

Management and accountability

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Part 3: Management and accountability

Highlights for 2006–07

- The department's online recruitment system has undergone various upgrades to improve recruitment processes and procedures.
- The department's Graduate Programme continued to expand: 224 graduates were engaged in 2006–07.
- The financial statements were completed on 18 July 2006, well within the 15 August 2006 deadline set by the Department of Finance and Administration.
- The data services tender will result in significant financial savings as well as provide increased bandwidth and performance for the department's IT facilities.
- The department took on 19 apprentices—six with the Employment Systems Group and 13 with the IT Services Group.
- The department was one of the first Australian government agencies to upgrade successfully to the latest versions of SAP software.
- The IT Services Group acquired and introduced IT facilities and developed numerous applications to underpin the Australian Government's WorkChoices and Welfare to Work initiatives.

Corporate governance

Management Board is the department's peak decision-making body; it has five subcommittees and meets weekly. At 30 June 2007 its membership was as follows:

- Peter Boxall—Secretary (Chair)
- Malisa Golightly—Deputy Secretary, Employment
- Finn Pratt—Deputy Secretary, Workplace Relations
- Graham Carters—Deputy Secretary, Workforce Participation
- Vanessa Graham—Chief Financial Officer
- Michelle Baxter—General Manager, Corporate
- Robyn Kingston—General Manager, State Office Network
- Jeremy O'Sullivan—General Counsel (observer).

The board's role is to provide active and visible strategic leadership to the department. It is responsible for setting overall directions and ensuring that the department's structure, culture and resources are aligned to meet the Government's priorities and agreed outcomes and outputs. To achieve this, the board:

- formulates and communicates the strategic directions and priorities for policy, programme management, service delivery and performance
- allocates resources and plans capabilities to meet the department's current and future priorities
- sponsors good governance designed to promote high standards of professional and ethical conduct, financial accountability, and prudent management of risk
- upholds, demonstrates and promotes the Australian Public Service Values and Code of Conduct, as well as departmental values
- generates a workplace environment marked by practical commitment to developing and harnessing people's diverse skills, open communication, and high levels of collaboration.

As the Chief Executive Officer, the Secretary is responsible for overall leadership of the department and for shaping its future. He determines priorities and resource allocation for delivering organisational performance and leading important initiatives.

The Secretary is accountable to the portfolio Ministers for the management and sound governance of the department and for advising and helping the Ministers fulfil their obligations to Parliament. He upholds and promotes the Australian Public Service Values and Code of Conduct and performs his duties as Chief Executive Officer in accordance with the *Financial Management and Accountability Act 1997*. He is also responsible for managing the relationship with portfolio agency heads and for setting portfolio priority and coordination matters.

The Deputy Secretaries:

- coordinate effective delivery of each of the department's three outcomes and ensure that a strategic approach is taken across the different areas that contribute to those outcomes
- oversee and guide the groups and officers within their areas of responsibility
- communicate Management Board's expectations to groups and officers, help shape strategic advice, and report to the board on developments
- champion effective corporate leadership and management, focusing on particular facets of resource management
- provide support to the Secretary as required.

The Deputy Secretaries are also group managers' primary contact point for personnel, resource and management concerns that need to be raised with Management Board.

The Chief Financial Officer:

- provides to key stakeholders strategic direction and advice on optimal use of financial resources to meet the department's goals
- provides value-added financial information that supports decision making
- takes responsibility for the department's financial management framework, financial planning, monitoring, reporting, business systems and record keeping, to increase the consistency, accuracy and reliability of information
- ensure that the department meets its financial management, legislative, budget and reporting obligations.

The General Manager, Corporate, ensures an integrated approach to corporate matters, formulates the department's corporate strategy, and provides support services across the department.

The General Manager, State Office Network, is responsible for strategic management of the state and territory offices.

Management Board subcommittees

CHART 3.1

Management Board subcommittees

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|---|---|
| <p>Management Board</p> | <p>Peter Boxall (Chair) Malisa Golightly Finn Pratt Graham Carters Vanessa Graham Michelle Baxter Robyn Kingston Jeremy O’Sullivan (observer)</p> |
| <p>Audit Subcommittee This committee provides independent assurance to the Secretary and Management Board on the appropriateness of the department’s accountability and control framework, particularly those aspects that relate to the proper use of Commonwealth resources, management of risks, fraud control and the audit framework.</p> | <p>Michael Manthorpe (Chair) Vanessa Graham Louise McSorley Alison Durbin Brenda Parkes Adam Awty (External Member) Christine Leary (Secretariat)</p> |
| <p>Ethics Subcommittee This committee acts as a reference committee for high-level ethical issues facing the department.</p> | <p>Graham Carters (Chair) Stephanie Bennett Jo Caldwell Shirley Douglas Bernard O’Donnell Bob Bennett (Secretariat)</p> |
| <p>People and Leadership Subcommittee This committee provides advice to Management Board and Corporate Group on the strategic direction for people management, leadership development and workforce capability in the department.</p> | <p>Jeremy O’Sullivan (Chair) Finn Pratt Michael Maynard Barry Sandison Von Harrington Ivan Neville Joan ten Brummelaar Mark Webb Kristina Hopkins (Secretariat)</p> |
| <p>Remuneration Subcommittee This committee is responsible for the overall parameters for remuneration in the department including, but not limited to, AWAs and the certified agreement.</p> | <p>Peter Boxall (Chair) Malisa Golightly Finn Pratt Graham Carters Michelle Baxter Vanessa Graham John Burston Robyn Kingston Kristina Hopkins (Secretariat)</p> |
| <p>IT Subcommittee This committee oversees strategic issues relating to information and communication technology, promotes and builds staff capabilities to effectively use ICT in improving business performance and coordinates and monitors annual ICT work programme.</p> | <p>Malisa Golightly (Chair) John Burston Vanessa Graham Bruce Whittingham Aloka Sinha George Brenan Christine Leary (Audit observer) Peter Hurditch (Secretariat)</p> |

The Service Charter

The department's Service Charter explains the services and standards of service that people who deal with the department can expect to receive and provides details of contact points for specialist areas in the department and how to offer feedback to help the department improve its services. The Service Charter is reviewed regularly and is available online <www.dewr.gov.au/dewr/aboutus/dewrservicecharter.htm>.

People

The department's people and leadership priorities are as follows:

- Attract, retain and develop skilled, highly performing people.
 - Plan to use workforce characteristics and specific role requirements in selection processes for vacant positions.
- Build an adaptable, flexible and sustainable workforce through enhanced workforce planning processes.
 - Plan to have the right people with the right skills in the right place at the right time.
- Develop high-quality leaders who challenge and inspire staff.
 - Build leadership capability to meet current and future business needs and promote a positive attendance culture.
- Maximise the potential of the department's workforce by implementing best-practice processes across all levels of work.
 - Underpin people practices with strategic processes that are aligned to future organisational priorities.
- Provide remuneration and employment conditions that ensure choice and flexibility for employees and to meet the department's business needs.
 - Apply remuneration and employment processes in a timely and equitable manner.
- Ensure the sustainability of the department's workforce by maintaining a safe, secure and challenging work environment that values efforts and a diversity of people and recognises achievement.
 - Provide suitable working conditions and business support processes that are closely aligned with organisational outcomes and reward individual effort.

Human resources initiatives

In 2006–07 the Human Resources Branch embarked on a number of initiatives to improve the management of the department's most valuable resource—its people—and to increase the effectiveness of the HR function in helping managers retain and develop their people. These initiatives fall into five categories:

- personnel and administrative efficiencies

- The Human Resources Branch continues to meet the increased demand for HR services resulting from the increased size of the portfolio. The personnel function continues to provide administrative support to portfolio agencies such as the Office of Workplace Services, the Australian Fair Pay Commission, the Australian Building and Construction Commission, and the Office of the Employment Advocate.
- Internal policy and processes are subject to continuing review to ensure that the department continues to meet the requirements of the *Workplace Relations Act 1996* and subsequent amendments through the workplace relations reforms.
- recruitment
 - The department continues to review its comprehensive recruitment strategy to ensure that it has well-defined and streamlined recruitment practices, processes and systems and that it is correctly positioned in the market. A range of strategies and initiatives have been adopted to redress recruitment difficulties and to increase the department's employer presence in the market.
 - The department's online recruitment system has undergone various upgrades to improve recruitment processes and procedures.
- workplace diversity
 - The Workplace Diversity Strategy continues to be implemented.
 - The Indigenous Australian Recruitment and Career Development Strategy 2005–2007 continues to provide opportunities for increased participation in the Indigenous Australian Contract Management Traineeship Programme.
- learning and development
 - Targeted leadership and management development programmes such as Executive Leadership, Middle Management, Supervision Skills and Executive Level Forums continue to be provided.
- workforce planning
 - There was ongoing monitoring and review of important HR metrics with Management Board and the People and Leadership Subcommittee. These metrics include voluntary separation, unscheduled absence, investment in learning and development, and the number of responses per recruitment activity.

Employment arrangements

The Certified Agreement

The department's Certified Agreement 2005–2008 was certified under s. 170LJ of the *Workplace Relations Act 1996* on 17 November 2005.

Australian Workplace Agreements

All engagements to the department are made on the condition that the employee enters into an Australian Workplace Agreement. Current APS employees who transfer to the department and do not wish to enter into an AWA are covered by the Certified Agreement.

AWAs were first offered to all staff in 2002, and their uptake continues to increase. At 30 June 2007 there were 3004 employees with AWAs—88 per cent of all staff. This compares with 2909 staff at 30 June 2006, which represented 81 per cent of all staff.

AWAs continue to provide opportunities for employees to individually tailor a remuneration and employment conditions package that is flexible and consistent with the value the department attaches to the employee's skills, knowledge and other attributes. Meaningful performance bonuses are available when an employee has met performance standards, as described in the department's Performance Agreement Scheme. The scheme and the AWA process are managed using a sophisticated online system.

Capability development

Leadership programmes

Through targeted leadership development programmes, the department continues to focus on the development of leadership and managerial capabilities. There are three centrally managed programmes designed to develop the leadership and management capabilities of departmental employees. The purpose of the programmes is to provide techniques that can be applied in the workplace to improve participants' understanding of the context in which they work. The programmes are as follows:

- *The Middle Management Leadership Development Programme.* This programme provides an opportunity for staff at the APS6 and EL1 levels to increase their leadership and management skills.
- *The Executive Leadership Programme.* This programme is designed for staff who have demonstrated their potential in senior roles in the department and is targeted at APS6 to SES Band 1 employees. Participants undertake a one-year intensive programme of workshops and coaching in areas such as:
 - strategic matters
 - performance management
 - governance
 - leadership and teamwork
 - talent management
 - work and life balance.
- *Supervision Skills Training.* This programme, which is designed for new supervisors, teaches participants techniques for promoting a better understanding of the roles and responsibilities associated with managing a team. The aim is to develop the skills and capabilities required of an effective supervisor.

The department also continues to participate in various private and publicly run initiatives, among them the Australian and New Zealand School of Government's Executive Masters in Public Administration and Executive Fellows Programme and the Australian Public Service Commission's Career Development Assessment Centres.

Staffing profile

Appendix 6 provides details of the department's staffing profile.

Workforce planning

Following the introduction of improved tools for measuring all aspects of the department's workforce, the Human Resources Branch has continued to provide accurate and timely workforce metrics to help managers with planning and decision making. Managers have access to various reporting tools that provide current and trend data on several key performance indicators. For example, rates of unscheduled absenteeism in the department have been monitored.

The link between business planning and workforce planning continues to strengthen and will be further strengthened during the coming year with the development of a comprehensive workforce planning framework. Workforce planning is now a crucial element of the department's business planning process for determining the available resources, capability levels, and any shortfall between current skills and those required to meet the department's needs. Advanced workforce analytics has been used to determine the recruitment requirements for the department and the Graduate Programme. A direct link between individual performance agreements and business plans has also been included in the planning process.

Attraction and retention

Recruitment

There is a continuing need to attract and retain high-quality people to meet the increase in the breadth and depth of capabilities required by the department. A number of business process improvements have been implemented in order to achieve better client service and to secure greater compliance with legislative requirements.

During 2006–07 the department also continued to provide comprehensive orientation processes to facilitate the transition of new employees, including face-to-face sessions and online resources.

Graduate recruitment and the Graduate Programme

The Graduate Programme is an important component of the department's recruitment strategy, meeting a large portion of the department's human resources requirements. The 2007 programme runs for 10 months—one 20-week placement followed by a 22-week placement or two 11-week placements. In all, 224 graduates were engaged in 2006–07.

The department provides opportunities for graduates in a diverse range of careers and work opportunities:

- legislation development
- policy development, advice and implementation
- programme management
- tender and contract management
- regulatory compliance
- direct client service

- information technology
- organisational communication
- leadership and management.

The average retention rate for the 2004, 2005 and 2006 graduate intake has been about 59 per cent.

The department continues to participate in the Association for International Exchange of Students in Economics and Commerce, hosting international graduates from Brazil, Turkey and the Netherlands.

Workplace diversity

The Workplace Diversity Strategy

The department acknowledges differences in the workforce and adapts work practices to create an inclusive environment in which diverse skills, perspectives and backgrounds are valued.

Underpinning the department's Workplace Diversity Strategy 2005–2007 is an implementation plan outlining various initiatives, responsibilities and outcomes. The strategy sets standards for performance and accountability to meet its objective of having a productive and supportive workforce by providing a safe workplace, modelling shared behaviours, and offering equal opportunities for all employees.

A disability strategy: future opportunities

The department is further developing a range of initiatives to assist with the development and implementation of its Disability Action Plan. Among them are the following:

- encouraging a culture that values diversity and promotes the employment of people with disability
- providing premises and workplaces that are accessible and work environments that are supportive
- using Disability WORKS Australia to assist in the recruitment of graduates with disability.

The equity and diversity network

The department's equity and diversity officer network continues to provide a valued service to employees and managers in the department, assisting with dissemination of information and identification and support in relation to a wide range of workplace concerns, including workplace harassment, equity and diversity.

Employee forums

In 2006–07 the department continued to support the Women's Forum, the Indigenous Staff Network and the Graduate Network.

The Women's Forum offers networking opportunities and an informal mechanism for discussing matters of concern to women in the department. It also provides input into corporate activities, policies and proposals that affect women in the department.

The Indigenous Staff Network offers an informal opportunity for Indigenous staff in the department to discuss matters and policies that directly and indirectly affect Indigenous staff both within and outside the department and, where appropriate, provide information and advice to management.

Both the Women's Forum and the Indigenous Staff Network are expected to build on their success in 2007–08.

As noted, the purpose of the Graduate Network is to help graduates with the transition to their new professional and personal lives. Knowledge and experiences are shared, so that all graduates gain as much as possible from their graduate year.

The Indigenous Australian Recruitment and Career Development Strategy

The Indigenous Australian Recruitment and Career Development Strategy 2005–2007 continues to serve as an important initiative in achieving the department's objectives of attracting and retaining Indigenous Australians and improving their employment and career opportunities.

During 2006–07, the following notable accomplishments can be attributed to the strategy:

- Eighty per cent of eligible Indigenous Australian Contract Management Traineeship Programme participants recruited during 2005–06 successfully completed the programme in April 2007.
- There was continued support for and participation in Australian Public Service Commission Indigenous Recruitment and Development initiatives such as the Indigenous Entry Level Recruitment Programme, the Public Calling Campaign and the Horizons–APS Indigenous Mobility Scholarship.

The National Aboriginal and Islander Day Observance Committee

In 2006–07 the department again provided support for numerous NAIDOC Week activities held and attended by departmental staff nationwide. One such activity is the NAIDOC Week Awards, which recognise individuals and organisations that have achieved excellence in improving employment outcomes for Indigenous Australians. In 2006–07 awards were presented in the following categories:

- implementation of Indigenous employment policy by staff—the recipient was Mr John McNamara
- innovation in the provision of services to the department's Indigenous Australian clients—the recipient was Buderoo Ltd
- employers or service providers who made a significant contribution to Indigenous employment—the recipient was Alliance Network International.

Employee support

The Employee Assistance Programme

IPS Worldwide Pty Ltd is the provider of the Employee Assistance Programme in the department. Assistance is available to all departmental employees and their immediate

families with personal or work-related problems that might be affecting their work or life. IPS Worldwide's professionals have many years of experience and are available nationally to help employees clarify and/or resolve problems.

In 2006–07 use of the programme in the department remained relatively constant.

The programme is recognised as a valuable resource for managing personal and workplace difficulties.

Family rooms

The department provides family rooms for employees, so that there is a quiet, comfortable environment available for a variety of uses, such as the following:

- for people to perform aspects of their normal work while caring for a family member for whom care is temporarily unavailable
- a facility for nursing mothers
- a multi-faith prayer room.

Work|Life Links

The Work|Life Links service is provided by an organisation called Families At Work and aims to help employees find up-to-date information on a wide range of subjects, such as:

- childcare
- care of elderly people
- relocation information
- care of pets
- pregnancy and baby advice
- lifestyle and recreation programmes.

The department recognises the importance of providing flexibility, resources and support to employees handling the increasing demands of work–life balance, and the Work|Life Links service is designed to assist in this regard.

Work|Life Links also works in conjunction with the department's Employee Assistance Programme provider, IPS Worldwide Pty Ltd, where appropriate.

Occupational health and safety

The department attaches high priority to the wellbeing of its employees and aims to continually improve work practices and foster attitudes that sustain healthy and safe work environments.

To achieve this, an OHS/Rehabilitation Strategy and Plan have been developed to:

- maximise the department's OHS-related activities
- outline to stakeholders their responsibilities
- outline to employees and their families their responsibilities
- improve the environment in which people work.

Health and safety management arrangements

On 23 October 2006 the amended *Occupational Health and Safety (Commonwealth Employment) Act 1991* received royal assent. The Act introduced a number of changes that affect workplace health and safety arrangements. Further, amendments to s. 16 of the Act require the development of health and safety management arrangements. The amendments also seek to improve the consultation process between employers and employees. They do not eliminate the role of unions in the consultation process, but they do offer employees a wider choice in how they can be represented in consultations with their employers.

The department has developed a Health and Safety Management Arrangements Action Plan, outlining its future direction in OHS.

Organisational arrangements

To facilitate implementation of the provisions of the *Occupational Health and Safety (Commonwealth Employment) Act 1991*, management will ensure that designated work groups, as agreed between management and unions, are established and that health and safety representatives and designated workplace supervisors are nominated and their roles maintained. The department has 50 elected health and safety representatives in the national and state and territory offices.

Health and safety committees

To facilitate communication between management and employees on health and safety matters, there is a joint union–employee–management committee, with state and territory representation. The National Health and Safety Subcommittee is a subcommittee of the Staff Consultative Forum and convenes quarterly. It represents the collective interests of the employer, employees, contractors and visitors and is considered the primary consultation mechanism for OHS in the department. All business decisions are referred to the Staff Consultative Forum for endorsement and/or acknowledgment.

Occupational health and safety performance and initiatives

The department remains committed to the following Comcare targets:

- a reduction in workplace injuries
- no fatalities
- a reduction in the average weeks lost due to injury or illness
- a reduction in the average weeks taken for return-to-work activity to begin.

The main OHS initiatives were:

- online training
- the *Fit for Work* video, to provide to staff information about workstation arrangements
- Health Week in October 2006
- an annual flu immunisation programme
- pandemic planning.

Reporting

Under s. 68 of the *Occupational Health and Safety (Commonwealth Employment) Act 1991* the department had six reportable incidents during 2006–07.

Compensation and rehabilitation

The department is committed to fair, compassionate and efficient management of rehabilitation and compensation services for employees who are injured or become ill at work. It acknowledges its moral and legal obligations in relation to rehabilitation of employees following work-related injury or illness. There is a systematic approach to managing workplace rehabilitation, and the department will continue its management of both compensable and non-compensable injuries.

The department ensures that:

- rehabilitation is available following injury or illness for managing a timely and safe return to productive employment at the earliest opportunity
- an individualised return-to-work plan is developed in consultation with the employee, their supervisor, relevant health professionals and rehabilitation support personnel
- supervisors and senior managers participate in and support the rehabilitation process.

The department's successful rehabilitation model has been entered in the 2007 Safety, Rehabilitation and Compensation Commission Awards, in the category Rehabilitation and Return to Work. The submission focuses on the department's Influencing through Leadership model and links the department's strong injury management and workers' compensation performance to the involvement and support of senior managers in the rehabilitation and return-to-work process.

Internal communications

The department's primary channel for delivering messages to employees is its intranet. Whole-of-department information continued to be delivered via the intranet, through the revised intranet home page design, which features three illustrated top news stories and other news and announcements in national and state and territory categories, a departmental calendar, and the online staff magazine *DEWR Life*. Additionally, departmental employees were kept informed of developments in the workplace relations legislation, Senior Executive Service appointments, the new media monitoring services, the national office relocation project and emergencies through intranet notices and topic pages.

Internal communications were improved during 2006–07 by collaboration through department-wide committees and the promotion of collaborative workspaces on the intranet:

- The Communication Steering Committee was a forum for the department's communications areas to discuss and agree on matters of common interest. The committee has been superseded by the formation of the Communications Group.

- The Web Working Group is a forum for business and technical owners of the department's websites to meet and discuss standards and priorities, web usability and accessibility. This has resulted in a comprehensive listing of sites, with priorities established for their redevelopment and improvement.
- The Communication Liaison Officers' network meets through a fortnightly teleconference and joins state and territory and national office communication employees and many guest presenters to ensure that the state and territory offices share up-to-date information. This results in more timely news stories for departmental publications, the Ministers' Offices and the intranet.

Outlook for 2007–08: People

In keeping with the People and Leadership Statement, the department will continue to develop its leaders and its workforce. It is committed to building a high-performing organisation through investing in people, rewarding good performance, and aligning human resources strategies with the organisational direction.

The Human Resources Branch will continue to meet the increased demand for services by providing sustained, high-quality support to the department and portfolio agencies. The coming year will require the branch to focus on and develop initiatives in areas that increase the department's employer presence in the market. Those initiatives relate to strategy, service delivery and service promotion:

- *Strategic initiatives.* Continue to align the HR strategic direction with the department's business needs through
 - implementation of early intervention strategies
 - working with Management Board and its subcommittees—in particular, the People and Leadership Subcommittee
- *Service delivery initiatives.* Enhance HR's business focus through
 - improving customer service
 - consistency
 - creating efficiencies and targeting resources
 - simplification/automation of HR practices and guides
 - compliance
- *Service promotion initiatives.* Increase the department's understanding of the Human Resources Branch's activities and strategies by
 - working with senior managers
 - marketing the branch as a key business partner
 - creating networks.

Internal controls

Internal audit

The 2006–07 Annual Audit Work Plan continued to help the department achieve its objectives by providing a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control and governance processes. The Annual Audit Work Plan was designed to identify potential events that could impede the department’s achievement of successful outcomes and portfolio responsibilities.

The Audit Subcommittee met seven times during 2006–07 and provided to Management Board an independent assurance of the appropriateness of the department’s accountability and control framework. A particular focus was the proper use of Commonwealth resources, management of risks, and employment service programme key controls. The subcommittee fulfilled its role in a number of ways:

- monitoring compliance with legislative and other obligations relating to financial management—including the *Financial Management and Accountability Act 1997* 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 Annual Audit Work Plan
- reviewing all Australian National Audit Office and Office of Evaluation and Audit (Indigenous Programmes) activity undertaken in or associated with the portfolio
- monitoring the department’s compliance with legislation, regulations and government policy
- monitoring the department’s fraud control policy
- improving the effectiveness of the internal audit function.

The 2006–07 Annual Audit Work Plan included reviews of information technology, contract management arrangements, procurement, and financial management. The following activities were reviewed:

- contract management—reviewing the effectiveness of the National Contract Management Framework for employment services
- travel card procedures—reviewing compliance with relevant guidelines and providing assurance of the accuracy and completeness of supporting information
- systems under development—ongoing assessment of various projects being developed
- assessment of the effectiveness of system controls—with an emphasis on payment controls
- information technology—reviewing server operations, security controls and IT security governance and performing gateway penetration testing
- implementation of Australian National Audit Office report recommendations—reviewing the progress of implementation.

Risk management

Management of risk in the department is an organisation-wide responsibility, and all staff have input into the risk planning process. The department includes risk management in all decision making, including policy development and advice, programme delivery, contract management, and the provision of enabling services. This approach ensures the championing of risk management across all areas. Continuous improvement in and increasing familiarity with risk management concepts throughout the organisation ensure that staff comply with the department's Chief Executive Instruction that 'prudent risk management is to be a commonplace and continuing activity across the department'.

The department's purpose-designed risk management information systems—RiskWatch and the National Contract Management Framework's Risk Management Module—help staff manage risks successfully and ensure that all programme risks are fully integrated into the department's risk management framework.

Priority is given to ensuring that staff have the necessary knowledge and skills to manage this process, and training packages in 'Managing Risk through Data' and 'Accountability through Financial Analysis' were developed and delivered during the reporting year. Work is currently under way on training packages on the Risk Management Module, as well as on the process of assessing and treating risk.

The department's record of innovative risk management continues to be recognised: the department received an honourable mention in Comcover's Awards for Excellence in Risk Management 2006, in the 'Excellence in Risk Initiative' category. The department also participated in Comcover's Risk Management Benchmarking 2007 and received an advanced performance rating.

Business continuity management at work: the Canberra hailstorm

'Business continuity' refers to the management of recovery processes in the event of a major business disruption. The business continuity framework is a combination of policy, strategy and departmental plans, all of which provide clear roles, responsibilities, roadmaps and checklists for the recovery teams.

Business continuity management was tested in February 2007, when essential business services were disrupted by a severe hailstorm in Canberra. The department's national office buildings were extensively damaged. Large hailstones blocked the drains, causing flooding, collapsing ceilings and interior waterlogging. Five buildings were affected that evening, and by midnight the initial phase of the business continuity plan had been activated. The conference room at Brindabella Park became the headquarters for the command team. Staff unable to work in their offices the following day were relocated to temporary buildings, and in the interim many staff worked from home. The buildings that were damaged needed substantial renovation, and this took several months.

The ability of the command team to convene quickly and follow due process in order to re-establish critical services is testament to the department's sound business continuity planning and management.

Fraud control

In accordance with the Commonwealth Fraud Control Guidelines 2002 and the *Financial Management and Accountability Act 1997*, the department has a fraud control plan covering the period 1 July 2005 to 30 June 2007. Management of fraud risk is integrated into the department's annual business planning cycle, and the development of fraud control initiatives is informed by the yearly fraud risk assessments undertaken by groups and state and territory offices.

During 2006–07 investigations of allegations of fraud against the department—other than investigations of fraud in relation to income support programmes, for which Centrelink undertakes investigations on the department's behalf—were carried out by the trained and accredited departmental investigators in the Investigations Branch.

All investigations were conducted in accordance with the Commonwealth Fraud Control Guidelines and the Australian Government Investigation Standards and were carried out independently of the groups in the department that are responsible for the policy and the day-to-day management of departmental programmes and contracts.

The department also promoted fraud prevention activities and procedures among employees through, for example, the following:

- providing ethics and fraud awareness training to contract management and other staff
- providing specialist training and ongoing professional development for all staff involved in investigations
- publishing the *Practical Guide to Fraud Control*
- providing to programme and policy areas advice on fraud risk analysis and management.

Ethical standards

The Ethics Subcommittee of Management Board seeks to promote the highest ethical standards in the formulation of the department's policies and in programme and service delivery. The subcommittee is a forum for discussing important ethical matters and provides a focal point for advancing the aspirations expressed in the Australian Public Service Values and Code of Conduct. The subcommittee routinely monitors the department's internal and external investigations into alleged fraud and Code of Conduct violations and the progress of any related court proceedings.

During 2006–07 the subcommittee reported on use of departmental information by staff and contractors. It advised that the department had been vigilant in preventing and detecting breaches of privacy and the misuse of confidential information. No endemic problems with workplace culture or with existing practices and procedures for handling sensitive information were identified. The subcommittee did, however, suggest several ways of improving the current safeguards and raising awareness of potential problems. Its recommendations were adopted by Management Board and are being implemented throughout the department.

The subcommittee also considered and advised on a number of specific matters where possible conflicts of interest or perceived conflicts might arise.

Financial management

Financial performance

The department continued its strong financial performance in 2006–07, a significant achievement given the continuing implementation of the Welfare to Work and workplace relations reform initiatives.

From a financial perspective, the main outcomes achieved during the year are as follows:

- reforms to Indigenous employment services across Australia, replacing the Community Development Employment Projects programme in urban and major regional locations with a job brokerage service, as announced in February 2007
- continuation of the Employer Advisor Programme
- extension of the removal of remote area exemptions
- introduction of the Fairness Test announced in May 2007, including assistance to allow the Workplace Authority to begin operations on 1 July 2007.

The financial statements were completed on 18 July 2006, well within the 15 August deadline set by the Department of Finance and Administration.

Development of the Business Warehouse tool—designed to facilitate compliance with government budgeting and reporting requirements—continued, and external and internal budgeting functionality was largely implemented and available for use during 2006–07.

Asset management

The department's asset management policies and procedures emphasise whole-of-life asset management. The department undertook a number of processes in 2006–07 providing assurance as to the validity and valuation of the assets held, these included:

- a stocktake to confirm the location of assets
- an assessment of impairment in accordance with AASB 136 Impairment of Assets ensuring 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 the Accounting Standards.

Competitive tendering and contracting

The department is required to comply with the Senate Order on Contracts, which requires that a list of contracts to the value of \$100 000 or more be placed on the internet, and to disclose information on all contracts over \$10 000 in AusTender.

Information on expenditure on contracts and consultancies to the value of \$100 000 or more is available on the department's website <www.dewr.gov.au>. Information on expenditure on contracts and consultancies valued at over \$10 000 is available on the AusTender website <www.tenders.gov.au>.

Purchasing

The department's procurement policies and practices are consistent with Australian laws, the Commonwealth Financial Framework (including the Commonwealth Procurement Guidelines) and other relevant policies. The Corporate Legal Branch provides specialist legal and probity advice to all areas of the department engaged in procurement at all stages of the procurement cycle. This includes maintaining templates for tender and contract documentation, reviewing and advising on documentation for particular procurements, acting as probity adviser on more significant procurements, and providing probity and contract training.

The department makes full use of AusTender to promulgate its procurement activities, including by publishing its Annual Procurement Plan. As a result, procurement activities are readily communicated and accessible to small and medium-sized enterprises and do not discriminate against those enterprises. To assist in the effective monitoring and reporting of its contracting activities, the department also maintains a national Contracts and Indemnities Register.

Consultancies

During 2006–07, 156 new consultancies were entered into, involving total expenditure of \$22 725 759.95. In addition, 64 ongoing consultancy contracts were active during 2006–07, involving actual expenditure of \$18 406 954.97. Appendix 8 provides details of consultancy services.

As noted, information on expenditure on contracts and consultancies to the value of \$100 000 or more is available on the department's website <www.dewr.gov.au>. Information on expenditure on contracts and consultancies valued at over \$10 000 is available on the AusTender website <www.tenders.gov.au>.

Information technology management

Information strategy and technology management

The IT Subcommittee

In 2006–07 the IT Subcommittee oversaw the investments made in information and communications technology solutions to support the department's core business needs. As part of its operations, the subcommittee reviewed and endorsed many policy and technical initiatives, among them the following:

- IT platforms to support Welfare to Work
- IT platforms to support WorkChoices
- Australian Fair Pay Commission wage decision projects
- upgrading the SAP suite of applications for the department and portfolio and external agencies
- deployment of the Secure Access Facility Environment
- deployment of a new telephone system

- the annual IT application development and maintenance work programme
- consideration of IT-related audits and implementation of their recommendations
- provision of ICT facilities for eight portfolio and external agencies
- provision of ICT facilities for new departmental staff
- IT security policy
- IT services reports.

IT customer satisfaction

As part of its commitment to quality, the IT Services Group conducts regular surveys of the services it provides. These surveys are designed to measure staff perceptions of IT services, and the results are useful indicators of satisfaction from the perspective of the general desktop user.

In 2006–07 the levels of satisfaction continued to be positive, with more than half those surveyed reporting themselves satisfied and rating the service to be a quality one. More importantly, only 15 per cent of respondents registered any dissatisfaction with the service. The department performed well against industry standards for IT service delivery and reliability. Levels of survey participation and feedback were higher than the industry average.

Because of the stable information communications and technology environment and continued positive feedback, the frequency of the survey has been reduced: from July 2007 users will be surveyed annually.

IT service management

The department has continued to make improvements to the management of its IT services through the adoption of best practice in change, incident and configuration management processing. This is built around its service management support tools based on the Infra software package.

A review of problem management processes was undertaken using industry best practice as a reference.

The Service Desk

The Service Desk is modelled on recognised best practice for coherent and consistent provision of IT and other service processes—the Information Technology Infrastructure Library.

All departmental, portfolio and external agencies and external service provider employees have access to the Service Desk.

During 2006–07 the scope of the services provided by the Service Desk expanded. Among other things, the desk is the first point of contact for all IT-related matters, including the following:

- new telephone system (IP telephony) inquiries
- management of electronic building access for all departmental and many portfolio and external agency sites
- management of building faults for Brindabella Business Park

- administration of the Secure Access Facility environment and the tender environment
- administration of all IT access—both LAN and mainframe.

As the single point of contact for the IT Services Group, the Service Desk is crucial to the positive results achieved in the IT customer satisfaction survey. The desk's productivity rivals that of many commercial operations: on average, for each month of the reporting year the desk received over 10 000 calls, nearly 1900 emails and 6000 forms. These in turn generated an average of 14 000 departmental and 2000 portfolio and external agency jobs logged into the service management facility.

Problem management review

A review of incident and problem management practices in the IT Services Group was conducted in May–June 2007. The objective was to define and implement a solution that would provide processes for identifying and removing recurring incidents with the infrastructure. As a result, a new problem management team will be formed within the IT Services Group.

Incident management

With the recent introduction of a problem management team in the IT Services Group, the Service Desk has had the opportunity to refine its direction and management of incidents by officially introducing an incident manager. Procedures will be introduced to ensure that incidents are resolved or a work-around is provided to clients in the shortest possible period in order to minimise any disruption to business.

The building security system—PACOM

The Service Desk's building security team worked on streamlining systems and processes during 2006–07 and can now provide more effective services to clients. A technology refresh project is to begin in July 2007: this is expected to result in far more flexible options for staff access to buildings.

IT acquisitions

The reporting year was a period of much activity for IT Acquisition Services. The section managed major tender processes for Case Management Software, SAP Enterprise Resource Planning implementation, and the department's data services. The data services tender will result in considerable financial savings, as well as providing increased bandwidth and performance for the department's IT facilities. IT Acquisition Services also issued 40 requests for tender for IT personnel and was successful in obtaining skilled personnel in a tight market. As to general procurement, IT Acquisition Services processed 2021 purchase requests.

Responsibility for IT asset management was also transferred to IT Acquisition Services during the reporting year. This has given the IT Services Group the opportunity to develop whole-of-life processes in respect of the department's inventory.

Apprentices

A pilot programme for the employment of information communications and technology apprentices in the Australian Public Service began in February 2007 and will continue until November 2008. Over 70 apprentices started across the APS. The department took on 19 apprentices—six with the Employment Systems Group and 13 with the IT Services Group. The scheme consists of a blend of on-the-job training and study to enable apprentices to gain a Certificate 4 at Canberra Institute of Technology. IT Services Group apprentices take part in a rotational arrangement where each apprentice spends three months in a different area of the group to enable a full appreciation of the work done.

IT training

The IT Services Group developed customised content for the department's e-learning system, SkillPort, during 2006–07. Courses in Document Manager and records management were introduced.

The new telephone system

During 2006–07 a new telephone system was deployed throughout the department and, where agreed, in portfolio and external agencies. The new system uses Voice over Internet Protocol technology, which has increased functionality and will lead to a reduction in call costs. Among the features are video conferencing, integration of the Contacts feature in Microsoft Outlook with the handset, and the ability to log on to any handset, as if it were one's own. At 30 June 2007 the new system had been installed on about 4300 desktops.

IT security

During 2006–07 the department established a new ICT security governance team to assist in completing system security plans and associated security risk management plans. The team also revised the IT Security Incident Response Plan and the ICT Security Policy Framework to ensure compliance with the September 2006 release of ACSI 33. The incident response plan was tested during the annual internet gateway penetration test.

The new Secure Access Facility Environment was deployed. This gives staff who need to work with highly classified material and have a security clearance at Protected (or higher) level an area to access Microsoft Office applications in a secure working environment. The system was designed specifically to meet government security requirements for highly classified material.

Data centres

In response to a series of power outages at its data centres, the department engaged KPMG to conduct a comprehensive review of short-, medium- and long-term data centre strategies. One result has been an immediate improvement in service-level reporting. The department continues to work on its long-term data centre strategy, which is based on a dual-site configuration with real-time duplication of processing between the two sites to maintain a high degree of system availability.

Facilitating the department's business activities

Supporting the machinery of government changes

As in previous years, 2006–07 saw a number of machinery of government changes that affected the department and its portfolio and external agencies. The IT Services Group worked throughout the year to support these developments; among other changes, this involved establishing information and communication technology services in preparation for the new agencies—the Workplace Authority and the Workplace Ombudsman—beginning their operations on 1 July 2007.

Support for other agencies

The department continued to provide information and communication technology services for a number of portfolio and other agencies. The base service involves desktop computers, network communications, application hosting and storage. Some clients also receive telephony services and application development and maintenance services.

The department now provides services to eight agencies:

- portfolio agencies
 - the Australian Fair Pay Commission Secretariat
 - the Equal Opportunity for Women in the Workplace Agency
 - Indigenous Business Australia
 - the Office of the Australian Building and Construction Commissioner
 - the Office of the Employment Advocate—the Workplace Authority from 1 July 2007
 - the Office of Workplace Services—the Workplace Ombudsman from 1 July 2007
- external agencies
 - the Department of Industry, Tourism and Resources
 - Indigenous coordination centres.

In February 2007 the department moved the Office of Indigenous Policy Coordination's state and territory offices onto the new Family, Community Services and Indigenous Affairs network. Much planning went into this separation to avoid undue disruption to users.

The Equal Opportunity for Women in the Workplace Agency made a decision in 2005–06 to replace its Equal Opportunity for Women in the Workplace Agency Reform System, a system based on government reporting requirements for companies with more than 100 employees. The replacement application, 'Resolve' by Beethoven, was implemented in May 2007; it includes a work-flow management system to allow staff to manage and assess compliance reports on equal opportunity for women. The system holds organisation, people and communication details from the reports submitted and tracks annual assessment details.

The Australian Building and Construction Commission identified a need to replace its Management of National Taskforce Investigation System with a case management system to record investigations into incidents of breaches of legislation by industry participants,

employer organisations, unions and other agencies. The tender conducted for Enabling Services, the Investigations Branch and the Framework Compliance Branch to procure a case management system was leveraged for the ABCC, with development on a separate database instance to be deployed in late July 2007.

Development and support of the Office of the Employment Advocate systems occurred throughout 2006–07, and a new system was introduced to replace the office's *How To Guide for Agreement Making*. This guide was developed as part of the new workplace reforms to produce a step-by-step process to creating a workplace agreement. The Agreement Builder application is a simple and easy-to-use online version of this guide which will walk the user through the production of a completed agreement.

Workplace Agreements Online/Phoenix (previously named Workdesk III) supports submission of agreements created using Agreement Builder or independently created by employers. Improvements to management consoles occurred in 2006–07.

Application development

In April 2007 the BIS suite of applications was upgraded to MySAP ERP 6.0 and BI7. The department was one of the first Australian government agencies to upgrade successfully to these latest versions of the SAP software. BIS is an application that offers to the department and portfolio and external agencies financial, human resource management and data warehouse reporting capabilities. Implementation took place during the Easter break and was the culmination of 18 months of detailed preparation and planning. It was a 'technical upgrade' that required changes to every part of the BIS technical architecture. Limited functional change was apparent, but the upgrade allows for important enhancements in the future. The entire system, including all interfaces, needed to be retested as part of the upgrade process. Logistically, achieving this required a high degree of cooperation and contributions from many parts of the department, including the system owners, business areas, interfacing applications and users.

A major upgrade of the Parliamentary Workflow System—an intranet-based application that provides management reports, underpins workflows, and tracks the department's individual parliamentary documents—was released on 4 December 2006. Considerable efforts were made by the Parliamentary Team and the IT Services Group in order to prepare for this. A number of new features have been added to PaWS to help staff manage their tasks and view parliamentary records for groups. The user interface has also been made more intuitive.

Project management

Project management practices were formalised and integrated with the Application Development Method, producing more cost effective outcomes, reducing project risk and improving product quality. Most project managers have gained certification at Level 5 of the Australian Qualifications Framework (Diploma).

Human resource pools

Business analysts, interface designers and functional testers are organised in resource pools. These specialists are assigned to project teams to provide professional services as needed and to maintain communities of practice that contribute to process improvement and shared learning and development opportunities.

Support for employment and workplace relations programmes

During 2006–07 the IT Services Group redeveloped existing applications and introduced new ones to support business needs:

- PRODUCT was developed to replace the Workplace Relations Proceedings Database. It allows staff in Outcome 2 to report statistics on various applications made to the Australian Industrial Relations Commission and the results of those applications.
- The first version of the Workplace Agreements Database for AWAs was released ahead of schedule in July 2006, and reporting components and further enhancements were added during the following months. AWA WAD produces reports on areas such as wage increases and family-friendly conditions from a set of quarterly samples of AWAs.
- A new version of the National Online Statistics Interactive internet application was developed to replace the existing out-of-date system. The new system allows interested parties to find statistics on workers' compensation claims made in Australia since 1996.
- The planning phase for 2006–07 identified a joint development project for a case management system for Enabling Services for the Investigations Branch and the Framework Compliance Branch. A tender was conducted; iBase (supplied by Visual Analysis) was found to meet the requirement for investigations and intelligence management, and GEMS (supplied by Eden Technology) met the requirements for evidence management. Tailoring of the commercial off-the-shelf products has been done, and deployment into SAFE for the Investigations Branch occurred in May 2007.
- Modifications were made to the presentation layers of the StateNet and WageNet repositories to accommodate the Australian Fair Pay Commission decision. Internal pay scale summaries were generated to support advisers on the WorkChoices Infoline.
- OHS Trac application development continued for the Federal Safety Commissioner, and the intranet version of the application was finalised. Functionality incorporated in 2006–07 included contract award, compliance monitoring, performance monitoring and project surveillance components.

Ministerial and parliamentary services

During 2006–07 the Parliamentary and Performance Branch provided high-quality services to the Ministers' Offices and the portfolio. Following the change in portfolio Ministers announced by the Prime Minister on 23 January 2007, the Hon Joe Hockey MP was appointed Minister for Employment and Workplace Relations, taking over from the Hon Kevin Andrews MP. The department supported the establishment of the new Minister's Office. This involved

liaison with staff in both Ministers' Offices. Minister Hockey and his staff received briefings and advice on the department's support services and its agreed performance standards and lines of communication.

The department's Parliamentary Workflow System underwent major enhancements during the year and was released on 4 December 2007.

Ministerial correspondence

During the reporting year the Ministers received 12 159 pieces of correspondence; this compares with 22 003 in 2005–06. Seventy-eight per cent of draft replies were provided to the Ministers within the agreed standard of 10 working days, and 74 per cent were provided to ministerial advisers and departmental officers within the agreed standard of 20 working days.

TABLE 3.1

Performance indicators and actual performance: preparation of draft responses to ministerial correspondence, 2005–06 and 2006–07

| Performance indicator | Target | Result | |
|---|--------|---------|---------|
| | | 2005–06 | 2006–07 |
| Correspondence for signature by the Ministers—to be drafted within 10 working days | 95% | 69% | 78% |
| Correspondence for signature by ministerial advisers or departmental officers—to be prepared with 20 working days | 95% | 87% | 74% |

Ministerial briefing papers, Question Time briefs, Parliamentary Questions on Notice and Senate Estimates Questions on Notice

The department provided 2364 briefing papers and 1598 Question Time briefs to its Ministers during 2006–07; this compares with 2631 briefing papers and 1769 Questions Time briefs in 2005–06. There was a similar decrease in the number of Parliamentary Questions on Notice: 82 were tabled in 2006–07, compared with 113 in 2005–06. Senate Estimates business increased: 1121 answers were tabled in 2006–07, compared with 850 in 2005–06. In the November 2006 supplementary hearing the department received 813 Questions on Notice; the total number of questions taken on notice for 2006–07 was 1380.

Outcome 1: Employment

During 2006–07 Outcome 1 prepared 430 briefing papers for the Ministers (compared with 527 in 2005–06) and processed 1604 items of ministerial correspondence (compared with 1683 in 2005–06). There was a big increase in the number of Senate Estimates answers tabled—202, compared with 135 in 2005–06. In contrast, there was a decrease in the number of answers to Parliamentary Questions on Notice tabled—10 in 2006–07 compared with 20 in 2005–06.

Outcome 2: Workplace relations

Outcome 2 experienced a significant reduction in the volume of ministerial correspondence. This is attributed mainly to a reduction in campaign ministerials—7802 in 2006–07 compared with 16 688 in 2005–06. The outcome also prepared 671 briefing papers and tabled 25 answers to Parliamentary Questions on Notice; this compares with 778 briefing papers and 15 answers

to Parliamentary Questions on Notice in 2005–06. Once again, there was a big increase in the number of answers to Senate Estimates Questions on Notice; 363 answers were tabled in 2006–07, compared with 185 in 2005–06.

Outcome 3: Workforce participation

During 2006–07 Outcome 3 prepared 797 briefing papers for the Ministers (compared with 905 in 2005–06) and processed 1419 items of ministerial correspondence (compared with 1927 in 2005–06). For Senate Estimates Questions on Notice, 209 were tabled in 2006–07, compared with 199 in 2005–06. The outcome also tabled six answers to Parliamentary Questions on Notice in 2006–07; this compares with 15 in 2005–06.

Enabling Services

Enabling Services includes Corporate, the Communications Group, Internal Audit, the Financial Management Group and Information Technology Services. During the reporting year there was a large decrease in the volume of ministerial correspondence prepared—570 compared with 1473 in 2005–06. In 2006–07 Enabling Services also prepared 86 briefing papers for the Ministers; this compares with 156 in 2005–06. There was also a decrease in the number of answers to Parliamentary Questions on Notice tabled—30 compared with 47 in 2005–06. Additionally, Enabling Services tabled 69 answers to Senate Estimates Questions on Notice in 2006–07, compared with 101 in 2005–06.

TABLE 3.2

Processing: ministerial correspondence, briefing papers, answers to Parliamentary Questions on Notice (tabled) and Senate Estimates Questions on Notice (tabled), 2005–06 and 2006–07

| Responsible area | Ministerial correspondence | | Briefing papers | | Answers to Parliamentary Questions on Notice (tabled) | | Answers to Senate Estimates Questions on Notice (tabled) | |
|------------------------|----------------------------|---------------|-----------------|-------------|---|-----------|--|-------------|
| | 2005–06 | 2006–07 | 2005–06 | 2006–07 | 2005–06 | 2006–07 | 2005–06 | 2006–07 |
| Executive | 6 | 3 | 5 | 3 | – | – | – | – |
| Outcome 1 | 1683 | 1604 | 527 | 430 | 20 | 10 | 135 | 202 |
| Outcome 2 | 16 688 | 7802 | 778 | 671 | 15 | 25 | 185 | 363 |
| Outcome 3 | 1927 | 1419 | 905 | 797 | 15 | 6 | 199 | 209 |
| Enabling Services | 1473 | 570 | 156 | 86 | 47 | 30 | 101 | 69 |
| States and territories | 69 | 79 | 125 | 209 | – | – | – | – |
| Agencies | 157 | 682 | 135 | 168 | 16 | 11 | 230 | 278 |
| Total | 22 003 | 12 159 | 2631 | 2364 | 113 | 82 | 850 | 1121 |

Ministerial satisfaction

Ministers are asked to rate the quality of briefings on a scale of 1 (poor) to 5 (outstanding). The rating considers criteria such as timeliness, presentation and quality. Of the briefings rated, the average for 2006–07 was 4.1; this compares with an average of 4.2 in 2005–06.

Outlook for 2007–08: ministerial and parliamentary services

The department expects the current level of workflow to remain steady. It is prepared for providing support during the caretaker period when the next election is announced. The Parliamentary and Performance Branch will continue to provide a high level of service to both Ministers and the portfolio.

External scrutiny

Complaints to the Ombudsman

During 2006–07 the Ombudsman issued no reports in respect of the department pursuant to s. 15 of the *Ombudsman Act 1976*.

Reports by the Auditor General

During 2006–07 the Australian National Audit Office tabled in Parliament three reports relating to departmental operations:

- Audit Report No.32 2006–07, *DEWR's Administration of the Job Seeker Account*
- Audit Report No.41 2006–07, *Work for the Dole—follow-up audit*
- Audit Report No.51 2006–07, *Interim Phase of the Audit of Financial Statements of General Government Sector Agencies for the Year Ending 30 June 2007*.

The department was also involved in a service-wide and cross-agency review and survey conducted by the Australian National Audit Office in respect of Audit Report No.49 2006–07, *Non APS Workers*.

Parliamentary committee inquiries

In relation to parliamentary committee inquiries, the department did the following in 2006–07:

- appeared before the Senate Employment, Workplace Relations and Education Legislation Committee for Estimates hearings
- appeared before the Senate Standing Committee on Environment, Communications, Information Technology and the Arts inquiry into Australia's Indigenous visual arts and craft sector
- appeared before and made a submission to the Senate Standing Committee on Employment, Workplace Relations and Education. The committee's report, *Employment and Workplace Relations Legislation Amendment (Welfare to Work and Vocational Rehabilitation Services) Bill 2006*, was tabled on 26 February 2007
- was a witness at the Joint Standing Committee on Foreign Affairs and Trade's inquiry into Australia and New Zealand Closer Economics Relations on 7 August 2006

- participated in the inquiry into the Employment and Workplace Relations Legislation Amendment (Welfare to Work and Vocational Rehabilitation Services) Bill 2006, the report of which was tabled on 20 February 2007
- appeared before and made submissions to three inquiries of the Senate Employment, Workplace Relations and Education Legislation Committee
 - the inquiry into the provisions of the Independent Contractors Bill 2006 and the Workplace Relations Legislation Amendment (Independent Contractors) Bill 2006, the report of which was tabled on 25 August 2006
 - the inquiry into the Safety, Rehabilitation and Compensation and Other Legislation Amendment Bill 2006, the report of which was tabled on 20 February 2007
 - the inquiry into the Workplace Relations Amendment (A Stronger Safety Net) Bill 2007, the report of which was tabled on 14 June 2007
- made submissions to and appeared before the Joint Committee of Public Accounts and Audit review of Auditor General’s reports nos 43 (2004–05) to 6 (2005–06), Audit Report No.51, *DEWR’s Oversight of Job Network Services to Job Seekers*, and Audit Report No.6, *Implementation of Job Network Employment Services Contract 3*
- made submissions to and appeared before the Joint Committee of Public Accounts and Audit review of Auditor General’s reports nos 35 to 52 (2005–06) and Audit Report No.43, *Assuring Centrelink Payments—the role of the Random Sample Survey Programme*
- appeared before the Senate Community Affairs Committee inquiry into the funding and operation of the Commonwealth State/Territory Disability Agreement, the report of which was tabled on 8 February 2007
- made submissions to and appeared before the House of Representatives Standing Committee on Aboriginal and Torres Strait Islander Affairs inquiry into Indigenous employment
- appeared before the Joint Committee of Public Accounts and Audit at the public hearing in relation to the Australian National Audit Office’s Audit Report No.49 of 2005–06, *Job Placement and Matching Services*, which was tabled on 26 June 2006
- made submissions to and appeared before the Senate Standing Committee on Employment, Workplace Relations and Education inquiry into workforce challenges in the transport industry, which was completed on 9 August 2007
- made submissions to and appeared before the House of Representatives Standing Committee on Employment, Workplace Relations and Workforce Participation inquiry into workforce challenges facing the Australian tourism sector, the report of which was tabled on 18 June 2007.

In addition, the department contributed to the Commonwealth’s submission to and, along with other relevant departments, appeared before the Joint Standing Committee on Migration’s inquiry into the administration of s. 457 visas, Eligibility Requirements and Monitoring, Enforcement and Reporting Arrangements for Temporary Business Visas. That inquiry continues.

Discretionary grants

During 2006–07 the department reported both administered and departmental grants programmes:

- The Community Development and Employment Projects programme supports initiatives aimed at increasing employment activities and business development opportunities for Indigenous people and their communities. Total expenditure for 2006–07 was \$516.98 million.
- The department provides discretionary grants up to \$100 000 for Welfare to Work initiatives for up to 12 months to increase recruitment and retention of employees. Grants are targeted to assist people with disability, parents, mature age and the Very Long Term Unemployed. The grants are listed below and further information can be obtained from the Workplace website <www.workplace.gov.au>:
 - Employer Demand Demonstration Project: funding of \$2.3 million was available for grants in 2006–07.
 - Mature Age Industry Strategy: part of the Mature Age Employment and Workplace Strategy which involved funding of \$3 million for 2006–07.
 - Employment Innovation Fund: ceased on 30 June 2007. EIF operated as a component of Job Network and was funded in 2006–07 at a maximum of \$1 million.

Submissions are made to the Project Assessment and Review Committee after consultation with the proponent and departmental project advisors to develop the project. PARC comprises representatives from the Labour Market Strategies Group, departmental programme areas and state offices. Assessing project proposals is based on: clearly defined objectives consistent with project guidelines; project innovation; stakeholder commitment; measurable cost effective employment outcomes; demonstrated approaches that can be implemented more broadly and sound management practices. The Minister for Workforce Participation is the decision maker.

Where a project is funded, a funding agreement is entered into and progress and evaluation reports are completed as part of the project milestones.