

## Management and Accountability

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# 3.1 Corporate Governance

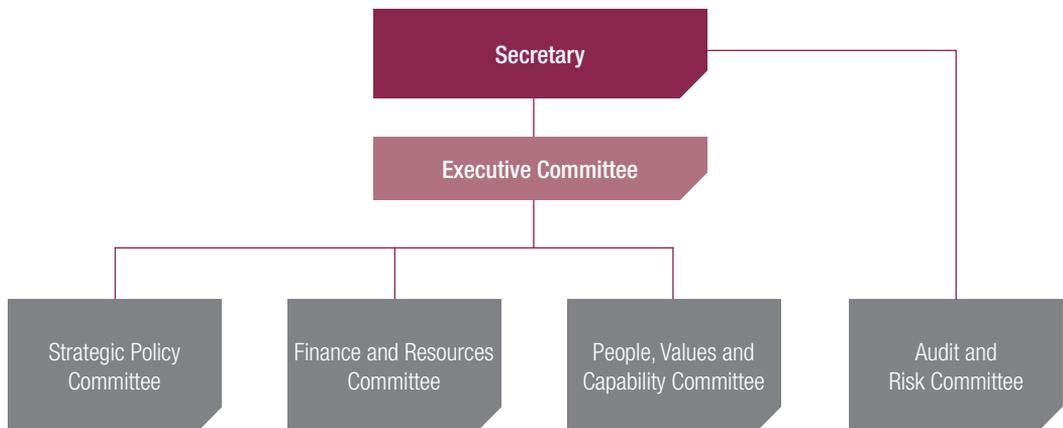
**Our governance framework provides the structure for informed decision making, efficient and effective programme management, risk management and accountability**

The Department's corporate governance arrangements have been reformed in line with the recommendations of both the Capability Review undertaken in late 2014 and the Functional and Efficiency Review in early 2015.

Senior governance committees will provide advice and recommendations to the Executive to support the Department's organisational performance.

The reform of the corporate governance arrangements included a simplified committee structure, new terms of reference and new membership for all committees.

The new governance committee structure is:



## Executive Committee

The Executive Committee provides strategic, whole-of-organisation advice to the Secretary and the Department's leaders to ensure effective decision making, management and oversight of the Department's operations and performance. It is the key forum to guide cross-portfolio issues in the Department.

The Executive Committee meets monthly and comprises the Secretary, Deputy Secretaries, the Chief Medical Officer, General Counsel and the First Assistant Secretaries of the Portfolio Investment Division and the People, Capability and Communication Division. Biographies for the Senior Executive members of the Committee are located within Part 1.

## Strategic Policy Committee

The Strategic Policy Committee is co-chaired by two Deputy Secretaries with members chosen from the Senior Executive Service. It makes recommendations to the Secretary and Executive Committee on shaping and supporting the strategic policy directions of the organisation consistent with the Department's Strategic Intent 2015-19.

The Committee meets monthly, and incorporates the functions of the previous Policy Advisory Group, as well as a focus on innovation previously managed by the Departmental Change and Innovation Committee.

Specifically, its scope includes:

- improving organisational policy capabilities required to deliver against current and future requirements
- strategic oversight and advice on the development and implementation of innovative major health policy and reform
- enable cross-departmental dialogue on consideration of key policy issues and projects
- oversight of the Portfolio's Budget strategy
- promote external collaboration and coordination between the Department and other agencies and stakeholders.

## Finance and Resources Committee

The Finance and Resources Committee is chaired by a Deputy Secretary with members chosen from the Senior Executive Service. It makes recommendations to the Secretary and the Executive Committee on the strategic financial and security (IT, physical and information) management policy initiatives and issues, and advises on the allocation of resources, including budget adjustments.

The newly formed Committee meets monthly, and took on the roles of the previous Finance, Risk and Security Committee and the Information, Knowledge and Technology Committee.

Specifically, its scope includes:

- overseeing the development of strategies to improve the Department's financial management framework and financial performance
- monitoring the Department's annual departmental capital and operating budget process and ensuring its alignment to the Department's corporate plan and priorities
- providing advice to the Executive Committee on forecast revenue and expenditure, budget adjustments and reallocation of resources that meet the Department's budget appropriations
- overseeing the planning of multi-year operating budgets consistent with the Department's corporate plan and priorities
- overseeing the development and implementation of the Department's ICT projects (including change releases) and other strategically significant projects.

## People, Values and Capability Committee

The People, Values and Capability Committee is chaired by a Deputy Secretary with members chosen from the Senior Executive Service, and a representative of the Australian Public Service Commission (APSC). It makes recommendations to the Secretary and the Executive Committee on strategies to embed the Department's values; ensures the Department has the people and capability it needs; ensures the Department's workforce is sustainable to maintain and increase productivity and efficiency; and supports staff health and wellbeing.

The newly formed Committee meets monthly, and building upon the previous People and Capability Committee, now explicitly includes values as part of the Committee's responsibilities.

The Committee will consider and advise on the practices and policies of the Department which affect staff health and wellbeing, values and/or ethical standards, to ensure that they:

- contribute to an ethical culture
- are consistent with the Australian Public Service Values and Code of Conduct
- are consistent with Australian Government objectives and the Department's Corporate Plan
- comply with the APSC Model of Capability and advance the overall capability of the organisation.

## Audit and Risk Committee

The Audit and Risk Committee comprises five members; three of whom are independent external members, including the Chair, and two Departmental members. It provides independent advice and assurance to the Secretary on the appropriateness of the Department's accountability and control framework, including independently verifying and safeguarding the integrity of the financial and performance reporting.

Meeting for the first time on 4 June 2015, the Audit and Risk Committee replaced the previous Audit Committee, which met five times during 2014-15.

The Secretary authorises the Committee, within its responsibilities, to:

- obtain any information it requires from any employee and/or external party (subject to any legal obligation to protect information)
- discuss any matters with the external auditor, or other external parties (subject to confidentiality considerations)
- request the attendance of any employee, including the Secretary, at Committee meetings
- obtain external legal or other professional advice, as considered necessary to meet its responsibilities with the approval of the Secretary.

## Audit and Risk Committee Membership

As at 30 June 2015, membership of the Audit Committee comprised:

- Ms Kathleen Conlon, independent external Chair<sup>41</sup>
- Ms Jenine Borowik, independent external member<sup>42</sup>
- Ms Jenny Morison, independent external member
- Ms Penny Shakespeare, First Assistant Secretary, Health Workforce Division
- Adjunct Professor John Skerritt, Deputy Secretary, Regulatory Services Group.

<sup>41</sup> Oliver Winder PSM served as the Chair of the Department's Audit Committee from 2009 to May 2015.

<sup>42</sup> Jenine Borowik retired from the Audit Committee on 29 June 2015.



### Kathleen Conlon - Independent Chair

Kathleen Conlon commenced as the Chair of the Department's Audit & Risk Committee on 3 June 2015. Kathleen is a professional non-executive director, with 20 years' experience at the Boston Consulting Group (BCG), including seven years as a partner. During her time at BCG, Kathleen led BCG's Asia Pacific operational effectiveness practice area, healthcare practice area, and the Sydney office.

Kathleen is a member of Chief Executive Women, and a non-executive director of CSR, the REA Group Limited, Lynas Corporation Limited, Aristocrat Leisure Limited, The Benevolent Society, and the Australian Institute of Company Directors. As a member of these boards, Kathleen currently chairs and serves on a number of committees. She has also previously served on the NSW Better Services and Value Taskforce, and was a senior reviewer for the Department of Communication's Capability Review.



### Jenine Borowik - Independent Member

Jenine Borowik was the First Assistant Statistician of the ABS 2017 Program Delivery Division at the Australian Bureau of Statistics (ABS). ABS 2017 was responsible for bringing together the organisation's key strategic initiatives of Business and Information Management Transformation with the public face of the ABS, and the planning and implementation of the 2016 Census of Population and Housing.

Jenine joined the ABS in 1979 and has worked in a number of areas of the organisation, including several years as the organisation's Chief Information Officer. She was a member of the ABS Senior Management Group and a number of UN organising committees related to statistics, as well as Chair of a Modernisation Committee for Products and Sources.

Under the Australian Government's Gateway Review Process, Jenine performs Gateway Reviews of major projects, both in Australia and overseas. She is an Executive Fellow of the Australia and New Zealand School of Government.



### Jenny Morison - Independent Member

Jenny Morison is a Fellow Chartered Accountant of Australia and New Zealand, with 34 years of broad experience in accounting and commerce, including audit, taxation, management consulting, corporate advisory, and consulting to government. Jenny has held numerous board positions, and is one of the longest standing independent member and chair of Audit Committees in the Australian Government. Her experience encompasses both large Departments and smaller entities.

Since 1996, Jenny has run her own business, providing strategic financial management, governance and risk advice within the government sector.

Jenny has a Bachelor of Economics, is a Fellow of the Australian Institute of Management, and is a member of Women on Boards.



### Penny Shakespeare

Penny Shakespeare is the First Assistant Secretary of the Department's Health Workforce Division, which builds the capacity of Australia's health workforce to meet the challenges of delivering health services to the community and works to increase the availability of health services in rural Australia. She has worked in the Department since 2006, previously in the Medicare Benefits and Private Health Insurance areas.

Prior to joining the Department, Penny worked as an industrial relations lawyer in the Department of Employment and Workplace Relations, and in regulatory policy roles, including as head of the ACT Office of Industrial Relations for three years. She represented the ACT on the National Occupational Health and Safety Commission, and Workers Compensation Advisory Committee and the Workplace Relations Ministers Advisory Council.

Penny has a Bachelor of Law and a Masters degree in International Law and is admitted as a Barrister and Solicitor of the ACT Supreme Court.



### Adjunct Professor John Skerritt

Adjunct Professor John Skerritt is the Deputy Secretary with responsibility for the Department's Regulatory Services Group and National Manager of the Therapeutic Goods Administration (TGA). Refer to Part 1: *Executive* for Adjunct Professor Skerritt's full profile.

## Internal audit arrangements

Primary responsibility for internal audit arrangements within the Department rest with the Audit and Fraud Control Branch under the broad direction of the Department's Audit and Risk Committee.

### Audit and fraud control

Audit and Fraud Control Branch promoted and improved the Department's corporate governance by conducting audits and investigations and providing independent advice and assistance to Departmental senior management.

In 2014-15, Audit and Fraud Control Branch completed 20 audits and reviews based on the Audit Work Plan. The Plan covered compliance with Departmental control frameworks, grants and contract management, IT management, and Departmental expenditure and procurement activities.

### Fraud minimisation strategies

During 2014-15, the Department implemented the whole-of-government fraud awareness eLearning package and continued to train staff in fraud awareness. An enterprise level fraud risk assessment was conducted to inform the update to the Fraud and Corruption Control Plan.

The Department received 26 allegations of fraud during 2014-15, with six being referred to the Australian Federal Police or other agencies for investigation. There have been no matters referred for prosecution in this period. All other allegations were subject to internal investigation and administrative action where appropriate.

## Risk management

The Department's risk management environment has evolved over the last twelve months with the implementation of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), the new *Commonwealth Risk Management Policy*, Departmental Capability Review and the annual Comcover Risk Management Benchmarking Survey.

The Department's Risk Management Policy has been updated to comply with the PGPA Act, the *Commonwealth Risk Management Policy*, and the international standard *AS/NZS ISO 31000:2009 Risk Management – Principles and Guidelines* whilst aligning with the *Comcover – Better Practice Guide: Risk Management*.

The Department has used the outcomes of the Capability Review and the annual Comcover Risk Management Benchmarking Survey to strengthen organisational risk capability, particularly in relation to making evidenced-based and risk-informed decisions.

The 2015 Comcover Risk Management Benchmarking Survey results demonstrate the importance the Department places on risk management and the progress of embedding risk processes. The results have provided a clear vision of future goals and the flexibility in how to achieve them.

## Certification of Departmental Fraud Control Arrangements

I, Martin Bowles, certify that:

- the Department has prepared fraud risk assessments and fraud control plans;
- the Department has in place appropriate fraud prevention, detection, investigation, and reporting mechanisms that meet the specific needs of the Department; and
- I have taken all reasonable measures to appropriately deal with fraud relating to the Department.



### Martin Bowles PSM

Secretary  
September 2015

## 3.2 External Liaison and Scrutiny

### We value transparency and accountability

In 2014-15, the Department, through its Audit and Fraud Control Branch, worked with the Australian National Audit Office (ANAO) providing responses to proposed audit findings and recommendations prior to the Auditor-General presenting his reports in Parliament.

The Department also liaised with the Commonwealth Ombudsman on complaints relating to aspects of the Department's administrative activities. Information on the Auditor-General's reports and the Commonwealth Ombudsman's complaints is set out below.

### Australian National Audit Office

During 2014-15, the ANAO tabled four audits specific to the Department:

- Administration of the Medical Specialist Training Program<sup>43</sup>
- Administration of the Fifth Community Pharmacy Agreement<sup>44</sup>
- Diagnostic Imaging Reforms<sup>45</sup>
- Implementation of Audit Recommendations.<sup>46</sup>

There were no cross-agency audits involving the Department in 2014-15.

### Audits specific to the Department

Audit:	Administration of the Medical Specialist Training Program Audit Report No.26 of 2014-15, tabled 10 March 2015
Objective:	To assess the effectiveness of the Department's administration of the Specialist Training Program (STP).  The audit focused on key aspects of the Department's administration of the STP since the consolidation of funding programmes in 2009, and the achievement of key programme targets and objectives. To assess the Department's grants administration, the ANAO focused on the fourth annual grant funding round (the 2014 round) which was completed in December 2013 and funded training positions from the beginning of 2014.
Recommendations:	The ANAO made one recommendation aimed at improving the transparency and equity of the Department's grants administration by: reviewing programme guidelines and assessment criteria to incorporate lessons learned from funding rounds; and providing operational guidance to staff on moderation or other quality control processes to be applied to assessments by third-party advisers.

<sup>43</sup> [www.anao.gov.au/~media/Files/Audit%20Reports/2014%202015/Report%2026/AuditReport\\_2014-2015\\_26.pdf](http://www.anao.gov.au/~media/Files/Audit%20Reports/2014%202015/Report%2026/AuditReport_2014-2015_26.pdf)

<sup>44</sup> [www.anao.gov.au/Publications/Audit-Reports/2014-2015/Administration-of-the-Fifth-Community-Pharmacy-Agreement](http://www.anao.gov.au/Publications/Audit-Reports/2014-2015/Administration-of-the-Fifth-Community-Pharmacy-Agreement)

<sup>45</sup> [www.anao.gov.au/~media/Files/Audit%20Reports/2014%202015/Report%2012/AuditReport\\_2014-2015\\_12.pdf](http://www.anao.gov.au/~media/Files/Audit%20Reports/2014%202015/Report%2012/AuditReport_2014-2015_12.pdf)

<sup>46</sup> [www.anao.gov.au/~media/Files/Audit%20Reports/2014%202015/Report%208/AuditReport\\_2014-2015\\_8.pdf](http://www.anao.gov.au/~media/Files/Audit%20Reports/2014%202015/Report%208/AuditReport_2014-2015_8.pdf)

<b>Audit:</b>	<b>Administration of the Fifth Community Pharmacy Agreement Audit Report No.25 of 2014-15, tabled 5 March 2015</b>
<b>Objective:</b>	To assess the effectiveness of the development and administration of the Fifth Community Pharmacy Agreement (5CPA), and the extent to which the 5CPA has met its objectives.  The audit examined the development and negotiation of the 5CPA by the then Department of Health and Ageing (now the Department of Health), and the administration of the 5CPA by the Department. The audit also examined aspects of the 5CPA that were implemented by the Department of Human Services (Human Services) and the Department of Veterans' Affairs (DVA).
<b>Recommendations:</b>	The ANAO made eight recommendations aimed at improving the overall administration of the 5CPA and informing the development of the next community pharmacy agreement. Seven recommendations are directed to the Department, and relate to: the development of costings; improving the clarity of the next agreement and related public reporting; record-keeping; and improving performance information. A further recommendation directed to the Department, Human Services and DVA focuses on improving the accuracy of the Department's calculation of pharmacy remuneration for reporting and evaluation purposes.
<b>Audit:</b>	<b>Diagnostic Imaging Reforms Audit Report No.12 of 2014-15, tabled 11 December 2014</b>
<b>Objective:</b>	The audit objective was to assess the effectiveness of the Department's implementation of the Diagnostic Imaging Review Reform Package, some three years into the five year reform period.
<b>Recommendations:</b>	The ANAO has made two recommendations aimed at improving the effectiveness of the Department's implementation of remaining initiatives by: assessing progress made to date; developing an overall implementation plan to provide strategic direction and a basis for assessing the realisation of anticipated outcomes and benefits; and preparing targeted plans which identify proposed actions to progress key initiatives not yet implemented, including the review of Medicare Benefits Schedule fees for diagnostic imaging and 'appropriate requesting' of diagnostic imaging services.  To achieve full implementation of the reform package by 30 June 2016, as announced in the 2011-12 Budget context, will be challenging and will require a strong Departmental focus and effective engagement with key stakeholders.
<b>Audit:</b>	<b>Implementation of Audit Recommendations Audit Report No.8 of 2014-15, tabled 26 November 2014</b>
<b>Objective:</b>	To assess the effectiveness of the Department's monitoring and implementation of both ANAO performance audit and internal audit recommendations.  The ANAO examined a sample of 220 ANAO performance audit and internal audit recommendations to assess the timeliness of the Department's implementation of the recommendations. The ANAO also analysed in detail a subset of seven closed ANAO performance audit recommendations and seven closed internal audit recommendations to assess the adequacy of the implementation of the recommendations.
<b>Recommendations:</b>	The ANAO made one recommendation focusing on the introduction of measures to improve the Department's internal processes for monitoring the implementation of audit recommendations, including: the recording of expected deliverables and timeframes; requiring formal requests for extensions to implementation dates; seeking appropriate assurance of implementation before closing recommendations; and recording the basis of decisions to close audit recommendations as implemented.

## Other Parliamentary Scrutiny

During 2014-15, the Department received a total of 87 Parliamentary Questions on Notice from the House of Representatives and the Senate, and 946 Senate Estimates Questions on Notice.

### Attendance at Senate Estimates hearings

#### Senate Standing Committees on Community Affairs

The Department appeared before the Community Affairs Legislation Committee (Senate Estimates) on three occasions during 2014-15 for a total of four days:

- Supplementary Budget Estimates – 22 October 2014
- Additional Budget Estimates – 25 February 2015
- Budget Estimates – 1 and 2 June 2015.

#### Senate Standing Committees on Finance and Public Administration

The Department appeared before the Finance and Public Administration Legislation Committee on three occasions during 2014-15 for a total of three days:

- Supplementary Budget Estimates – 24 October 2014
- Additional Budget Estimates – 27 February 2015
- Budget Estimates – 29 May 2015.

### Evidence and/or submissions to Parliamentary Committee inquiries

#### Senate Standing Committees on Community Affairs

##### **Legislation Committee**

- Health Workforce Australia (Abolition) Bill 2014 [Provisions]
- Australian National Preventive Health Agency (Abolition) Bill 2014 [Provisions]
- National Health Amendment (Pharmaceutical Benefits) Bill 2014
- Private Health Insurance Amendment (GP Services) Bill 2014
- Australian Sports Anti-Doping Authority Amendment Bill 2014
- Private Health Insurance Amendment Bill (No. 2) 2014.

##### **References Committee**

- Out-of-pocket costs in Australian healthcare
- Prevalence of different types of speech, language and communication disorders and speech pathology services in Australia
- Grandparents who take primary responsibility for raising their grandchildren
- Availability of new, innovative and specialist cancer drugs in Australia
- Adequacy of existing residential care arrangements available for young people with severe physical, mental or intellectual disabilities in Australia.

## Senate Standing Committees on Economics – Legislation Committee

- National Health Amendment (Pharmaceutical Benefits) Bill 2015 [Provisions].

## Senate Select Committee on Health

- The Department appeared before the Committee on seven separate occasions during 2014-15.

## Senate Standing Committees on Legal and Constitutional Affairs – Legislation Committee

- Regulator of Medicinal Cannabis Bill 2014.

## Senate Standing Committees on Rural and Regional Affairs and Transport

### **Legislation Committee**

- Biosecurity Bill 2014 and Related Bills Inquiry.

### **References Committee**

- Current requirements for labelling of seafood and seafood products.

### **House of Representatives Standing Committee on Health**

- Inquiry into skin cancer
- Inquiry into hepatitis C.

## Judicial Decisions and Decisions of Administrative Appeals Tribunals

During 2014-15, the Department was involved in two matters in the High Court, three matters in the Full Federal Court, 16 matters in the Federal Court, 29 matters in the Administrative Appeals Tribunal and three decisions were made by the Australian Information Commissioner.

## Freedom of Information

The Information Publication Scheme is a requirement under Part II of the *Freedom of Information Act 1982* (FOI Act) that requires all agencies subject to the FOI Act to publish information about what is available to the public. The Department's plan showing the information published in accordance with this requirement can be found at:

[www.health.gov.au/internet/main/publishing.nsf/Content/foi-doh-pub-scheme-agency-plan](http://www.health.gov.au/internet/main/publishing.nsf/Content/foi-doh-pub-scheme-agency-plan)

Documents that the Department has released in response to FOI requests can be found on the Disclosure Log at: [www.health.gov.au/internet/main/publishing.nsf/Content/foi-disc-log](http://www.health.gov.au/internet/main/publishing.nsf/Content/foi-disc-log)

## Decisions of the Australian Information Commissioner

The Australian Information Commissioner made three decisions on applications for review of FOI decisions by the Department: two decisions were affirmed and one decision was varied.

## Reports on the operations of the Department by the Commonwealth Ombudsman

Anyone with concerns about the Department's actions or decision-making is entitled to make a complaint with the Commonwealth Ombudsman, to determine whether the Department was wrong, unjust, discriminatory or unfair. Further information on the role of the Commonwealth Ombudsman is available at: [www.ombudsman.gov.au](http://www.ombudsman.gov.au)

During 2014-15, the Commonwealth Ombudsman investigated six complaints against the Department's administrative practices. These six complaints investigations are now closed. Two investigations were carried over from 2013-14 but were subsequently closed by the Ombudsman's Office.

During 2014-15, the Commonwealth Ombudsman's Office released one report regarding the Department; *Department of Health: Avoiding, acknowledging and fixing mistakes - Investigation of a complaint about the Australian Community Pharmacy Authority*.<sup>47</sup>

### Reporting Requirements under Section 108 of the Tobacco Plain Packaging Act 2011

The Department, pursuant to section 108 of the *Tobacco Plain Packaging Act 2011* (the Act), reports that in the financial year 2014-15, 226 alleged contraventions of the Act were investigated. Of those matters investigated, none have resulted in criminal prosecutions or civil penalty orders.

A copy of this report has been provided to the Minister for Health.

<sup>47</sup> [www.ombudsman.gov.au/files/Commonwealth\\_Ombudsman\\_Report\\_no042014\\_Dec2014.pdf](http://www.ombudsman.gov.au/files/Commonwealth_Ombudsman_Report_no042014_Dec2014.pdf)



# 3.3 Financial Management

## We value using resources effectively

During 2014-15, the Department's financial accountability responsibilities were set out in the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). These responsibilities form the basis of transparent process for efficient, effective, economical and ethical use of Commonwealth resources and related policies. The Department's alignment with the financial control framework supports efficient processing and recording of financial transactions, including the production of audited financial statements. The complete set of financial statements for the Department and the Therapeutic Goods Administration is provided in Part 4.2: *Financial Statements*. Refer to the Chief Operating Officer's Report on page 13 for an overview of the Department's financial results for 2014-15.

The requirements of the annual Compliance Report confirmed that the Department complied with the PGPA framework and other specified Commonwealth policies. The Department has consistently maintained effective financial processes and internal control mechanisms as well as ongoing compliance monitoring and reporting activities to ensure compliance with the requirements in the last financial year.

The Department's corporate governance arrangements include a Finance and Resources Committee to provide advice and make recommendations to the Executive Committee on financial management, and oversee the development and implementation of the Department's ICT projects and other strategically significant projects.

Further detail on the Department's Committee structure is provided at Part 3.1: *Corporate Governance*.

## Asset management

The Department's asset management strategy emphasises whole-of-life asset management. The annual asset review and stocktake seek to minimise holdings of surplus and underperforming assets in accordance with the Australian Accounting Standard (AASB 116 Property, Plant and Equipment).

In 2014-15, the Department obtained an independent desktop revaluation of Property, Plant and Equipment in accordance with the Australian Accounting Standards (AASB 13 Fair Value Measurement, AASB 116 Property, Plant and Equipment and AASB 1031 Materiality), to ensure assets are carried at their fair value. Discussion relating to the assets administered by the Department in 2014-15 can be found in Part 4: *Financial Statements*.

## Purchasing

The Department complied with the purchasing policies in the Commonwealth Procurement Rules, with the exception of those instances reported in the Department's 2014-15 Compliance Report. The Department's procurement framework continues to align with the Commonwealth's financial framework by encouraging competition, value for money, transparency and accountability as well as the efficient, effective, ethical and economical use of Commonwealth resources.

## Consultants

The Department engages consultants where it lacks specialist expertise or when independent research, review or assessment is required. Consultants are typically engaged to investigate or diagnose a defined issue or problem; carry out defined reviews or evaluations; or provide independent advice, information or creative solutions to assist in the Department's decision making.

Prior to engaging consultants, the Department takes into account the skills and resources required for the task, the skills available internally and the cost-effectiveness of engaging external expertise.

Decisions to engage consultants were made in accordance with the PGPA Act and related regulations including the Commonwealth Procurement Rules and other internal policies.

During 2014-15, 220 new consultancies were entered into, involving total expenditure of \$17.78 million. In addition, 106 ongoing consultancy contracts were active during 2014-15, involving total actual expenditure of \$21.77 million.

**Table 3.3.1: Comparison of expenditure on consultancy contracts**

2011-12	2012-13	2013-14	2014-15
\$39.27m	\$44.38m	\$38.01m	\$39.55m

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

## Grants

Information on grants awarded by the Department during the period 1 July 2014 to 30 June 2015 is available at: [www.health.gov.au/internet/main/publishing.nsf/Content/pfps-grantsreporting](http://www.health.gov.au/internet/main/publishing.nsf/Content/pfps-grantsreporting)

## Australian National Audit Office access clauses

In 2014-15, no contracts were exempt from the standard clauses granting the Auditor-General access to contractor's premises.

## Exempt contracts

In 2014-15, seven contracts were exempted from reporting on AusTender on the basis that publishing contract details would disclose exempt matters under the *Freedom of Information Act 1982*.

## Procurement initiatives to support small business

The Department supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SMEs) and Small Enterprise participation statistics are available on the Department of Finance's website:

[www.finance.gov.au/procurement/statistics-on-commonwealth-purchasing-contracts](http://www.finance.gov.au/procurement/statistics-on-commonwealth-purchasing-contracts)

The Department recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury's website: [www.treasury.gov.au](http://www.treasury.gov.au)

The Department's measures to support SMEs include:

- utilisation of the Commonwealth Contracting Suite of documents provided by the Department of Finance
- implementation of the Indigenous Procurement Policy (IPP), which supports supplier diversity to create opportunities for Indigenous businesses to grow and employ more people, noting that the Indigenous business sector is dominated by SMEs
- flagging suppliers as SMEs in the Department's Financial Management Information System
- having regard to the Small Business Engagement Principles (outlined in the Government's Industry Innovation & Competitiveness Agenda), such as communicating in clear, simple language and presenting information in an accessible format.

The Department also continues to be a Supply Nation member, supporting Supply Nation certified Indigenous business suppliers to achieve success and build vital businesses. The Department has entered into new contracts with Aboriginal and Torres Strait Islander businesses and receives Supply Nation self-reports regarding purchases and contracts with their listed certified suppliers.

## 3.4 People Management

**We value the commitment, achievements and development of all staff, and our ability to apply our skills and training to the delivery of better health outcomes**

### Staffing

As at 30 June 2015, the Department of Health employed 3,598 staff, 20 per cent of which are part-time. This figure compares with 3,464 as at 30 June 2014, and includes staff on leave and secondment, and inoperative staff.

A total of seven staff from Health Workforce Australia and 33 staff from General Practice Education and Training Ltd transferred to the Department in 2014.

At 30 June 2015, a total of 3,267 people were employed on an ongoing basis and 331 were non-ongoing.

### Staff retention

The ongoing employee retention rate remains high, with 91 per cent of ongoing employees remaining in the Department for the past 12 months. This is a small increase from 89 per cent in 2013-14.

### Staff turnover

The ongoing staff turnover rate is 9 per cent, a decrease from 11 per cent in 2013-14.

### Workforce planning

The Department's Workforce Plan 2013-2015 maps existing and anticipated business outcomes against current and future workforce capabilities. This informs strategic workforce planning decisions throughout the organisation. The underpinning strategies include a Learning and Capability Development Strategy, a Talent Management Strategy (to build future leadership), a Critical Role Skills Development Framework (to mitigate critical role risk), and a programme for the development of middle managers.

The Department is currently developing a Workforce Strategy, replacing the existing Workforce Plan, which will examine the Department's workforce context in line with the Strategic Intent 2015-19. It will include a high-level, strategic view of the Department's operating context, and identification of the critical roles, skills and capabilities required to deliver against the Strategic Intent.

### Managing performance

The Department is committed to a culture of high performance and all staff engage in a formal Performance Development Scheme (PDS) process twice a year to discuss their achievements, work responsibilities and development.

In response to recommendations arising from the Capability Review, the Department has an increased focus on individual performance. This includes dedicated human resource support for managers, targeted training to enhance managerial capability and a comprehensive intranet portal. In August 2015, the Department implemented a new PDS system, in conjunction with the start of the new PDS cycle. This system provides increased levels of flexibility and functionality and will assist the Department in achieving a high performance culture.

## Workforce inclusivity

The Department is committed to building an inclusive culture and to acknowledging and celebrating the diversity of all staff. Our commitment to workplace diversity is outlined in our Workforce Diversity Programme.

In March 2015, the Department held its second Health Diversity Conference, building on the successes of the 2014 Conference and opening up to staff from other Commonwealth entities. The conference was held over two days with the theme of *diversity is everyone's business*. It provided an opportunity for staff to come together to recognise and celebrate diversity within the Department and to share and learn from other colleagues across the Australian Public Service (APS). The conference also provided an opportunity for our diversity staff networks (Disability, Aboriginal and Torres Strait Islander, and Health Pride) to work together to build inclusivity in the workplace.

The Department is undertaking a number of projects under the banner of workplace diversity, including the development of a Lesbian, Gay, Bisexual, Transgender and Intersex (LGBTI) Workforce Action Plan and a review of the Disability Workforce Action Plan. In response to changes to the whole-of-government Indigenous Recruitment and Retention Strategy, the Department's Reconciliation Action Plan 2013-2017 is also under review.

To support the Department's Workforce Diversity Programme 2013-2016, the Department has two Senior Executive Diversity Champions whose role includes promoting inclusivity within the Department and advocating on diversity issues when required.

### Supporting staff with a disability

The Department is committed to increasing opportunities for people with disability to participate more broadly in employment opportunities, working with the Australian Public Service Commission (APSC) to implement the *As One* Australian Public Service Disability Employment Strategy. This includes participating in whole-of-government programmes, including the roll out of Recruitability, a major APSC initiative to attract and develop applicants with disability. Actions to improve recruitment and retention of staff with disability, and for those with carer responsibility for people with disability, are implemented through the Department's Disability Workforce Action Plan which is currently under review. The Department also participates in the APS Disability Champions Network.

In November 2014, the Department was the recipient of an APS Diversity Award, winning the Disability Employment Award. Our submission demonstrated how we, over the past seven years, have changed employment practices, culture and levels of support to staff with disability.

The Department is a gold member of the Australian Network on Disability and has an active Staff with Disability Network. Supported by two Senior Executive Disability Champions, the Department provides support for the network, and works with the members to deliver inclusion activities for staff and awareness raising events such as International Day of People with Disability.

### Supporting staff from Aboriginal and Torres Strait Islander backgrounds

The Department continues to implement actions identified in the Reconciliation Action Plan 2013-2017 and has commenced a process for review.

During 2014-15, the Department continued to support the APSC Indigenous Pathways Programme and the Indigenous Australian Government Development Programme, recruiting graduates and trainees to increase the participation rate of Aboriginal and Torres Strait Islander staff within the Department.

Under these programmes, three APSC Indigenous Pathways Programme graduates and two Indigenous Australian Government Development Programme trainees were engaged in 2014-15. To increase our ability to engage higher numbers of new Aboriginal and Torres Strait Islander staff into the future, the Department has also signed up to participate in the Department of Human Services Indigenous Apprenticeships Programme.

The Department has an active National Aboriginal and Torres Strait Islander Staff Network, and associate memberships are available for non-Indigenous staff in the Friends of the Network. Associate members support the Network in delivering major cultural events and promote reconciliation in the Department. The Network also has the support of two Senior Executive Champions, who actively advocate on behalf of Aboriginal and Torres Strait Islander staff, attend and support cultural activities and celebrations as well as representing the Department in external Commonwealth Government forums.

During the year, the Department recognised days of significance for Aboriginal and Torres Strait Islander peoples, including National Apology Day, Reconciliation Week and National Aboriginal and Islanders Day Observance Committee (NAIDOC) Week which included the annual Secretary's NAIDOC Week Awards. A target of delivering at least five Aboriginal and Torres Strait Islander events per year is indicated in the current Reconciliation Action Plan with a total of 15 events delivered in 2014-15.

### **Supporting lesbian, gay, bisexual, transgender and intersex (LGBTI) staff**

The Department has established the Health Pride Network for LGBTI and other staff, and is developing an LGBTI Workforce Action Plan to implement the Department's responsibilities to its staff. The Department is a member of Pride in Diversity, a member based organisation that supports the Department to meet its responsibilities to staff, by assisting the new network to develop work plans and conduct awareness sessions and events.

This work is supported by two Senior Executive Health Pride Champions, who advocate and support the Health Pride Network.

In May, the Department participated in events to mark the International Day against Homophobia, Transphobia and Biphobia with invited guests from TranzAustralia and young members of the ANU Queer Collective sharing their stories. Their presentation focused on the challenges faced by transgender and gender diverse youth living as themselves without fear, and supporting others to do so.

Also in May, the Department engaged a Workplace Education & Relationship Manager from Pride in Diversity to run LGBTI and Gender Diversity presentations to staff. These were broadcast to State and Territory offices through videoconference facilities. The Department also hosted a facilitated discussion with the Health Pride Network committee to progress the Network's annual work plan.

### **Championing diversity**

The Department is committed to reflecting the diversity of the Australian community in its workforce to build an inclusive culture. The Department acknowledges the differences in every employee and encourages diversity in our backgrounds, skills, talents and views to enrich our working environment and quality of work.

As part of this commitment, a number of Senior Executive Service officers have volunteered to undertake the role of Diversity Champions and Champions of our staff networks including the Staff with Disability Network, the Health Pride Network and the National Aboriginal and Torres Strait Islander Staff Network.

Champions have a range of roles. They promote diversity in the workplace, raise awareness and understanding, and educate colleagues within their areas and across the Department. They are available to meet with staff networks and individuals to support their work, and advocate where required in relation to diversity issues.

Champions also ensure there is a strong awareness and consideration of diversity and inclusion across the Senior Executive to ensure its importance, impact and value is recognised across the Department.

## Employment arrangements in the Department

The Department's practices for making employment arrangements with its staff are consistent with the requirements of the Australian Government Public Sector Workplace Bargaining Policy (the 'Bargaining Policy') and the *Fair Work Act 2009*. The types and main features of employment arrangements either in operation or available to Departmental staff during 2014-15 are outlined below.

### Enterprise Agreement

Terms and conditions for employment of non-Senior Executive Service staff are provided through the Department's Enterprise Agreement, which began on 30 November 2011 and nominally expired on 30 June 2014. Though past its nominal expiry, coverage under the existing Agreement has continued in the interim.

Negotiations for a new Agreement are ongoing as at 30 June 2015.

The Agreement contains an individual flexibility arrangements clause, which enables the Department to provide additional or varied terms and conditions to individual non-Senior Executive Service staff where necessary and appropriate.

See Part 3.5: *Staffing Information* for details on the inclusions of the Enterprise Agreement.

### Individual determinations

The Department's new Senior Executive Service staff are provided with comprehensive terms and conditions of employment via individual determinations made under Section 24(1) of the *Public Service Act 1999*. The determinations are made following negotiations between the staff member and the Department.

See Part 3.5: *Staffing Information* for more information on individual determinations.

### Australian Workplace Agreements

While the Department no longer offers or varies Australian Workplace Agreements (AWAs), there remain some Senior Executive Service staff with AWAs. Section 24(1) determinations are used to supplement the terms and conditions of Senior Executive Service staff covered by an AWA, where new terms and conditions have been negotiated.

### Common law contracts

The Department does not generally use common law contracts. However, they may be used where necessary to establish and/or supplement conditions and entitlements.

### Employment arrangements currently maintained following Machinery of Government changes

Machinery of Government (MoG) changes announced on 18 September 2013 resulted in the transfer of functions between entities.

To avoid uncertainty regarding terms and conditions of employment, and support the orderly transfers of employees between agencies, the Minister Assisting the Prime Minister for the Public Service, Senator the Hon Eric Abetz, made two Determinations under section 24(3) of the *Public Service Act 1999* (one covering Senior Executive Service (SES) employees, and one covering non-SES). These Determinations act to maintain the terms and conditions of employment (including remuneration) of all employees affected by that particular MoG change to those they had immediately before the making of the Administrative Arrangements Orders on 18 September 2013. These arrangements will remain in place until such time as those affected are removed from coverage under the relevant section 24(3) Determination or a new approved Departmental Enterprise Agreement covers them.

The functions and associated employees of Health Workforce Australia (HWA) and General Practice Education and Training Limited (GPET) were separately moved into the Department during 2014. As these MoG changes required the functions and employees of those agencies to be moved into the APS, the provisions of the *Fair Work Act 2009* relating to the transfer of business applied. This means that the majority of transferred employees remain covered by the terms and conditions provided under their respective former Enterprise Agreements and will remain so until such time as:

- those transferred employees no longer carry out work transferred from HWA or GPET; or
- the HWA and GPET Enterprise Agreements are replaced by a new approved Departmental Enterprise Agreement; or
- the HWA and GPET Enterprise Agreements are terminated.

## Remuneration for senior officers

The Department maintained a remuneration position consistent with equivalent public sector agencies during 2014-15. Base salaries and inclusions, such as the allowance paid in lieu of a motor vehicle, complied with Government policy and guidelines. Individual salaries are negotiated on commencement and reviewed annually by the Department's Executive Committee. Total remuneration for Senior Executive Service staff may have included non-monetary inclusions or reimbursements for mobile phones and laptops/tablets.

### Performance pay

From 1 July 2014, the Department commenced a process to remove access to performance pay for all staff in receipt of the payment (including Senior Executive Service staff), and has ceased offering performance pay to new staff.

Performance pay was an annual one off payment made to eligible ongoing Executive Level (and equivalent) and Senior Executive Service (and equivalent) staff members who had individual agreements or determinations which provided access to performance pay. To be eligible to receive performance pay, a staff member must have completed at least three months of observable performance during a Departmental performance assessment cycle and achieved the required PDS rating at the end of the cycle. The amount of performance pay was determined by the performance rating the staff member received at the end of the performance assessment period.

## Learning and development

Capability development within the Department is driven by the Learning and Capability Development Strategy. The Strategy includes contemporary approaches to meeting current and emerging development needs in line with APS best practice. To ensure quality outcomes, the Department undertakes a needs analysis with internal business areas to inform the scope, design and delivery of learning and development activities.

Off-the-job training courses are designed to develop practical knowledge and skills that participants can use in the workplace. Core capability development programmes include support for on-the-job learning, in recognition that it is a key component in the development of a learning culture. The Department is continuing to emphasise the importance of on-the-job and social learning through the development of coaching and mentoring programmes.

In 2014-15, the Department continued to offer a comprehensive learning and development curriculum that has consistently supported Departmental change initiatives including the Health Capability Programme. In 2014-15, the Department has increasingly used APSC core skills programmes to ensure value for money and consistency with the broader APS.

In total, 2,388 training places were taken up across the following subject areas:

- information technology (26%)
- writing and communications (24%)
- people management (21%)
- planning and policy (17%)
- finance, procurement and grants (12%).

The Department's face-to-face training has continued to be well attended and positively evaluated by staff. This has been particularly evident in new courses, such as those in parliamentary writing, which have been specifically developed to meet identified capability needs.

Online learning programmes were accessed 4,638 times by staff during 2014-15, covering a range of subjects including: fraud awareness; APS Values; cultural awareness; work health and safety; financial management; and IT systems.

A new induction programme was developed in line with the Health Capability Programme and will be rolled out progressively during 2015-16. Framed around the Department's Behaviours in Action and Strategic Intent 2015-19, the induction programme will support new starters to work productively to help build the Department into a high performing organisation.

Training has continued to be delivered to staff with important corporate responsibilities including First Aid Officers, Health and Safety Representatives, and Harassment Contact Officers. The Department used its membership with Supply Nation for the first time to procure a training provider for First Aid Officers.

The Department provided training support for staff from diversity groups in writing and first aid as a result of feedback from Departmental stakeholders. These offerings have included customised courses and modifications to existing courses to best fit the capabilities and development needs of participants. This supports the Department's Reconciliation Action Plan commitment to promoting a sustainable Aboriginal and Torres Strait Islander enterprise sector.

In 2013-14, the Department identified the importance of manager capability in the environment of a changing staff profile and has continued to provide a high level of capability development for managers. In 2014-15 this has included the Middle Manager Development Programme for APS6-EL2 staff and the pilot of the EL2 Talent programme. These key programmes have continued to be positively evaluated by participants and continuously updated to ensure their relevance in a changing environment.

## Staff Survey

The Staff Survey (APS State of the Service Employee Census) continues to provide valuable insight into staff views. 73 per cent of staff participated in the survey between 11 May and 12 June 2015.

The Department is positioned above the APS for average staff engagement results (job, team, supervisor and agency), with a score of 6.7 compared to 6.5. Overall, there has been an improvement in staff perception of senior leaders. In particular, staff feel that senior leaders are more visible and are engaging with staff on future challenges.

There has also been an improvement in the way staff are working together to offer ideas, collaborate with and help each other. More staff are satisfied with the recognition they receive for doing a good job. These are key demonstrations of the Department's Behaviours in Action.

The Staff Survey results show the Department is well placed to achieve its objectives and meet future challenges.

## Ethical standards

During 2014-15, the Department continued its commitment to ensuring the highest ethical standards. This included the development of an online training course focused on providing all staff with information and guidance on their responsibilities under the APS Values, Employment Principles and Code of Conduct; emphasising the workplace behaviours expected of all staff.

The Department provided education and training sessions on the *Public Interest Disclosure Act 2013* and refresher training provided to Authorised Officers and Investigators.

The managing conduct and complaints intranet site provides comprehensive information for complainants, managers and respondents. This content also highlights the responsibilities of staff in respect of their conduct and compliance with the APS Code of Conduct, Values and Employment Principles and the *Public Interest Disclosure Act 2013*. Information sessions continue to be provided across the Department on respect and appropriate behaviour in the workplace.

The Department takes all alleged breaches of the APS Code of Conduct seriously and manages processes in accordance with best practice. The majority of complaints received were managed through local management action or preliminary investigation. The Department undertook and finalised three formal investigations during 2014-15 for breaches of the APS Code of Conduct.



## 3.5 Staffing Information

This section provides information on Australian Public Service (APS) employees engaged by the Department in 2014-15 under the *Public Service Act 1999*

The following tables provide details on staff numbers, locations, and aggregated information on salary, performance pay and non-salary benefits provided to staff during the year.

**Table 3.5.1: Staff numbers by classification at 30 June 2015**

Classification	Female		Male		Total
	Full-time	Part-time	Full-time	Part-time	
Secretary	-	-	1	-	1
Holder of Public Office	1	-	1	-	2
Senior Executive Band 3	2	-	4	-	6
Senior Executive Band 2	14	-	10	-	24
Senior Executive Band 1	57	-	38	-	95
Executive Level 2	233	50	192	16	491
Executive Level 1	421	195	312	26	954
APS 6	478	199	217	13	907
APS 5	277	76	107	8	468
APS 4	216	48	58	7	329
APS 3	55	25	25	5	110
APS 2	7	11	3	19	40
APS 1	1	2	6	3	12
Cadet	-	-	1	-	1
Graduate	27	-	12	-	39
Legal 2	13	2	9	1	25
Legal 1	8	5	4	-	17
Chief Medical Officer	-	-	1	-	1
Principal Medical Consultant	-	-	-	1	1
Medical Officer Class 6	-	1	2	3	6
Medical Officer Class 5	8	-	5	3	16
Medical Officer Class 4	5	4	6	2	17
Medical Officer Class 3	3	2	3	-	8
Medical Officer Class 2	10	3	4	-	17
Professional 1	-	-	1	-	1

Table 3.5.1 continued

Classification	Female		Male		Total
	Full-time	Part-time	Full-time	Part-time	
Public Affairs	4	2	1	-	7
Senior Principal Research Scientist	-	-	1	1	2
Principal Research Scientist	-	-	1	-	1
<b>Grand total</b>	<b>1,840</b>	<b>625</b>	<b>1,025</b>	<b>108</b>	<b>3,598</b>

This table includes:

- Figures of Departmental staff as at 30 June 2015; and
- Staff on leave, secondment and inoperative staff.

Figure 3.5.1: Comparison of staff numbers by gender between 30 June 2014 and 30 June 2015

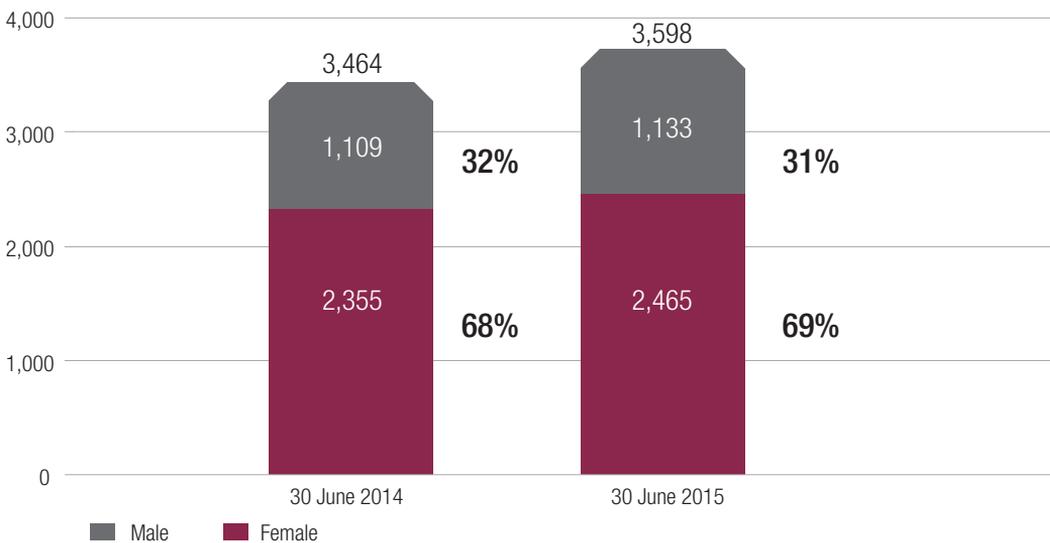


Table 3.5.2: Comparison of Indigenous staff by employment status between 30 June 2014 and 30 June 2015

Employment status	Indigenous employees	
	30 June 2014	30 June 2015
Ongoing	54	58
Non-ongoing	-	6
<b>Total Indigenous staff</b>	<b>54</b>	<b>64</b>
<b>Percentage of Indigenous staff in the Department</b>	<b>1.6%</b>	<b>1.8%</b>

Table 3.5.3: Distribution of staff at 30 June 2015

Unit	Female		Male		Total
	Ongoing	Non-ongoing	Ongoing	Non-ongoing	
Acute Care Division	99	16	41	3	159
Best Practice Regulation & Deregulation	38	4	13	5	60
eHealth Division	36	4	26	2	68
Executive	15	2	4	2	23
Grant Services Division	274	19	82	12	387
Health Workforce Division	121	12	46	5	184
Indigenous and Rural Health Division	94	10	20	4	128
Information Technology Division	65	5	83	4	157
Legal and General Counsel	33	7	13	-	53
Medical Benefits Division	162	4	79	1	246
Office for Sport	12	2	18	1	33
Office of Chemical Safety	59	16	30	6	111
Office of Health Protection	109	7	26	2	144
People, Capability and Communication Division	135	24	46	8	213
Pharmaceutical Benefits Division	126	16	59	6	207
Population Health Division	150	8	27	1	186
Portfolio Investment Division	104	37	62	33	236
Portfolio Strategies Division	40	5	21	4	70
Primary and Mental Health Care Division	138	-	37	2	177
Office of the Gene Technology Regulator	25	2	21	2	50
Therapeutic Goods Administration	413	17	265	11	706
<b>Department total</b>	<b>2,248</b>	<b>217</b>	<b>1,019</b>	<b>114</b>	<b>3,598</b>

This table includes:

- Figures of all staff by unit as at 30 June 2015, including staff on leave, secondment and inoperative staff; and
- Non-ongoing figures include casual staff.

**Table 3.5.4: Distribution of staff by State and Territory at 30 June 2015**

State	Total
Australian Capital Territory	3,304
New South Wales	131
Victoria	58
Queensland	40
Western Australia	25
Northern Territory	16
South Australia	16
Tasmania	8
<b>Total</b>	<b>3,598</b>

This table includes the head count figures of all staff by State and Territory as at 30 June 2015, including staff on leave, secondment, inoperative and outposted staff. Figures include staff from within the Department working in the Therapeutic Goods Administration and in the Office of the Gene Technology Regulator.

**Table 3.5.5: Senior Executive Service Staff and equivalent staff with Individual Agreements at 30 June 2015**

Nominal Classification	Number of staff with Approved Individual Agreements		Total
	Female	Male	
SES 3	2	4	6
SES 2	13	7	20
SES 1	49	31	80
Chief Medical Officer	-	1	1
Principal Medical Consultant	-	1	1
Medical Officer Class 6	1	4	5
Medical Officer Class 5	8	9	17

**Table 3.5.6: Non-Senior Executive Service Staff covered by Individual Flexibility Arrangements and Enterprise Agreement at 30 June 2015**

Level	Number of staff covered by Enterprise Agreement	Number of staff covered by Enterprise Agreement and an approved Individual Flexibility Arrangement
Non-Senior Executive Service staff <sup>1</sup>	3,402	476

<sup>1</sup> This data does not include those staff who were part of the Section 72, Machinery of Government moves from the former:

- Department of Regional Australia, Local Government, Arts and Sports - transferring staff are covered under the section 24(3) determination of 18 September 2013 for non-SES employees, which maintains the terms and conditions of their previous agreement.
- Health Workforce Australia and General Practice Education and Training Ltd - transferring staff continue to be covered by their previous agreements under the provisions of the *Fair Work Act 2009* relating to transfer of business.

Table 3.5.7: APS levels salary structure

Classification	Salary ranges as at 1 July 2014 \$
Executive Level 2	133,777
	127,355
	123,240
	112,992
Executive Level 1	108,013
	103,738
	98,827
	94,705
APS 6	86,943
	85,039
	80,805
	77,067
APS 5	74,451
	70,716
	68,843
APS 4	67,865
	65,996
	64,229
APS 3	62,837
	59,987
	58,296
	56,691
APS 2	53,533
	52,045
	50,528
	49,056
APS 1	47,140
	44,947
	43,458
	41,974
Staff at 20 years of age	38,197
Staff at 19 years of age	34,000
Staff at 18 years of age	29,382
Staff under 18 years of age	25,185

Table 3.5.8: Graduate APS salary structure – commencement salary

Classification	Salary ranges as at 1 July 2014 \$
Graduate APS	53,652

Table 3.5.9: Professional 1 salary structure

Local title	APS classification	Salary ranges as at 1 July 2014 \$
Professional 1	APS 5	74,451
	APS 5	70,716
	APS 4	65,996
	APS 4 <sup>1</sup>	64,229
	APS 3 <sup>2</sup>	59,987
	APS 3	58,296

<sup>1</sup> Salary on commencement for a professional with a four year degree (or higher).

<sup>2</sup> Salary on commencement for a professional with a three year degree.

Table 3.5.10: Medical Officer salary structure

Local title	Salary ranges as at 1 July 2014 \$
Medical Officer Class 4	160,691
	151,676
	145,989
Medical Officer Class 3	140,165
	133,871
Medical Officer Class 2	126,150
	119,726
Medical Officer Class 1	109,410
	99,115
	92,093
	85,012

Table 3.5.11: Legal salary structure

Local title	APS classification	Salary ranges as at 1 July 2014 \$
Legal 2	Executive Level 2	138,460
	Executive Level 2	132,450
	Executive Level 2	128,169
Legal 1	Executive Level 1	117,195
	Executive Level 1	107,888
	Executive Level 1	98,827
	APS 6	85,039
	APS 6	80,805
	APS 6	77,067
	APS 5	71,331
	APS 4	66,872

Table 3.5.12: Public Affairs salary structure

Local title	APS classification	Salary ranges as at 1 July 2014 \$
Senior Public Affairs 2	Executive Level 2	139,129
	Executive Level 2	133,722
Senior Public Affairs 1	Executive Level 2	127,355
Public Affairs 3	Executive Level 1	116,114
	Executive Level 1	110,481
	Executive Level 1	103,767
Public Affairs 2	APS 6	87,033
	APS 6	80,805
	APS 6	77,067
Public Affairs 1	APS 5	74,451
	APS 5	70,716
	APS 4	67,865
	APS 4 <sup>1</sup>	64,229

<sup>1</sup> This level is generally reserved for staff with less than two years experience.

Table 3.5.13: Research Scientist salary structure

Local title	APS classification	Salary ranges as at 1 July 2014 \$
Senior Principal Research Scientist	Executive Level 2	169,897
	Executive Level 2	152,828
Principal Research Scientist	Executive Level 2	149,830
	Executive Level 2	145,186
	Executive Level 2	139,261
	Executive Level 2	135,589
	Executive Level 2	130,561
Senior Research Scientist	Executive Level 2	136,052
	Executive Level 2	127,355
	Executive Level 2	123,240
	Executive Level 2	112,992
Research Scientist	Executive Level 1	101,768
	Executive Level 1	94,705
	APS 6	80,954
	APS 6	76,726
	APS 6	74,640

Table 3.5.14: Cadet salary structure

Classification	Salary ranges as at 1 July 2014 \$
Cadet Full-Time Study	23,474
(At 20 years)	21,361
(At 19 years)	19,014
(At 18 years)	16,431
(Under 18 years)	14,084
Cadet Practical Training (Adult)	46,953
	44,435
	43,267
	41,863
	38,095
(At 20 years)	38,095
(At 19 years)	33,909
(At 18 years)	29,305
(Under 18 years)	25,117

**Table 3.5.15: Senior Executive Service staff and Senior Medical Officer indicative salary bandwidths<sup>1</sup>**

Classification	Minimum \$	Maximum \$
Senior Executive Band 3	253,133	270,842
Senior Executive Band 2	195,123	216,218
Senior Executive Band 1	147,661	189,850
Medical Officer Class 6	193,924	249,856
Medical Officer Class 5	185,184	197,963

<sup>1</sup> These are indicative as the Secretary may approve salary rates outside these bands.

**Table 3.5.16: Non-salary benefits****Non-Senior Executive Service staff**

Access to the Employee Assistance Programme
Extended purchased leave
Maternity and adoption leave
Parental leave
Adoption or foster leave
Leave for personal compelling reasons and exceptional circumstances
Eligibility for performance-based pay
Access to paid leave at half pay
Flextime (not all officers)
Flexible working locations and home-based work including, where appropriate, access to lap-top computers, dial-in facilities, and mobile phones
Study assistance
Support for professional and personal development
Access to engage in private medical practice for Medical Officers
Access to remote locality conditions
Public Transport Loan Scheme
Access to negotiated discount registration/membership fees to join a fitness or health club
Family care rooms
Breastfeeding facilities
Reflection room
Eyesight testing and reimbursement of prescribed eyewear costs specifically for use with screen-based equipment
Annual influenza vaccinations
Hepatitis B vaccinations for staff who are required to come into regular contact with members of the community classified as at increased risk with regard to hepatitis B
Recognition of travel time
Annual close down and early stand down at Easter and Christmas Eve
Financial assistance to access financial advice for staff 54 years and older
Access to Individual Flexibility Arrangements

Table 3.5.16 continued

Senior Executive Service staff
All the above benefits except flextime
Car parking
Airport lounge membership
Home office equipment
Motor vehicle allowance or private use of motor vehicle
IT Reimbursement Scheme

**Table 3.5.17: Senior Executive Service and Equivalent Staff, Performance-Based Payments, 1 July 2014 to 30 June 2015**

Level	Number	Aggregated amount \$	Average \$	Minimum \$	Maximum \$
Senior Executive Band 2 and 3	36	792,070	22,002	6,969	44,151
Senior Executive Band 1	83	1,069,407	12,884	691	27,686
<b>Total</b>	<b>119</b>	<b>1,861,477</b>			

This table includes figures of Senior Executive Service and equivalent staff who received performance pay. Due to the small numbers of staff at the Senior Executive Band 3 level, details for Senior Executive Bands 2 and 3 have been aggregated to preserve employee privacy.

The majority of performance payments made in 2014-15 relate to assessments for the 2013-14 cycle. A small number relate to assessments for the 2014-15 cycle.

Performance bonus payments are only available to staff with a current Individual Agreement which provides eligibility.

The level of performance pay is directly related to the individual's performance agreement.

**Table 3.5.18: Non-Senior Executive Service staff, performance-based payments, 1 July 2014 to 30 June 2015**

Level	Number	Aggregated amount \$	Average \$	Minimum \$	Maximum \$
Non-Senior Executive Service staff	474	3,336,151	7,038	926	17,283

This table includes figures of Non-Senior Executive Service staff who received performance pay. Payments have been aggregated to preserve employees' privacy. The majority of performance payments made in 2014-15 relate to assessments for the 2013-14 cycle. A small number relate to assessments for the 2014-15 cycle.

Performance bonus payments are only available to staff with an individual flexibility arrangement made under the Department's Enterprise Agreement.

The level of performance pay is directly related to the individual's performance agreement.

Staff with an entitlement to a performance bonus are assessed against a five point rating scale, which attracts a percentage payment.

## 3.6 Work Health and Safety

**We are committed to providing workplaces that support and safeguard the health, wellbeing and safety of our people**

The Department acknowledges its responsibilities under the *Work Health and Safety Act 2011* (WHS Act) and the *Safety, Rehabilitation and Compensation Act 1988* to ensure health and safety at work, and to assist ill and injured workers. The Department maintains a strong commitment to the health, safety and wellbeing of all staff.

The Department's work health and safety (WHS) policies and procedures aim to achieve best practice in health and safety management in order to reduce the social and financial cost of occupational injury and illness, and improve business performance. A WHS Management Systems Manual has been produced to help ensure compliance with the WHS Act and to support managers, supervisors and individuals in discharging their responsibilities.

A particular strategic focus on primary intervention or injury prevention has been adopted during 2014-15. This has been complemented by the Department's Rehabilitation Management System, which provides for early response in minimising the incidence and severity of injury and disease (illness) at work, and rehabilitation based on the principle of work engagement during recovery.

An Initial Level Comcare WHS management system audit of the Department was conducted in May 2015. The audit examined the existence of systems, their effectiveness and their degree of integration with the Department's normal business. The Department's performance at this level was around the APS average.

### Initiatives taken during the year to ensure health, safety and welfare of workers who carry out work for the Department

Several initiatives have been implemented during the year to improve the Department's WHS performance:

- collaboration with the Department of Defence on selection and management of rehabilitation providers
- proactive engagement with treating doctors to emphasise work capability rather than incapacity
- co-operative injury prevention and management with IP Australia
- participation in Australian Public Service (APS) best practice trials addressing excellence in rehabilitation case management, early intervention for high prevalence conditions and development of a model for workers' compensation premium devolution.

To support the Department's strategies for promoting wellbeing, a number of health and lifestyle initiatives are available to staff, including:

- assistance to quit smoking
- flu vaccinations
- eyesight testing
- access to the Employee Assistance Programme.

## Health and safety outcomes (including the impact on injury rates of workers) achieved as a result of initiatives

The Department has improved health outcomes in 2014-15 with a new Rehabilitation Management System, for which an Australia Day Award was presented to the Work Health and Safety team. Strong rehabilitation performance has contributed to the Department's 2015-16 workers' compensation premium rate reduction of 41 per cent compared with the 2014-15 rate.

## Statistics of any notifiable incidents of which the Department became aware of during the year that arose out of the conduct of business or undertakings by the Department

During 2014-15, there were five serious injuries, illnesses or dangerous incidents reported to Comcare with respect to the Department's statutory obligation under section 35 of the WHS Act. These were all body stressing injuries and are being managed in accordance with rehabilitation procedures.

## Any investigations conducted during the year that relate to businesses or undertakings conducted by the Department, including details of all notices given to the Department during the year under Part 10 of the WHS Act

- No notices were issued to the Department in 2014-15 and no investigations were initiated.
- Two Rehabilitation Management Systems Audits were undertaken, with performance recorded within the APS average.
- Comcare conducted a Work Health and Safety Management Systems audit, and noted performance around the APS average.

## Such other matters as required by guidelines approved on behalf of the Parliament by the Joint Committee of Public Accounts and Audit

No matters to report for 2014-15.

## 3.7 Carer Recognition and Addressing Disability

**We are committed to recognising and supporting staff who have caring responsibilities**

### *Carer Recognition Act 2010*

The *Carer Recognition Act 2010* (the Act) reflects the Australian Government's commitment to increasing recognition and awareness of the vital role that unpaid carers play in providing daily care and support to people with disability, medical conditions, mental illness or who are frail and aged. The Act places a range of reporting and consultation obligations on those Australian Public Service entities who have responsibility for the development, implementation, provision or evaluation of policies, programmes or services directed to carers or the persons for whom they care.

The criteria below measure the Department's compliance with the Act and the responses provide an overall assessment of performance in 2014-15.

### Measures taken by the Department to ensure employees and agents have an awareness and understanding of the Statement for Australia's Carers [Part 3 section 7(1)]

The Department participates as a Care Aware Workplace under the National Carer Awareness Initiative, with this participation reflecting the Department's ongoing commitment to recognising and supporting carers in the workplace.

The Department conducts awareness initiatives including the Departmental Carers Week which includes activities such as information sessions, morning teas and the display of Carers Week promotional material.

### Department's Internal Human Resource Policies, so far as they may Significantly Affect an Employee's Caring Role, are to be Developed Having Due Regard to the Statement for Australia's Carers [Part 3 section 7(2)]

The Department's human resource policies and guidelines comply with the principles expressed in the Statement for Australian Carers. The Department offers staff members a range of provisions to assist them with their caring responsibilities, including:

- access to a flexible working arrangements, such as part-time employment, flex-time and home-based work
- an Employee Assistance Programme which offers counselling for staff and their family to assist with work or personal issues
- paid and unpaid carers leave for various reasons, such as meeting family responsibilities and providing care and support to family or household members

- assistance to meet reasonable additional family care costs incurred as a result of the Department requiring the staff member to be away from their household outside of their standard day
- the ability to purchase up to six weeks additional leave per calendar year
- access to family care rooms in the workplace to enable staff to carry out work while caring for dependants, as an alternative to taking personal/carers leave
- providing appropriate facilities to enable mothers returning to work after maternity leave to undertake breastfeeding, lactation and associated activities.

## Measures Taken to Ensure that Employees and Agents take Action to Reflect the Principles of the Statement for Australia's Carers in Developing, Implementing, Providing or Evaluating Care Supports [Part 3 section 8(1)]

The Australian Government recognises the contribution that carers make to the Australian community by providing unpaid care and support to family and friends who are diagnosed with a life-limiting condition and require palliative care. The Department provides funding to Carers Australia to deliver a series of workshops to train counsellors and other people to better support carers who are caring for someone with palliative care needs. These workshops focus on the needs of general counsellors, social workers and case managers who deliver services to carers providing end of life care.

The Department also supports training programmes that assist health professionals and other carers to improve the quality of palliative care they provide to aged persons in the community.

Measures previously undertaken by the Department relating to ageing are no longer reported here, as responsibility for aged care was transferred to the Department of Social Services during 2013-14.

## Consult Carers or Bodies that Represent Carers when Developing or Evaluating Care Supports [Part 3 section 8(2)]

The Australian Government is committed to developing a more effective and efficient mental health system that improves the lives of Australians with a mental illness and their families. That is why the Government tasked the National Mental Health Commission to undertake a review of all existing services (the Review).

The final report of the Review, *Contributing lives, thriving communities*, presents an ambitious plan for broad, long-term reform of the mental health system. A consultative and collaborative approach has been taken to progressing the Government's long-term response to the Review. The Government is working with States and Territories, experts and representatives from the mental health sector, including those representing carers, to inform this response.

## The National Disability Strategy

Since 1994, Australian Government departments and entities have reported on their performance as policy adviser, purchaser, employer, regulator and provider under the Commonwealth Disability Strategy. In 2007-08, reporting on the employer role was transferred to the Australian Public Service Commission's *State of the Service Report* and the *APS Statistical Bulletin*. These reports are available at: [www.apsc.gov.au](http://www.apsc.gov.au). From 2010-11, departments and entities have no longer been required to report on these functions.

The Commonwealth Disability Strategy has been overtaken by a new National Disability Strategy 2010-2020 which sets out a ten year national policy framework to improve the lives of people with disability, promote participation and create a more inclusive society. A high level two-yearly report will track progress against each of the six outcome areas of the Strategy and present a picture of how people with disability are faring. More information on the National Disability Strategy is available at: [www.dss.gov.au/nds](http://www.dss.gov.au/nds)

## Protocol for engaging with people with disability in the development and delivery of Department business

The National Disability Strategy requires all levels of Government to work collaboratively with people with disability in the development of programmes, policies and systems that affect people with disabilities. This includes engaging with representative organisations, families and carers, community service providers, advocacy and other organisations.

Under the Strategy, all Australian Government entities agreed to develop protocols for engaging with disability in the development of policy and programmes. The Department launched its *Protocol for engaging with people with disability in the development and delivery of department business* on 1 July 2014. It is available on the Department's intranet as part of a manager's toolkit for procurement, grants and people management.

The protocol outlines the Department's obligations under the Strategy, and identifies and promotes strategies that improve accessibility and responsiveness of our policies, programmes and services. The protocol includes relevant internal and external policy considerations and case studies to demonstrate the application of health programmes to people with disability. The protocol also includes guidance for engaging with Indigenous Australians with disability.

More information in relation to the Department's activities to support staff with a disability is provided in Part 3.4: *People Management*.



# 3.8 Ecologically Sustainable Development and Environmental Performance

**We are committed to making a positive contribution to ecologically sustainable practices**

Section 516A of the *Environment Protection and Biodiversity Conservation Act 1999* requires the Department to report on the following subsections of the Act in its Annual Report.

## Activities of, and the Administration of Legislation by the Department during 2014-15 Accorded with Ecologically Sustainable Development Principles [section 516A(6)(a)]

The Department administers legislation that is relevant to, and meets the principles of, ecologically sustainable development (ESD). These include the *Gene Technology Act 2000*, and the *Industrial Chemicals (Notification and Assessment) Act 1989*.

The Gene Technology Regulator (the Regulator) administers the *Gene Technology Act 2000*. The Act aims to protect the health and safety of people and the environment by identifying risks posed by gene technology and managing those risks through regulating activities including genetically modified organisms (GMOs).

The National Industrial Chemicals Notification and Assessment Scheme (NICNAS) aids in the protection of the Australian people and the environment by assessing the risks of industrial chemicals and providing information to promote their safe use.

NICNAS operates within an agreed framework for chemical management that is consistent with the National Strategy for ESD, its principles and policies, and this framework aligns with the United Nations Conference on Environment and Development Agenda 21 (Rio Declaration), of which Chapter 19 relates to the environmentally-sound management of toxic chemicals. NICNAS's activities are aligned with a series of ESD principles and decision-making processes that effectively integrate both long-term and short-term environmental, social and equity-supporting considerations. NICNAS environmental risk assessments are conducted under a service level agreement with the Department of the Environment.

## Outcome Contribution to Ecologically Sustainable Development [section 516A(6)(b)]

In 2014-15, the Department continued its commitment to ESD by ensuring that it effectively delivered corporate operations while minimising environmental impact. This included a methodical approach to planning, implementing and monitoring the Department's environmental performance through programmes and policies that are in accordance with current legislation, whole-of-government requirements and environmental best practice.

In 2014-15, the Office of the Gene Technology Regulator (OGTR) continued to support the Regulator in regulating activities involving live and viable GMOs. These activities ranged from contained work in certified laboratories to releases of GMOs into the environment. The Regulator imposed licence conditions to protect the environment, and used extensive powers to monitor and enforce those conditions.

During 2014-15, NICNAS continued to assess the health and environmental risks of new industrial chemicals entering Australia (by manufacture and/or import). NICNAS also supported the Department's contribution to ESD by assessing chemicals already in commerce, based on environmental and/or health concerns.

## The Effect of Departmental Activities on the Environment [section 516A(6)(c)]

In 2014-15, the Department's key environmental management initiatives were aimed at reducing consumption of energy, maintaining recycling efforts to minimise landfill, and maximising the efficient use of resources such as second-hand stationery.

The Department is committed to making a positive contribution to sustainable practices and uses whole-of-government benchmark indicators and targets to assess and monitor environmental performance.

## Measures the Department is Taking to Minimise the Impact of Activities on the Environment [section 516A(6)(d)]

In 2014-15, the Department maintained an Environmental Management System (EMS) in accordance with the International Standard ISO 14001:2004. The EMS tool assists the Department with monitoring and managing its environmental performance through identifying significant environmental aspects, assigning objectives and targets to control environmental impact, and complying with legal and whole-of-government requirements.

## Mechanisms for Reviewing and Increasing the Effectiveness of those Measures that Minimise the Impact of the Department on the Environment [section 516A(6)(e)]

### Energy consumption and efficiency

The Department continued to decrease its electricity consumption, consuming 37,940 gigajoules in 2014-15 compared with 40,575 gigajoules in 2013-14. This figure includes sites occupied by the Therapeutic Goods Administration (TGA), the Office of the Gene Technology Regulator (OGTR), the Australian Sports Anti-Doping Authority (ASADA), the National Health Funding Body (NHFB) and the National Health Performance Authority (NHPA).

Following Machinery of Government (MoG) changes, the Department will no longer report the energy consumption for the entities and functions that were transferred to other Portfolios as of 1 July 2014.

**Table 3.8.1: Electricity consumption (gigajoules) from 2012-13 to 2014-15**

Year	Gigajoules
2012-13	40,637
2013-14	40,575
2014-15	37,940

The Department is required to report its energy consumption against core performance indicators established under the Energy Efficiency in Government Operations (EEGO) Policy, which aims to improve overall Australian Government energy performance.

## Office tenant light and power

By June 2011, the Department was required to meet the target of 7,500 megajoules per person, per annum (MJ/person/annum) for Tenant Light and Power under the EEGO Policy. The Department met the target by the due date and has continued to outperform these requirements for the subsequent years including achieving 5,580.30 (MJ/person/annum) for 2014-15, which is detailed in the table below.

**Table 3.8.2: Office tenant light and power 2014-15**

Entity	Energy (MJ)	Area (m <sup>2</sup> )	MJ/m <sup>2</sup>	People	MJ/Person
Department of Health <sup>1</sup>	15,764,285.56	72,559.40	217.26	2,902	5,432.21
TGA	1,129,542.50	2,834.00	398.57	163	6,929.71
ASADA	472,920.94	1,415.60	334.08	44	10,748.20
OGTR	261,416.80	1,075.00	243.18	50	5,228.34
<b>Total</b>	<b>17,628,165.80</b>	<b>77,884.00</b>	<b>226.34<sup>2</sup></b>	<b>3,159</b>	<b>5,580.30<sup>3</sup></b>

<sup>1</sup> The Department of Health figures include 10 Rudd St tenancy which is majority sub-leased to National Health Funding Body and National Health Performance Authority.

<sup>2</sup> Total MJ/m<sup>2</sup> (226.34) represents the energy consumption in the Department's office tenancies (17,628,165.80) divided by the entire office floor space measured in square metres (77,884), rather than the cumulative total of values in the MJ/m<sup>2</sup> column.

<sup>3</sup> Total MJ/person (5,580.30) represents the energy consumption by the Department (17,628,165.80) divided by the total number of people (3,159), rather than the cumulative total of values in the MJ/person column.

## Non-office buildings: electricity

The Department occupies a number of sites which are used for a purpose other than office space. There is no electricity consumption target for properties that fall under this category. Notwithstanding this, the Department has decreased its electricity consumption in its non-office buildings as detailed in Table 3.8.3.

**Table 3.8.3: Non-office buildings - electricity 2013-14 to 2014-15**

Entity	2013-14			2014-15		
	Energy (MJ)	Area (m <sup>2</sup> )	MJ/m <sup>2</sup>	Energy (MJ)	Area (m <sup>2</sup> )	MJ/m <sup>2</sup>
Department of Health	261,986.43	1,050.00	249.51	241,581.60	1,050.00	230.08
TGA	20,049,866.00	18,523.60	1,082.40	18,277,843.20	18,523.60	986.73
<b>Total</b>	<b>20,311,852.43</b>	<b>19,573.60</b>	<b>1,037.72<sup>1</sup></b>	<b>18,519,424.80</b>	<b>19,573.60</b>	<b>946.14</b>

<sup>1</sup> Total MJ/m<sup>2</sup> (946.14) represents the energy consumption in the Department's non-office tenancies (18,519,424.80) divided by the entire office floor space measured in square metres (19,573.6), rather than the cumulative total of values in the MJ/m<sup>2</sup> column.

## Non-office buildings: gas

Of the Department's non-office buildings, one site utilised natural gas. Whilst there is no gas consumption target for properties which fall under this category, the Department has decreased its gas consumption in its non-office building as detailed in Table 3.8.4.

**Table 3.8.4: Non-office buildings - natural gas 2013-14 to 2014-15**

Entity	2013-14			2014-15		
	Energy (MJ)	Area (m <sup>2</sup> )	MJ/m <sup>2</sup>	Energy (MJ)	Area (m <sup>2</sup> )	MJ/m <sup>2</sup>
TGA	18,254,148.00	18,523.60	985.45	17,774,254.00	18,523.60	959.55

## Energy performance standards

The EEGO Policy contains minimum energy performance standards for Australian Government office buildings as a strategy for achieving the above energy intensity targets. This ensures that departments progressively improve their performance through the procurement and ongoing management of energy efficient office buildings and environmentally sound equipment and appliances.

As part of its strategic accommodation plan, the Department ensures that, where applicable, it occupies buildings that meet the recommended National Australian Built Environment Rating Scheme (NABERS)<sup>48</sup> rating of 4.5 stars and above, and contains a Green Lease Schedule. The table below details the Department's occupied buildings during 2014-15 for which base building NABERS ratings achieved the recommended target.

**Table 3.8.5: NABERS energy ratings**

Property	Rating
Canberra Central Office (Sirius Building)	6
Canberra Central Office (Scarborough House)	4.5
Victorian State Office	4.5

Energy saving initiatives in the Department's leased property portfolio includes T5 fluorescent and movement activated sensor lighting, double glazed windows and energy efficient heating, ventilation and air-conditioning systems.

## Sustainable energy initiatives

The Department accessed the whole-of-government electricity supply contract for the majority of its sites within the ACT and NSW, which includes 10 per cent greenpower.

The Department's Desktop Futures Programme, which replaced the desktop computers with hosted virtual desktops, resulted in the Department achieving the Information and Communications Technology (ICT) Sustainability Plan end user target of 400kWh per user per annum (kWh/user/annum) by 2012.

The Department implemented further ICT energy savings initiatives and has achieved the target of 250kWh/user/annum in 2015. Usage will continue to be actively monitored and opportunities for further improvement investigated as transformation activities commence with the Department's new ICT Service Provider.

The Department participated in Earth Hour 2015 by switching off building lights, computers, monitors and office equipment for all its sites around Australia.

<sup>48</sup> NABERS measures the environmental performance of Australian buildings, tenancies and homes.

## Waste management

The Department is committed to the protection of the environment through implementation of efficient and effective waste management programmes.

In the majority of the Department's offices, waste management initiatives include segregated waste streams to improve management of general waste, commingled recycling, organic recycling, and paper and cardboard recycling. Further recycling efforts include recycling of printer and toner cartridges, and mobile phones and batteries to ensure these items are diverted from landfill.

In 2014-15, the Department: recycled over half of its total waste produced; doubled commingled recycling; increased organic recycling by 21 per cent; and reduced paper and cardboard recycling by 10 per cent (8.4 tonnes). These achievements are outlined further in Table 3.8.6.

**Table 3.8.6: Waste reporting from 2012-13 to 2014-15<sup>1</sup>**

Waste (tonnes)	General waste	Commingled recycling	Paper & cardboard recycling	Organic recycling	Total (tonnes)
2012-13	144.5	42.1	125.3	2.7	314.6
2013-14	123.3	40.8	81.3	3.3	248.7
<b>2014-15</b>	<b>124.7</b>	<b>89.7</b>	<b>72.9</b>	<b>4</b>	<b>291.3</b>

<sup>1</sup> Waste reports provided for Canberra sites only.

Following the closure of Health Workforce Australia in August 2014, the Department obtained some office furniture and a large amount of excess stationery for reuse in the national office. These goods have been made available to staff for reuse. Recycling stationery is both financially and environmentally responsible. It assists the Department to reduce its carbon footprint by helping to eliminate excess waste going to landfill while decreasing demand on resources and energy associated with purchasing new items. In 2014-15, the Department also recycled unrequired furniture and approximately 3.46 tonnes of scrap metal.

The Department has a centrally managed paper supply which monitors the type of paper and quantity purchased. This ensures that the Department continues to comply with the whole-of-government ICT Sustainability Plan's requirement of 100 per cent post-consumer recycled paper being used by Australian Government entities. The Department has decreased its paper consumption by more than 57 per cent in the last two years from 46,101 reams in 2012-13 to 19,433 reams in 2014-15.

## Vehicle fleet and travel

The Australian Government Pool Fleet requires Australian Government entities to work towards a voluntary target of 28 per cent of leased/pool vehicles to meet the 10.5 rating of the Green Vehicles Guide (GVG).

The emissions of the Department's fleet vehicles are reported, in accordance with the EEGO Policy (Table 3.8.7 refers).

**Table 3.8.7: Fleet vehicle emissions 2014-15**

Entity	Number of vehicles	Diesel oil (L)	E-10 (biofuel) (L)	Petroleum (unleaded and premium) (L)	Total (MJ)	Distance travelled (km)	MJ/km	CO <sub>2</sub> emissions 2014-15 (Tonnes)
Department of Health	11	59.6	451.5	4,223.22	190,308.43	49,889	3.81	16.65
TGA	9	5,992.04	2,043.23	1,378.86	378,425.70	88,779	4.26	29.62
<b>Total</b>	<b>20</b>	<b>6,051.64</b>	<b>2,494.73</b>	<b>5,602.08</b>	<b>568,734.13</b>	<b>138,668</b>	<b>4.10<sup>1</sup></b>	<b>46.27</b>

<sup>1</sup> Total MJ/km (4.10) represents the Department's total fleet vehicle emissions (568,734.13) divided by the total distance travelled (138,668) rather than the cumulative total of values in the MJ/km column.

The Department has implemented video conferencing facilities nationally to reduce the need for travel.

## Water conservation

The Department occupies buildings which are fitted with a range of water-saving technologies including low-flow taps and showers, dual-flush cisterns and waterless or low-flow urinals and grey water systems.

The Department's national office (Sirius Building) has a NABERS water rating<sup>49</sup> of five and a half stars which reflects the building's high level of water efficiency. This is well above the current market average of two and a half stars.

In April 2015, the showers in the change rooms of the Sirius Building were adjusted to have set temperatures; the temperatures are displayed in each shower so that staff can select which shower temperature suits their preference. This system was installed to support the building's NABERS rating for both energy and water consumption.

In addition, the showers are fitted with water usage timers that are push button activated in each shower. In April 2015, the timers were changed from 3 minute to 2 minute running times. While showering time can be extended by pushing the timer button again, this simple change is encouraging staff to be aware of the length of their showers and therefore the amount of water used.

<sup>49</sup> NABERS water rating measures the water consumption of an office building on a scale of one to six stars reflecting the performance of the building relative to the market, from least efficient (one star) to market leading (six stars).

# 3.9 Advertising and Market Research

**We promote community awareness of key health issues and programmes by undertaking advertising campaigns. We also seek the community's views on health matters through market research activities**

During 2014-15, the Department of Health conducted the following advertising campaigns:

- National Tobacco campaign
- National Drugs campaign
- National Bowel Cancer Screening campaign
- BreastScreen Australia campaign
- Health Star Rating campaign.

Further information on those advertising campaigns is available at [www.health.gov.au](http://www.health.gov.au) and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available at: [www.finance.gov.au/advertising/index.html](http://www.finance.gov.au/advertising/index.html)

**Table 3.9.1: Advertising agencies (creative advertising agencies which have developed advertising campaigns)**

Organisation	Service provided	Amount paid (GST Incl)
303 Lowe	Health Star Rating campaign	\$377,434
Ethnic Communications (Ecom)	BreastScreen Australia campaign	\$82,088
Ethnic Communications (Ecom)	National Bowel Cancer Screening campaign	\$50,534
Ethnic Communications (Ecom)	National Tobacco campaign	\$46,024
Gilimbaa	BreastScreen Australia campaign	\$33,396
Gilimbaa	National Bowel Cancer Screening campaign	\$24,613
Mitchell Adcorp Alliance	Health Star Rating campaign	\$27,001
Mitchell Adcorp Alliance	National Tobacco campaign	\$71,220
The Trustee for the Knowles Bristow Trust trading as BCM Partnership	National Drugs campaign	\$758,058
Ursa Clemenger	BreastScreen Australia campaign	\$203,614
Ursa Clemenger	National Bowel Cancer Screening campaign	\$203,180

**Table 3.9.2: Market research organisations**

Organisation	Service provided	Amount paid (GST Incl)
Hall and Partners Open Mind	Concept testing for the Health Star Rating campaign	\$173,375
McNair Ingenuity Research Pty Ltd	Evaluation (Benchmark) of the BreastScreen Australia campaign	\$20,180
McNair Ingenuity Research Pty Ltd	Evaluation of Cancer Screening campaigns	\$141,559
ORIMA Research Pty Ltd	Developmental research on beliefs, attitudes and behaviours towards travel related infectious disease risks and border measures, to inform future communication	\$146,956
ORIMA Research Pty Ltd	Evaluation of the National Tobacco campaign	\$73,150
Pollinate	Evaluation of the Health Star Rating campaign	\$37,150
Pollinate	Evaluation of the Health Star Rating System – Consumer Use and Understanding Component	\$24,500
Snapcracker Research	Concept Testing for the National Drugs campaign	\$260,920
Stancombe Research and Planning Pty Ltd	Evaluation of the National Drugs campaign	\$44,138
The Social Research Centre Pty Ltd	Evaluation of the National Tobacco campaign	\$241,036
Woolcott Research Pty Ltd	Concept testing for the BreastScreen Australia campaign	\$14,010
Woolcott Research Pty Ltd	Concept testing for the National Bowel Screening campaign	\$188,692

**Table 3.9.3: Direct mail organisations<sup>1</sup> (includes organisations which handle the sorting and mailing out of information material to the public)**

Organisation	Service provided	Amount paid (GST Incl)
National Mailing & Marketing Pty Ltd	Breast and Bowel Cancer Screening Resources mailout	\$42,333
National Mailing & Marketing Pty Ltd	Tobacco Plain Packaging Supplement	\$28,713
National Mailing & Marketing Pty Ltd	Management fee for preparation and distribution for Hearing Services Online Portal Correspondence for Hearing Services Clients	\$29,150

<sup>1</sup> The costs reported cover only the amount paid to the organisation and not the cost of postage or production of the material sent out. Where a creative agency or direct marketing agency has been used to create the direct mail materials, the amount paid to the agency is reported here.

**Table 3.9.4: Media advertising organisations (the master advertising agencies which place Government advertising in the media – this covers both campaign and non-campaign advertising)**

Organisation	Service provided	Amount paid (GST Incl)
Mitchell Adcorp Alliance	2016 Australian General Practice Training Program press recruitment notice in all Australian city papers and major regional papers, including the Koori mail and Facebook	\$41,914
Mitchell Adcorp Alliance	Media Buy for Health Star Rating campaign	\$422,548
Mitchell Adcorp Alliance	Media Buy for the BreastScreen Australia campaign	\$1,815,000
Mitchell Adcorp Alliance	Media Buy for the National Bowel Cancer Screening campaign	\$2,090,000
Mitchell Adcorp Alliance	Media Buy for the National Drugs campaign	\$7,558,515
Mitchell Adcorp Alliance	Media Buy for the National Tobacco campaign	\$10,010,000
Mitchell and Partners Australia Pty Ltd	Placing advertisements regarding regulatory activities	\$18,073
Mitchell and Partners Australia Pty Ltd	Advertisements in national papers for the release of the Primary Health Networks Invitation to Apply and Industry Briefings	\$24,965