	4 (9)	10 (7)	14 (16)
APS Level 2	12 (19)	13 (19)	25 (38)
APS Level 3	88 (147)	78 (95)	166 (242)
APS Level 4	385 (433)	172 (226)	557 (659)
APS Level 5	592 (687)	334 (379)	926 (1066)
APS Level 6	830 (866)	499 (528)	1329 (1394)
Executive Level 1	872 (919)	649 (683)	1521 (1602)
Executive Level 2	310 (345)	246 (284)	556 (629)
Government Lawyer	12 (15)	10 (11)	22 (26)
Senior Government Lawyer	29 (21)	10 (13)	39 (34)
Principal Government Lawyer	24 (21)	11 (14)	35 (35)
Public Affairs Officer	0 (1)	1 (1)	1 (2)
SES Band 1	71 (76)	60 (59)	131 (135)

Classification	Female	Male	Total
SES Band 2	25 (26)	13 (12)	38 (38)
SES Band 3 <sup>c</sup>	3 (3)	5 (5)	8 (8)
Secretary	1 (1)	0 (0)	1 (1)
<b>Total</b>	<b>3330 (3655)</b>	<b>2141 (2378)</b>	<b>5471 (6033)</b>

**Table 56 DEEWR staff by employment status at 30 June 2011**

Employment status	Female	Male	Total
<b>Ongoing</b>			
Full-time	2655 (2934)	1971 (2160)	4626 (5094)
Part-time	587 (566)	92 (99)	679 (665)
<i>Subtotal</i>	<i>3242 (3500)</i>	<i>2063 (2259)</i>	<i>5305 (5759)</i>
<b>Non-ongoing</b>			
Full-time	69 (128)	64 (107)	133 (235)
Part-time	19 (27)	14 (12)	33 (39)
<i>Subtotal</i>	<i>88 (155)</i>	<i>78 (119)</i>	<i>166 (274)</i>
<b>Total</b>	<b>3330 (3655)</b>	<b>2141 (2378)</b>	<b>5471 (6033)</b>

**Table 57 DEEWR staff by location at 30 June 2011**

Location	Female	Male	Total
New South Wales	136 (195)	95 (184)	231 (379)
Victoria	105 (129)	58 (81)	163 (210)
Queensland	154 (179)	63 (77)	217 (256)
Western Australia	85 (95)	31 (38)	116 (133)
South Australia	86 (107)	32 (46)	118 (153)
Tasmania	30 (34)	20 (22)	50 (56)
Australian Capital Territory	2663 (2829)	1818 (1895)	4481 (4724)
Northern Territory	65 (79)	19 (26)	84 (105)
Overseas	6 (8)	5 (9)	11 (17)
<b>Total</b>	<b>3330 (3655)</b>	<b>2141 (2378)</b>	<b>5471 (6033)</b>

Table 58 shows that 1020 people separated from the department in the reporting period. Of these, 807 were ongoing and 213 were non-ongoing. Of the ongoing staff separations, 284 voluntarily transferred to another agency, 217 resigned, 216 received voluntary redundancies, 15 transferred to another agency as a result of machinery of government changes, 56 retired, five were dismissed and the remainder separated for a variety of other reasons.

**Table 58 DEEWR staff separated at 30 June 2011**

Classification	Total
Cadets	5 (1)
Apprentices/Trainees	2 (0)
Graduates	2 (8)
APS Level 1	4 (4)
APS Level 2	13 (16)
APS Level 3	55 (65)
APS Level 4	164 (147)
APS Level 5	175 (169)

<sup>c</sup> In the SES Band 3 numbers there are two CEOs from the National Vet Regulator.

Classification	Total
APS Level 6	225 (176)
Executive Level 1	237 (234)
Executive Level 2	100 (90)
Government Lawyer	7 (6)
Senior Government Lawyer	5 (5)
Principal Government Lawyer	3 (6)
SES Band 1	18 (15)
SES Band 2	3 (6)
SES Band 3	2 (2)
Secretary	0 (0)
<b>Total</b>	<b>1020 (950)</b>

### **Employment agreements**

During the year, all non-SES Australian workplace agreements were terminated and staff who were formerly on those agreements were transitioned to the DEEWR Collective Agreement 2009–2011.

**Table 59 Employment agreement statistics at 30 June 2011**

Classification	Section 24(1) determinations	Collective agreement	Total
SES	167	0	167
Non-SES	0	5303	5303
<b>Total</b>	<b>167</b>	<b>5303</b>	<b>5470</b>

Note: The Secretary is not included as remuneration arrangements for departmental secretaries are set out under a separate instrument.

### **Remuneration and conditions of employment**

All non-SES DEEWR employees are covered by the DEEWR Collective Agreement 2009–2011. The agreement is due to nominally expire on 17 November 2011.

#### *Salary arrangements and non-salary benefits*

The collective agreement provides a range of modern, flexible, streamlined terms and conditions to support the balance of work and personal responsibilities, to create a positive work environment and to encourage people from diverse backgrounds to join and remain with the department. Flexible work arrangements include access to part-time work, up to eight weeks purchased leave, 14 weeks paid maternity/maternal leave which can be taken at half-pay, parental leave and studies assistance.

Tables 60 details the salary ranges under the collective agreement or section 24(1) of the *Public Service Act 1999* at 30 June 2011.

**Table 60 Salary ranges at 30 June 2011**

Classification	Salary range (\$)
APS Level 1	40 415—44 189
APS Level 2	47 468—50 583
APS Level 3	53 010—55 735
APS Level 4	57 660—64 877
APS Level 5	63 667—73 964
APS Level 6	71 576—84 681
Executive Level 1	88 015—108 842
Executive Level 2	103 571—141 578
Government Lawyer	59 272—78 710
Senior Government Lawyer	88 015—109 318

Classification	Salary range (\$)
Principal Government Lawyer	118 158—148 611
SES Band 1	127 730—204 679
SES Band 2	185 269—239 775
SES Band 3	249 135—300 015

### *Performance pay*

Four DEEWR non-SES employees at the APS Level 6 to Executive Level 2 were granted performance pay totalling \$25 500 in respect of the 2009–10 performance cycle. At 30 June 2011 all non-SES employees were covered by the DEEWR Collective Agreement 2009–2011, which does not provide access to performance pay. One DEEWR SES employee was granted performance pay in respect of the 2009–10 performance cycle. To protect the privacy of this individual, the amount is not disclosed in this report.

### ***Occupational health and safety***

In accordance with the *Occupational Health and Safety Act 1991* (OHS Act), DEEWR is committed to providing a safe and healthy work environment and has established health and safety management arrangements to support this commitment. DEEWR promotes a proactive approach to health and safety management based on effective communication and consultation, and systematic identification, assessment and control of risks.

DEEWR's health and safety management arrangements focus on implementation of measures to ensure the effective promotion and development of health, safety and welfare initiatives in the workplace. The Peak OHS Committee met regularly throughout the year to facilitate communication between management and staff on health and safety matters. With representatives from state, territory, regional and national offices, the committee provides a forum for consultation and consideration of strategic OHS issues for the department.

DEEWR's Health, Safety and Wellbeing Strategy 2010–2012 details the range of activities undertaken to support employee health, safety and wellbeing in the workplace. The strategy has a focus on early intervention, proactive and preventative injury management, promotion of healthy work practices and increasing awareness of the importance of incident reporting. Key activities during the year included a national program to actively promote the new employee assistance provider, and implementation of an online OHS onboarding program and national influenza vaccination program.

DEEWR also established the Wellbeing Officer Network, which is a new initiative that arose out of the department's innovative 'Big Ideas' approach to generating ideas. The aim of the network is to improve the effectiveness and wellbeing of DEEWR staff. The Wellbeing Officer Network is a group of DEEWR staff from national and state offices who are available to assist staff and managers in coordinating and implementing positive workplace initiatives. These include assisting and promoting staff engagement and participation, distributing information and raising awareness about health and wellbeing issues and organising team support and events.

### *Reporting*

In 2010–11, body stressing (includes muscle strains, back conditions, and tendonitis/tenosynovitis) made up the highest proportion (21 per cent) of reported OHS incidents involving injury or lost time, with falls, slips and trips making up the next highest proportion (19 per cent), as shown in Table 61. There were eight detailed investigations undertaken into reported incidents, including those involving slips, trips and falls and environmental factors.

**Table 61**      **Reported occupational health and safety incidents, by type, 2010–11**

<b>Mechanism of incident</b>	<b>Incidents (%)</b>
Body stressing	21
Falls, slips and trips	19
Hazards reported (nil injury; nil time lost)	18
Being hit by moving objects	9
Chemicals and other substances	8
Unspecified mechanism of injury	7
Biological factors	6
Vehicle accidents (includes travel to and from work)	5
Hitting objects with the body	4
Heat, electricity and other environmental factors	2
Mental stress	1

In 2010–11, Comcare was notified of 56 incidents pursuant to section 68 of the OHS Act; one improvement notice was issued under section 16 of the OHS Act by Comcare and DEEWR was involved in an Under Reporting Audit undertaken by Comcare. Recommendations made in response to the audit are being addressed.

#### *Investigations*

During the reporting period, a Comcare investigation was undertaken relating to an alleged incident of bullying and harassment in accordance with section 40 of the OHS Act and section 41 of the *Safety, Rehabilitation and Compensation Act 1988*. The investigation concluded that there was no evidence of bullying or harassment.

The department also received a Comcare Improvement Notice under section 47 of the OHS Act to undertake action in relation to the DEEWR premises in Rockhampton by 30 June 2011. The department has worked closely with Comcare and the building owner and complied with all the requirements of the improvement notice.

#### **State network**

At 30 June 2011 there were over 900 staff working in the state network offices, including around 170 Aboriginal and Torres Strait Islander staff. Through its extensive network of offices across Australia the department has a presence in 46 locations, 39 of which are regional (including Indigenous Coordination Centres managed by the Department of Families, Housing, Community Services and Indigenous Affairs) and a state office in each capital city.

DEEWR's state network is the department's primary means of delivering programs and services. It aims to provide frontline perspectives on national policy design and program implementation and evaluation. Network employees manage elements of more than 100 programs in employment, Indigenous education and employment, vocational education and training, schools, early childhood education and child care.

They connect and engage with stakeholders to facilitate place-based solutions and consider evidence that indicates where the department's policies and programs may be needed to improve regional service delivery outcomes. Examples include working with communities in remote service delivery locations to improve Aboriginal and Torres Strait Islander peoples' access to government services, including early childhood, health, housing and welfare services through a single government interface.

In 2010–11 the department established the Office of Regional Education, Skills and Jobs to improve DEEWR's regional and place-based focus. The office was established to ensure that the needs of regional Australia are considered in all DEEWR policies and programs and to achieve stronger

participation and productivity results for the 32 per cent of the population that live in regional Australia.

State-based employees have well-developed relationships with local organisations, including state government departments, industry and educational bodies, the community and the non-government sector. These alliances help DEEWR to strengthen linkages, achieve outcomes across the portfolio and drive progress towards COAG targets and other national reform priorities.

Improving outcomes for Aboriginal and Torres Strait Islander peoples is a particular emphasis, and the network plays a significant role in implementing and linking program investment and support in relation to the four key targets in the Government's Closing the Gap agenda for which DEEWR is responsible. Learn Earn Legend! is an example of how the network is impacting education, training and employment aspirations of Aboriginal and Torres Strait Islander young people. Administered by DEEWR, the Learn Earn Legend! program encourages and supports young Aboriginal and Torres Strait Islander peoples to stay at school, get a job and be a legend for themselves, their family and their community.

Another key focus is the re-engagement of young people in education and training, including projects that connect services for youth. For example, in one state DEEWR is working closely with the Department of Juvenile Justice, DEEWR Youth Connections providers and Centrelink to provide support services to juvenile justice clients who are about to be released from detention. These clients are provided with intensive case management prior to release. Vocational and personal plans to meet each individual's needs are then developed and support services are provided to transition these young people back into the mainstream.

The network enables the department to be responsive to emerging community needs. It works successfully across tiers of government and with agencies while also engaging with and providing assistance to local stakeholders in developing local solutions to unforeseen issues, such as the recent floods in Queensland, Victoria and Western Australia.

The network has an important ongoing role in ensuring that all DEEWR-related Australian Government initiatives are implemented successfully and achieve results.

## **Financial management**

### ***Financial performance***

After adjusted for depreciation and revaluations, the department reported an operating deficit for 2010–11 of \$5.6 million (0.7 per cent of departmental revenue). The deficit was lower than the deficit forecast in the 2011–12 Portfolio Budget Statements. The operating result primarily reflects the impact of costs associated with the consolidation of the department's operating leases.

The department's full departmental and administered results are shown in the audited financial statements at Part 6 of this report.

### ***Asset management***

The department's asset management policies and procedures emphasise whole-of-life asset management. The department undertook a number of processes in the reporting year to provide assurance as to the validity and valuation of the assets held. These included:

- a stocktake to confirm the location of the department's assets
- an assessment of impairment in accordance with Australian Accounting Standard 136 to ensure that the department only carries assets at a value above the recoverable amount
- a fair value assessment to ensure that the assets are recorded at their appropriate value in accordance with Australian Accounting Standards.

### ***Purchasing***

The department's procurement policies and practices are consistent with all relevant Commonwealth laws, the Commonwealth financial framework (including the Commonwealth Procurement

Guidelines) and other relevant policies. The Legal and Investigations Group provides or arranges the provision of, if necessary, specialist legal and probity advice to all areas of the department engaged in procurement. The department uses AusTender to publish its procurement activities and plans. As a result, the department's procurement activities are readily communicated and accessible to all business enterprises.

The department contributes to reconciliation in Australia through its implementation of the Indigenous Opportunities Policy and internal procurement policies aimed at increasing opportunities for businesses owned by Aboriginal and Torres Strait Islander peoples. The department works in partnership with the Australian Indigenous Minority Supplier Council in applying the policies to support participation of Aboriginal and Torres Strait Islander businesses in Australian Government procurement activities.

The DEEWR Indigenous Business Procurement Policy was implemented in January 2011. The policy requires that verified Aboriginal and Torres Strait Islander-owned businesses be considered for procurements valued between \$10 000 and \$80 000. The policy provides excellent opportunities for Aboriginal and Torres Strait Islander businesses.

### **Consultancies**

A list of consultancies used by the department in 2010–11 can be found at [www.deewr.gov.au/annualreport](http://www.deewr.gov.au/annualreport) and reflects Chart 1 in Part 1. This list provides details of consultancy contracts the department let in 2010–11 and the value of the contract over the life of the contract. In line with annual reporting requirements, contracts with a value of less than \$10 000 have not been included.

Annual reports contain information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website at [www.tenders.gov.au](http://www.tenders.gov.au).

#### *The department's policy on selecting consultants*

The department engages individuals and companies to provide professional services under contracts for service, taking into account the skills and resources required for the task, the skills available internally and the cost-effectiveness of those options. The decision to engage a consultant is made in accordance with the FMA Act and related regulations.

Consultancy services are a particular type of service delivered under a contract for services. They are distinguished from other contracts for services by the nature of the work performed. A consultant is an entity, whether an individual, a partnership or a corporation, engaged to provide professional independent and expert advice or services. Consultants are typically engaged to investigate or diagnose a defined issue or problem; carry out defined research reviews or evaluations; or provide independent advice, information or creative solutions to assist the department in management decision making.

#### *Summary of active consultancies*

During 2010–11, 291 new consultancies were entered into, involving total actual expenditure of \$16 579 445. In addition, 111 ongoing consultancy contracts were active during 2010–11, involving total actual expenditure of \$13 842 275.

### **Exempt contracts**

No contracts in excess of \$10 000 (inclusive of GST) or standing offers were exempted by the Secretary from being published on AusTender during the reporting year.

### **Discretionary grants**

Information on grants awarded by the department during the period 1 July 2010 to 30 June 2011 can be found at [www.deewr.gov.au/department/Pages/Grants.aspx](http://www.deewr.gov.au/department/Pages/Grants.aspx).

## External scrutiny and liaison

This section provides information on the most significant developments in external scrutiny for the department in 2010–11.

### ***Judicial decisions and decisions of administrative tribunals***

There were no judicial decisions or decisions of administrative tribunals that had a significant impact on the operations of the department in 2010–11.

### ***Reports on the operations of the department by the Commonwealth Ombudsman***

During the year there were two reports of relevance to the department.

#### *Talking in Language: Indigenous language interpreters and government communication (05/2011)*

This investigation reviewed the way six agencies made use of Indigenous language interpreters. The Ombudsman concluded that agencies and third-party service providers can do more to use Indigenous language interpreters when they are available. The Ombudsman made seven recommendations in the report to address the issues identified. The department has developed a strategy to promote the use of Indigenous interpreters, having regard to the recommendations. This report followed on from Report 03/2009, *Use of interpreters: Australian Federal Police, Centrelink, Department of Education, Employment and Workplace Relations and Department of Immigration and Citizenship*.

#### *Falling through the cracks—Centrelink, DEEWR and FaHCSIA: Engaging with customers with a mental illness in the social security system (13/2010)*

This investigation examined the difficulties experienced by people with a mental illness when they interact with the social security system. In particular the investigation examined the interactions of people with a mental illness with Centrelink, DEEWR and the Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA). The Ombudsman identified four key areas where procedures and policy could be further developed and made 11 recommendations to improve policy and procedures. The department has worked closely with the Department of Human Services, Centrelink and FaHCSIA to implement the recommendations and to ensure collaboration and consistency in service delivery across agencies.

### ***Reports by the Auditor-General***

During 2010–11, the ANAO tabled five reports in parliament that made recommendations relating to the department:

- Audit Report No. 8 2010–11 *Multifunctional Aboriginal Children’s Services (MACS) and Crèches*
- Audit Report No. 16 2010–11 *Centrelink’s Role in the Process of Appeal to the Social Security Appeals Tribunal and to the Administrative Appeals Tribunal*
- Audit Report No. 25 2010–11 *Administration of the Trade Training Centres in Schools Program*
- Audit Report No. 30 2010–11 *Digital Education Revolution Program—National Secondary Schools Computer Fund*
- Audit Report No. 46 2010–11 *Management of Student Visas*.

During 2010–11, the ANAO tabled one report in parliament that contained findings relating to departmental operations:

- Audit Report No. 44 2010–11 *AusAID’s Management of Tertiary Training Assistance*.

The department was also involved in the following cross-portfolio performance review conducted by the ANAO:

- Audit Report No. 7 2010–11 *Confidentiality in Government Contracts: Senate Order for Departmental and Agency Contracts (Calendar Year 2009 Compliance)*.

Details of these reports can be found at [www.anao.gov.au](http://www.anao.gov.au).

### **Parliamentary committee inquiries**

The department appeared before the Senate Standing Committee on Education, Employment and Workplace Relations for Supplementary Budget Estimates—20 and 21 October 2010; Additional Budget Estimates—23 and 24 February 2011; and Budget Estimates—30 May to 2 June 2011.

The department also made appearances before, or submissions to, a number of parliamentary committee inquiries during the year, as shown below. Details of the inquiries can be found on the Parliament of Australia website at [www.aph.gov.au](http://www.aph.gov.au).

**Table 62 Appearances before, and submissions to, parliamentary committee inquiries**

<b>Committee</b>	<b>Inquiries, submissions and appearances</b>
House of Representatives Standing Committee on Economics	Inquiry into Indigenous economic development in Queensland and review of the Wild Rivers (Environmental Management) Bill 2010
House of Representatives Standing Committee on Education and Employment	Inquiry into school libraries and teacher librarians in Australian schools Inquiry into mental health and workforce participation Inquiry into the Social Security Legislation Amendment (Job Seeker Compliance) Bill 2011 Inquiry into the Higher Education Legislation Amendment (Student Services and Amenities) Bill 2010
House of Representatives Standing Committee on Health and Ageing	Inquiry into early intervention programs aimed at preventing youth suicide
House of Representatives Standing Committee on Infrastructure and Communications	The role and potential to the education sector of the National Broadband Network
House Standing Committee on Infrastructure and Communications	Inquiry into the Navigation Amendment Bill 2011
Joint Select Committee on Cyber-Safety	Inquiry into cyber-safety
Joint Standing Committee on Foreign Affairs, Defence and Trade	Inquiry into Australia's relationships with the countries of Africa
Joint Standing Committee on Treaties	Recommend ratification of Protocol of 2002 to the Occupational Safety and Health Convention, 1981 Recommend ratification of ILO Convention 162, Asbestos, 1986 Recommend ratification of ILO Part-Time Work Convention, 1994 (C175) Recommend ratification of Maritime Labour Convention, 2006 (No. 186)
Parliamentary Joint Standing Committee On Migration	Inquiry into multiculturalism in Australia
Senate Community Affairs References Committee	Inquiry into hearing health in Australia Public hearing on the Family Assistance and Other Legislation Amendment Bill 2011

Committee	Inquiries, submissions and appearances
Senate Education, Employment and Workplace Relations Legislation Committee	<p>Inquiry into the Tertiary Education Quality and Standards Agency Bill 2011 and the Tertiary Education Quality and Standards Agency (Consequential Amendments and Transitional Provisions) Bill 2011</p> <p>National Vocational Education and Training Regulator Bill 2010 [2011], National Vocational Education and Training Regulator (Transitional Provisions) Bill 2010 [2011] and National Vocational Education and Training Regulator (Consequential Amendments) Bill 2011</p>
Senate Education, Employment and Workplace Relations References Committee	<p>Inquiry into the Primary Schools for the 21st Century program</p> <p>Inquiry into Industry Skills Councils</p> <p>Inquiry into administration and reporting on NAPLAN testing</p>
Senate Standing Committee on Education, Employment and Workplace Relations	Inquiry into the Social Security Amendment (Income Support for Regional Students) Bill 2010
Senate Standing Committee on Legal and Constitutional Affairs	Inquiry into the Migration Amendment (Visa Capping) Bill 2010
Standing Committee on Petitions	Petition on the recognition of Easter Sunday as a public holiday