



Part 3: Management and accountability

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Corporate governance

Governance is the framework of relationships (people), structures (committees), systems, processes and culture that supports the operations of an organisation. Good governance helps us achieve our outcomes. It encompasses authority, accountability, stewardship, leadership, direction and control exercised in the Department.

As part of our commitment to good governance, the Department promotes a culture that encourages and supports all staff to be accountable for their actions; act with integrity, trust, honesty and respect; commit to excellence; focus on performance; and ensure the efficient, effective and ethical management of people and resources.

Elements of our corporate governance framework include business planning, audit and assurance activities, risk management, fraud prevention and control, committees, the Chief Executive's Instructions, policies and guidelines, and performance agreements.

Committees

To support the Secretary in the achievement of our objectives, we have a number of committees. These are outlined in Figure 3.1.

Figure 3.1 Departmental committees

Committee	Purpose
Executive Leadership Group (ELG)	Deals with management decisions and issues across PM&C. It considers strategic issues impacting on the Department, including any ongoing or emerging risks, and monitors performance in delivering outcomes.
Corporate Management Group	Discusses key issues and priorities affecting corporate services.
Senior Management Group	Discusses key business issues, including business priorities, key commitments and any ongoing or emerging risks.
Audit Committee	Provides independent assurance and assistance to the Secretary on PM&C's risk, control and compliance framework, and its external accountability responsibilities.
Security Committee	Provides advice to the Secretary on actions to counter or manage security threats and considers issues including ICT security policy, password policy changes, email security classification, website blocking, security breaches, security incidents and investigations.
Finance and Investment Committee	Oversights and monitors the delivery of the Department's Finance Strategy and provides advice and assurance to the Secretary on all financial issues, including recommending annual and forward budgets, and capital investment decisions for endorsement.
Information Management and Technology Committee	Oversights and monitors the delivery of the Department's Information Technology Strategic Direction to 2016 and provides advice and assurance to the Secretary regarding ICT management, operations and expenditure.
People and Leadership Committee (PLC)	Provides strategic advice to the Secretary on integrating the Department's people planning, including leadership priorities and development within the Department's strategic direction and business priorities.

Figure 3.1 Departmental committees (continued)

Committee	Purpose
Health and Safety Committee	A sub-committee of the PLC that facilitates discussion and cooperation regarding work health and safety (WH&S) issues and assists in the developing Health and Safety Management Arrangements through consultation with all staff.
Consultative Committee	A sub-committee of the PLC that provides a forum for management and employees to discuss matters affecting the workplace. Employee representatives are elected from each division to provide employees with an opportunity to contribute ideas and raise concerns about our workplace.
Graduate Support Group	A sub-committee of the PLC that ensures that the Graduate Development Program and graduate recruitment strategy meet the Department's needs, and facilitate communication, consultation, cooperation and input from divisions and graduates on matters that affect the graduate program.
Capability Review Implementation Committee	Monitors progress of implementation of the Department's Capability Action Plan.

Risk management

A positive culture of risk management is a central element of our operations and key to our success in achieving outcomes. Risk management within PM&C is not a stand-alone activity; it is an essential element of good corporate governance and is integrated with the Department's approach to all aspects of our business.

The Department's risk management framework is consistent with the international standard ISO 31000:2009, and outlines the Department's approach to effective risk management providing the basis for integrating risk management into everyday PM&C business activities. Risk is considered in key decision making activities and, in particular, when undertaking policy development and giving policy advice; in planning for and undertaking significant projects and procurements such as major events and taskforces; when outsourcing services, managing contracts and delivering programs; and when providing secretariat and support services.

Senior management committees routinely consider ongoing or emerging risks that may impact on the achievement of objectives. Monitoring and reporting on risk through these committees or, more formally, through the Department's operational planning and reporting process ensures ongoing oversight of developments in this area.

The Department's risk management plan is updated annually. The 2012–13 update was informed by feedback from senior managers, outcomes from the Department's annual internal audit program, as well as the views of the Secretary, Audit Committee members and the ELG.

The Audit Committee recommends the plan for approval by the ELG, monitors the implementation of treatment strategies and tracks risks. The 2012–13 plan was approved on 9 November 2012.

Ethical standards

PM&C is strongly committed to promoting and maintaining the standard of behaviour outlined in the APS Values and APS Code of Conduct, as set out in the *Public Service Act 1999*. The APS Values and APS Code of Conduct are an integral part of the human resources framework and is part of the foundation of all HR policies and procedures.

Through our induction program, our employees are educated on their obligations as members of the APS and are made aware of the APS Values and APS Code of Conduct.

We actively participated in the Ethics Contact Officer Network through regular attendance at network meetings. The network plays a key role in supporting the ongoing work of the Ethics Advisory Service and provides best practice advice on ethical matters.

Fraud prevention and control

We maintain a comprehensive fraud control plan, based on fraud risk assessments, that complies with the *Commonwealth Fraud Control Guidelines 2011*. We regularly review fraud prevention and control measures and are committed to continuous improvement in fraud prevention and detection. Strategies for raising awareness and fraud prevention as set out in the Fraud Control Plan 2012–14 continue to be implemented.

External scrutiny

External Audit

During 2012–13 the Australian National Audit Office (ANAO) undertook two audits involving the activities of PM&C:

Control of Credit Card Use – This was a cross portfolio audit of the Australian Trade Commission, PM&C and Geoscience Australia. The audit objective was to assess whether Australian Government agencies were effectively controlling the use of credit cards for official purposes. The report found that all agencies had generally satisfactory arrangements in place to control the use of credit cards for official purposes. The incidence of misuse in the sample of credit card transactions examined by the ANAO was very low, and the audited agencies' controls were effective in identifying such misuse, with evidence of follow-up action where necessary.

In relation to the Department specifically, the report referenced the nearly 30 per cent of transactions that were acquitted outside the Department's required timeframe. The Department's credit card acquittal timeframe is the result of a management decision that enables the expenses to be recorded against the relevant areas of the Department for month end reporting. In setting a tight timeframe that in the majority of cases, the cardholder, their supervisor and the card acquitting officer can meet, there was the expectation that it would not be met in all cases. The Chief Financial Officer is actively managing late acquittal which has resulted in an improvement in timely acquittals. The Department has also enhanced its controls in the areas highlighted by the ANAO, including through the addition of an explicit reference to reporting obligations on disputed or fraudulent transactions on the acknowledgement form signed by new cardholders.

Administration of Government Advertising Arrangements: August 2011 to March 2013 – This was a cross portfolio audit of PM&C, the former Department of Climate Change and Energy Efficiency; the Department of Broadband, Communications and the Digital Economy; the Department of Families, Housing, Community Services and Indigenous Affairs; and the Department of Finance and Deregulation. The audit objectives were to assess the effectiveness of the agencies' administration in developing advertising campaigns and implementing key processes against the requirements of the Australian Government's campaign advertising framework, and other key legal and administrative requirements; as well as the ongoing administration of the campaign advertising framework. There were no findings specific to the Department.

Other external scrutiny

We have not been the subject of any judicial decisions or decisions of administrative tribunals during the reporting period that have had, or may have, a significant impact on our operations.

However, we responded to a challenge by the applicant in *Spencer v Commonwealth of Australia & Anor* (ACD24/2007) to discovery given by the Commonwealth in those proceedings (see page 36).

The Australian Information Commissioner (AIC) and the Freedom of Information Commissioner (FOIC) may undertake an external review of Freedom of Information (FOI) decisions made by the Department. In 2012–13 16 external review requests were made to the AIC and there were no complaints. Four external review requests were finalised during 2012–13 as follows (case citations included where a decision was published by the Office of the AIC):

- One decision of the Department was set aside and the AIC substituted a new decision. The Department's decision had refused access to two documents. The AIC's substituted decision gave access to those two documents, with redactions to one of the documents. The redactions were of material not within the scope of the applicant's request (*Parnell and Department of the Prime Minister and Cabinet* [2012] AICmr 31 (22 November 2012)).
- One decision was affirmed to refuse access to documents under section 24(1) of the FOI Act. The AIC was satisfied that a practical refusal reason existed, specifically that the work involved in processing the request would substantially and unreasonably divert the resources of the Department from its other operations (*Davies and Department of the Prime Minister and Cabinet* [2013] AICmr 10 (22 February 2013)).
- Two review requests were withdrawn by the applicant under section 54R of the FOI Act.

One complaint (lodged in 2011–12) was finalised during 2012–13 relating to a delay in responding to an FOI request. The FOI Commissioner was not inclined to make any particular findings in relation to the handling of the request other than to note that the Department's handling of the request was deficient and to monitor the Department's performance regarding timeliness in any future complaints to the Office of the AIC.

Management of human resources, work health and safety

Our people

As at 30 June 2013 we had a total of 587 employees engaged in ongoing functions, down from 602 employees as at 30 June 2012. A further 131 staff were employed in associated functions, most notably the G20 Taskforce. There were also 80 inoperative staff, up from 68 in the previous year. These figures are based on headcount and include part-time and non-ongoing employees. Further information is provided at Figure 3.2.

We continue to have a diverse workforce, and of the 587 staff employed in ongoing functions, approximately 62.3 per cent are female and 77 per cent are under 45 years. Further information is provided in the human resources workforce profile at Figure 3.3.

The Australian Public Service Commission's (APSC) Capability Review recommended that the Department take a strategic approach to recruitment and people development in order to build the workforce of the future. We have worked collaboratively across business areas to integrate workforce planning into the Department's broader strategic business and financial planning. This work will continue into 2013–14 and include the finalisation of an agency Workforce Plan.

To ensure that we continue to attract and retain high-calibre candidates in a very competitive environment we:

- provide competitive salaries
- have a comprehensive capability development framework
- offer the experience of working in a central agency and an ability to enhance understanding and experience in a whole of government environment
- have flexible working conditions to enable employees to balance their work and personal/caring commitments
- conduct employee surveys to gain essential feedback and identify issues that are of significant value to employees.

Figure 3.2 Staff distribution figures (based on headcount)

PM&C functions	Number of staff at 30 June 2012	Number of staff at 30 June 2013
Ongoing functions	602	587
Associated functions	50 ¹	131 ²
Inoperatives ³	68	80
Total	720	798

Notes:

¹ This figure for 2011–12 includes three staff from the Australia in the Asian Century Taskforce; three staff from the Commonwealth Heads of Government Meeting (CHOGM) 2011 Taskforce; nine staff from the NDIS Taskforce; 28 staff from the COAG Reform Council and seven staff employed for the support of former Governors-General.

² This figure for 2012–13 includes three staff from the Australia in the Asian Century Taskforce; 86 staff from the G20 Taskforce; 11 staff from the NDIS Taskforce; 24 staff from the COAG Reform Council; and seven staff employed for the support of former Governors-General.

³ Includes staff on paid leave greater than three months (maternity leave, long service leave, annual leave) and staff on leave without pay (external temporary transfers, overseas travel or study) and other temporary employment in the interests of the APS.

Figure 3.3 Workforce profile (based on headcount)

Workforce profile ¹	At June 2012			At June 2013		
	Ongoing	Non-ongoing	Total	Ongoing	Non-ongoing	Total
Job classification						
Secretary	1	0	1	1	0	1
Special Adviser	1	0	1	0	0	0
SES Band 3	8	0	8	7	0	7
SES Band 2	16	0	16	17	0	17
SES Band 1	40	0	40	42	0	42
EL2	114	1	115	113	6	119
EL1	184	2	186	216	18	234
APS4–6	272	18	290	316	22	338
APS1–3	15	3	18	15	1	16
Graduate	45	0	45	24	0	24
Total	696	24	720	751	47	798
Location						
ACT	664	21	685	718	28	746
NSW	28	2	30	25	1	26
QLD	1	0	1	6	17	23
VIC	3	1	4	2	1	3
Other jurisdictions	0	0	0	0	0	0
Overseas	0	0	0	0	0	0
Total	696	24	720	751	47	798
Staff age profile						
Age < 25	37	6	43	44	5	49
Age 25 – 34	315	10	325	333	16	349
Age 35 – 44	189	2	191	212	14	226
Age 45 – 54	114	4	118	113	6	119
Age 55 – 64	36	2	38	43	5	48
Age 65 +	5	0	5	6	1	7
Total	696	24	720	751	47	798
Equal employment opportunity group participation and workplace arrangements						
Female	429	19	448	474	26	500
Non-English speaking background	40	0	40	22	0	22
Indigenous	6	0	6	6	0	6
People with a disability	15	0	15	15	0	15
Working part time	45	2	47	67	2	69
Employees volunteering personal data			80%			85%

Notes:

¹ Figures include staff employed in ongoing and associated functions and staff who are inoperative.

Developing our staff

In 2012–13 we made a significant investment in developing the capability and capacity of our employees by:

- continuing to target and tailor recruitment to attract outstanding candidates at all levels from the public, private and not-for-profit sectors and academia
- improving the Department's Performance Culture Framework
- aligning our learning and development to core competencies for our Department to ensure we have highly qualified and capable employees
- developing targeted, customised in-house capability development modules to enhance the proficiency of employees
- embedding the PM&C 'Craft' into the Department's Capability Development Framework
- providing a range of health and wellbeing programs and a school holiday program to provide employees with a balance between work and personal life.

These initiatives are helping our staff to continue to deliver high-quality policy advice and government administration to support the Prime Minister, the Cabinet and our Portfolio Ministers, including the Cabinet Secretary and the Parliamentary Secretary.

Recruitment

In 2012–13 there was an increase in recruitment by PM&C (compared to 2011–12) due to the establishment of a Taskforce to support the G20 meeting in November 2014.

We also implemented our first Recruitment and Retention Strategy in early 2013. The Strategy has been developed to position the Department as an employer of choice, to help attract and retain quality staff and to help ensure we are appropriately resourced to respond to the needs of the Government. The purpose of the strategy is to deliver transparent, merit based selection processes (that include a high level of candidate care) and to reduce turnover while retaining quality staff, thereby reducing the number of recruitment processes required.

The continuation of targeted recruitment programs such as the Graduate Program, Vacation Employment Program and the APSC Indigenous Pathways Graduate Program has also assisted us in ensuring we have a more diverse workforce.

Performance culture

The Performance Management Development Scheme (PMDS), underpinned by a new Performance Culture Framework and specified core competencies, outlines our approach to managing and enhancing the performance of our employees. The PMDS allows us to understand and achieve our business outcomes and manage performance to align our role to support our key stakeholders.

Following an extensive review of performance management, the Performance Culture Framework and PMDS were changed to include a new performance indicator, 'behaviours'. This ensures a strong focus on not only *what* we do but *how* we do it. Both indicators are rated with equal importance when assessing an employee's overall performance.

Capability development

We continue to maintain our commitment to building and enhancing the capability of our employees in order to meet the strategic needs of the Department and the broader APS. In 2012–13 our capability development activities were guided by the results of the Capability Review. Key action items were implemented throughout the year, including a revised induction program, mentoring, coaching, an increased focus on developing people management skills and building the PM&C 'Craft' into the Capability Development Framework.

The capability development initiatives addressed a number of development areas: leadership and management; core and foundation skills development; mandatory training; and graduate development. Our employees attended a range of development opportunities throughout the year, including:

- formal training and structured learning
- secondment, taskforce and cross-agency project work
- on-the-job learning, mentoring and coaching
- a series of seminars addressing key issues.

Eligible employees in PM&C can apply for the Department's Study Assistance Scheme. A total of 119 employees accessed this scheme this year, enabling them to undertake formal courses of study relevant to their work and the work of the broader APS. A total of 70 employees (SES and non-SES) also accessed the Career Advisory Service throughout the financial year, a service that provides employees with advice on leadership, team management and career development planning.

To address core and professional capability requirements, we continued to foster our relationship with the Australian National University through participation in leadership programs facilitated by the National Security College and through the Crawford School at the Australian National Institute of Public Policy, HC Coombs Policy Forum and the Australia and New Zealand School of Government (ANZSOG), as well as offering a range of other programs. We also participate in programs to enhance public sector governance through our relationships with the ANZSOG Institute of Governance at the University of Canberra and the Institute of Public Administration Australia.

Customised in-house writing and policy programs were also developed to enhance the capability of our staff. These programs were well attended and provided valuable insight through co-facilitation by senior departmental officers and external facilitators. Additionally, an in-house program to develop coaching capability to enhance on the job learning was initiated, with sessions being held in May and June 2013.

Selected high potential employees from the Department were given the opportunity to participate in a range of leadership events and programs. These benefit the Department through the development of individual knowledge and skills as well as the creation of professional networks and the insight gained into new ideas and concepts being generated across government and the private sector.

Many of our employees also attended the Secretary's Seminar Series to gain insight from national and international experts on a range of current issues, including leadership, gender equity and government integrity.

Implementation of PM&C Capability Review

In 2011–12 we underwent a formal, independent capability review by an external senior team as part of the broader APS Capability Review Program. The review found that PM&C is an organisation comprising quality people who are self-motivated and committed to advising and supporting the Prime Minister and the Cabinet. A number of strengths were identified, along with four areas for improvement: broadening leadership through collaboration; enhancing strategy and delivery through the PM&C 'Craft'; building the workforce of the future; and strengthening the Department's foundation of governance and corporate infrastructure.

During 2012–13 we worked to implement the findings of the capability review. Our Capability Action Plan (the Action Plan) was released in October 2012. The Action Plan identified 11 key areas for us to take action on. Each has been assigned an Executive champion who takes the lead in coordinating implementation across the Department; progressing specific activities and providing input and ideas.

We also established a Capability Review Implementation Committee to monitor progress of implementation of the Action Plan and to provide regular reports to the Executive as well as approve the quarterly reports to the APSC.

Some examples of implementation measures carried out in 2012–13 include: refocusing induction training to address 'what we do' and 'how we do it'; promoting coaching and mentoring training to all EL and SES staff; and incorporating the PM&C 'Craft' into the Department's business planning arrangements.

Employment Programs

Graduate program

Recruitment for the 2013 Graduate Development Program (GDP) was undertaken from March to July 2012, resulting in 1,152 applications received from a variety of academic and employment backgrounds. A total of 24 graduates were employed for the 2013 GDP, including one Indigenous graduate, who was recruited through the APS Indigenous Pathways Program coordinated by the APSC.

Providing exposure to the major issues of government in a rewarding, supportive and challenging environment, the 2013 GDP offers graduates the opportunity to participate in two job rotations within the Department. Graduates are placed in areas that will enhance their knowledge and capability and help them to gain exposure to new facets of government policy. In addition, graduates undertake a suite of learning and development courses tailored specifically around working at PM&C and in the broader APS. This includes a policy masterclass, a project management course, Cabinet training, Budget training, writing for the APS, negotiation training, resilience training, as well as foundations of the APS environment such as ethics, workplace safety and risk management.

Graduates are provided with opportunities to gain exposure to the broader APS through initiatives such as central agency networking functions, APSC networking functions and participation in the APSC Great Graduate Debate.

Vacation employment program

In November 2012 we welcomed nine university students to the Department through the Vacation Employment Program (VEP). This program provides university students the opportunity to learn about the processes of government from the inside and to contribute to the work of the Department through a ten week placement over the university summer break. The VEP is a valuable opportunity to encourage students to seek further employment with the Department after the completion of their studies, either as graduates or general entry level.

EL2 secondment program

In 2012–13 the Department initiated a 12 month EL2 secondment program to provide high potential EL2 staff from other APS agencies with the opportunity to undertake a placement in the Department. A total of 18 nominations were received from across nine agencies, and six employees were selected for placement.

Internal mobility program

In 2012–13 an Internal Mobility Program was piloted in the Department. The program provides high performing employees with opportunities to enhance their development and career aspirations whilst encouraging them to stay with the Department. Nominations were received from 17 staff, and four were selected and placed in their preferred division for the 12-month program.

Internship program

In 2012 the Department welcomed two interns as part of the annual mid-year internship program and placed a further three interns in the Attorney-General's Department and the former Department of Climate Change and Energy Efficiency. The program aims to raise the profile of a public sector career path for Australian post-graduates studying at some of the world's best universities. Interns have the opportunity to contribute to challenging public policy work on some of the highest priority issues facing Australia.

Industry secondment program

The PM&C industry secondment program sources individuals from professional services firms in the private sector to work as non-ongoing employees for up to nine months. The program strengthens our relationship with external experts and provides a development experience for the individuals involved. In 2012–13 one non-ongoing secondee was placed in the Strategy and Delivery Division (SDD) under the PM&C industry secondment program.

The first secondee under the Eidos Institute Secondment Program was also placed in SDD. Under this program, secondees are drawn from research institutions affiliated with the Eidos Institute – an independent collaborative think tank – to undertake three month secondments. Secondees are postdoctoral fellows or early career academics in disciplines identified as relevant to the project work of the Department.

Diversity

We have continued to focus on diversity issues and implement key initiatives from the Workplace Diversity Strategy 2011–14 and the Reconciliation Action Plan 2011–13 to improve diversity outcomes for key diversity cohorts, including Aboriginal and Torres Strait Islander people and people with disability.

In 2012–13 we:

- supported the Secretary in his role as a Male Champion of Change - the Male Champions of Change program aims to use the champions' individual and collective influence and commitment to ensure the issue of women's representation in leadership is elevated on the national business agenda
- supported the Secretary in his role of Chair of the APS Diversity Council and worked closely with Commonwealth agencies to bring visibility to diversity issues, share best practice and monitor performance
- worked with our PM&C Diversity Champion and Executive Indigenous Champion to support our diversity cohorts and promote diversity outcomes across the Department

International Women's Day

On International Women's Day 2013 the Secretary launched the PM&C Women's Network, a group that will provide opportunities to examine the issues facing women in PM&C and the APS more broadly, and share practical experience in navigating a successful and satisfying APS career. The network, which was initially proposed by a staff member, will offer genuine support and encouragement to all women in the Department.



Photo 3.1
The Secretary opening PM&C's International Women's Day event on 8 March 2013.

PM&C has played an important role in paving the way for women's representation in leadership roles across the APS. Within the Department there is a high representation of female leaders, 45.7 per cent of the Senior Executive Service (SES) and 62 per cent of the Department as a whole are women, which is above the *State of the Service Report 2011–12* averages of 39 per cent and 57 per cent, respectively.

The highest representation of women in the Department is at the Executive Level 1 (EL1) level. The only classification where there are more men than women is at the SES Band 1 level. We have a long and proud tradition of supporting and promoting women in the workplace, and these statistics reflect that commitment.

As a Male Champion of Change, the Secretary is committed to improving the representation of women in the public service, especially in leadership positions. The Secretary and senior leaders in the Department continue to encourage and support those who aspire to leadership positions to achieve it, regardless of gender.

As part of the Male Champions of Change program, the Secretary is actively involved in working toward ensuring staff returning from parental leave are not adversely affected by their time away from work. The overall aim is to examine some of the barriers women have to equality in the workforce and equal representation in leadership, to come up with practical responses that can be employed within the Department, and to share these strategies with others.

- continued our Gold membership with the Australian Network on Disability
- collaborated with staff to develop our Reconciliation Action Plan 2013–15 launched in July 2013
- celebrated events, including International Women's Day, National Families Week, National Reconciliation Week, National Aboriginal and Islander Day Observance Committee (NAIDOC) Week and the International Day of People with Disability.

The PM&C Women's Network was launched by the Secretary on International Women's Day on 8 May 2013. The Women's Network has been established to help all members to fully develop their professional capabilities and support women's leadership within the Department and across the APS.

The PM&C Indigenous Employee Network was launched by the Secretary and the Executive Indigenous Champion during 2013 National Reconciliation Week celebrations to consult on matters important to Aboriginal and Torres Strait Islander employees. The purpose of the network is to provide support to its members, offer strategic advice to the Department on workplace and workforce issues impacting on our Aboriginal and Torres Strait Islander employees, as well as to promote cultural awareness opportunities.

The new National Disability Strategy 2010–20 sets out a ten year national policy framework to improve the lives of people with disability, promote participation and create a more inclusive society. Agency level information on people with a disability can be found at www.dss.gov.au. More detail on social inclusion matters generally can be found at www.socialinclusion.gov.au.

Work health and safety

An online training module was created to train all employees on their WH&S responsibilities. The module forms part of the induction process for new starters.

The Health and Safety Committee was formed in accordance with the Work Health and Safety Strategy 2012–14 and membership includes management and health and safety representatives from across the Department.

A number of early intervention strategies were used throughout 2012–13 to minimise potential health and safety risks and to facilitate work-life balance. These included:

- preventative and specialist workstation assessments
- access to the employee assistance program for employees and their immediate family members
- access to an information and resource service which assists employees to balance their work and personal life, providing information on dependent care, locating home help, pet care and other health or wellbeing services
- an on-site school holiday care program run by the YMCA
- access to vaccination against the influenza virus
- various health programs, such as exercise classes and yoga
- an intranet page that provides information on PM&C's family-friendly policies and initiatives
- an on-site carers/reflection room.

First Aid Officers and Harassment Contact Officers are located throughout premises occupied by the Department to ensure immediate assistance is available when needed.

Consistent with the requirements of section 38 of the *Work Health and Safety Act 2011* (WHS Act), there was one notification to Comcare of an injury or dangerous incident during the year. There were no directions or notices issued to the Department under the WHS Act (sections 70, 85, 90, 191, 195 and 198).

Employment arrangements

Workplace arrangements

Our employees continued to work under the PM&C Enterprise Agreement 2011–14 (EA). Figure 3.4 sets out the data on employment arrangements.

Figure 3.4 Trends in employment agreements

Agreements	2011	2012	2013
SES – Section 24(t) determination (S24) ¹	76	64	66
Non-SES – Enterprise Agreement ¹	1 014	654	731
Total²	1,089	718³	797

Notes:

¹ All SES Staff were covered by a S24 determination and all non-SES staff were covered by the EA.

² This figure includes both ongoing and non-ongoing employees but does not include the Secretary.

³ This figure does not include the Special Adviser.

Additional information on remuneration is set out in Figure 3.5. Information on executive remuneration is outlined in the financial statements on page 126.

Figure 3.5 Trends in base salary

Trends at 30 June	2011		2012		2013	
	Min	Max	Min	Max	Min	Max
APS 1–3	39,685	55,057	41,272	57,259	42,304	58,691
APS 4–6	56,845	88,900	59,119	92,456	60,597	94,767
EL1	92,806	113,122	96,518	117,647	98,931	120,588
EL2	108,019	136,145	112,340	141,591	115,148	145,131
SES Band 1	139,050	182,080	139,256	204,455	148,227	209,566
SES Band 2	187,500	221,728	210,000	237,026	215,250	240,875
SES Band 3	249,000	298,700	273,900	388,498	250,000	348,434
Secretary	The Secretary's remuneration is determined by the Remuneration Tribunal.					

Productivity gains

We worked towards achieving a range of productivity initiatives throughout the year to enhance our ability to deliver high-quality, responsive support and advice to the Prime Minister, the Cabinet and our Portfolio Ministers, including the Cabinet Secretary and the Parliamentary Secretary. Through innovative development of people, structures and processes, the aim is to deliver results that will improve our collective and individual productivity.

We introduced enhancements to our Human Resource (HR) systems to streamline processes, including:

- the implementation of a single point of contact HR helpdesk to provide consistent, timely and accurate advice to employees
- an increased focus on customer service
- the introduction of an online learning management system
- the commencement of work to automate paper-based processes.

Performance bonuses

Performance bonuses were phased out in the Department in 2010 and none were paid to our employees in 2012–13.

Purchasing

Our procurement policies and practices reflect the principles set out in the Commonwealth Procurement Rules (CPRs). We focus on:

- value for money
- encouraging competition
- the efficient, effective, economical and ethical use of Government resources
- accountability and transparency
- compliance with other Australian Government policies.

Our Chief Executive's Instruction on procurement reflects these principles and the need for compliance with Commonwealth policy by all staff when choosing procurement methods, sourcing potential suppliers or entering into contracts. As part of these arrangements, in 2012–13 we published details of:

- publicly-available business opportunities with a value of \$80,000 or more on AusTender www.tenders.gov.au
- actual contracts awarded with a value of \$10,000 or more on AusTender www.tenders.gov.au
- actual contracts with a value of \$100,000 or more on our website www.dpmc.gov.au, as required by Senate Order 192.

All major contracts for activities previously performed in-house included a requirement for contractors to allow access to their premises by the ANAO. Information on our planned procurement for the coming year, giving prospective suppliers the opportunity to plan for potential work with the Department, is published in our Annual Procurement Plan, which is available at www.tenders.gov.au. There were no contracts in 2012–13 that were exempt from being reported on AusTender.

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. The decision to engage a consultant is made in accordance with the CPRs and relevant internal policies.

The Department is required to report on AusTender consultancy contracts awarded where the contract value is \$10,000 or more. Please refer to the AusTender website at www.tenders.gov.au.

In 2012–13 we spent a total of \$2,287,557 on consultancies: \$1,048,514 on (11) existing consultancies and \$1,239,043 on (39) new consultancy contracts. Details of trends in consultancies are shown in Figure 3.6. The increase in expenditure on consultancies in 2012–13 (compared to 2011–12) is a result of work required for Australia's hosting of the G20 in 2014.

Figure 3.6 Trends in consultancies

Consultancies	2010–11	2011–12	2012–13
Number of existing consultancies	6	5	7
Number of new consultancies	26	33	37
Total consultancies	32	38	44
Total expenditure	\$4.21m	\$1.76m	\$2.29m

Advertising and market research

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

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

In 2012–13 PM&C spent a total of \$56,377 on the placement of advertising for recruitment services and state funeral notices.

Grant Programs

In 2012–13 PM&C continued to administer the following grant programs:

- National Australia Day Council
- Australiana Fund
- Volunteer Management Program.

Further information on grants awarded by the Department during the period 1 July 2012 to 30 June 2013 is available at www.dpmc.gov.au.

Ecologically sustainable development and environmental performance

The following summary of the Department's environmental management activities and performance is provided in accordance with section 516A of the *Environment Protection and Biodiversity Conservation Act 1999* (the EPBC Act), which requires Australian Government departments to report on:

- how their activities accord with, and their outcomes contribute to, the principles of ecologically sustainable development (subsection (6)(a) and (b))
- the environmental impacts of their operations during the year and measures taken to minimise those impacts (subsection (6)(c), (d) and (e)).

Ecologically sustainable development

As outlined in our Environmental Policy Statement we are committed to each of the five principles of sustainable development (integration, precaution, intergeneration, biodiversity and valuation) identified in the EPBC Act, where they apply to our operations. In 2012–13 we continued to mitigate the effects of our impact on the environment by:

- conserving energy, water, paper and other natural resources while still providing a comfortable working environment
- minimising waste through recycling and using recycled products and materials wherever practical
- preventing and minimising pollution from our activities
- providing an environmentally sound workplace and progressively implementing a range of environmentally sound work practices
- including environmental impacts in our purchasing policies where appropriate
- complying with all relevant Australian Government, State and Territory environmental legislation, regulations, policies and initiatives
- fostering an environmentally responsible culture throughout the Department and encouraging staff to develop new ideas and initiatives
- using TelePresence facilities for many of our meetings with the State and Territory Governments
- encouraging the use of double-sided printing
- providing facilities to support staff to ride and walk to work
- supporting the use of recycled paper and recycling systems
- communicating our environmental commitments to staff and the public.

Environmental Performance

During 2012–13 we continued to demonstrate environmental responsibility by minimising the negative effects we have on the environment in the areas of energy efficiency, waste and water (refer to Figure 3.7). This includes:

- implementing our Environmental Management System (EMS), based on the Australian Standard AS/NZS ISO 14001, and conducting regular reviews of the EMS
- maintaining a National Australian Built Environment Rating System rating of 4.5 stars for whole building energy and achieving a five star rating for base building energy and water
- holding monthly Building Management Committee meetings in line with our Green Lease obligations and quarterly Environmental Committee meetings to review energy usage and analyse consumption
- continuing to provide staff with environmental awareness material through the Go Green @ One National campaign
- engaging UGL Services to complete a carbon footprint report for 2012–13
- introducing timed lighting in the car park at One National Circuit
- changing to LED lighting in external lights and in the foyer of One National Circuit
- regularly monitoring levels of waste recycling
- supporting the use of electronic solutions (i.e. iPads) to reduce paper usage
- commencing desk side recycling bins to replace waste baskets
- continuing to use a 70,000 litre rainwater tank to flush toilets and water gardens
- introducing new recycling and waste bins in the café
- introducing new drought tolerant plants to the One National Circuit gardens.

Figure 3.7 Impact of Department's operations on the environment

Performance measure	Indicator(s)	2011–12	2012–13	% change
Energy efficiency				
Total consumption of energy	Energy usage at One National Circuit – tenant light and power (kWh)	1,868,312	1,801,529	3.57 % reduction
	Base building electricity (kWh)	731,113	751,794	2.82 % increase
	Natural gas consumption (GJ)	2,056	2,418	17.6 ¹ % increase
Total consumption of green energy	Green energy usage at One National Circuit (kWh)	186,831	180,152	3.57 % reduction
Carbon dioxide emissions	Amount of CO ₂ produced (tonnes)	4,601	4,302	6.5 % reduction
Relative energy uses	Percentage of green energy in total usage (%)	10	10	unchanged
	Amount of total energy purchased/consumed (kWh per employee)	3000.206	2220.791	25.98 % reduction
Waste				
Total waste production	Amount of waste produced (tonnes)	96.26	100.12	4.0 % increase
Un-recyclable waste production	Amount of waste going to landfills (tonnes)	5.05	6.57	30.1 % increase
Recyclable waste production (excluding office paper)	Amount of waste going to recycling facilities (tonnes)	91.21	93.55	2.57% increase
Paper waste production	Amount of waste paper going to recycling facilities (tonnes)	71.2	78.6	10.39 % increase
Relative waste production	Amount of the total waste (tonnes per employee)	0.14	0.13	7.14 % reduction
Water				
Consumption of water ²	Amount of water purchased/consumed (kL)	4721	9196	94.8 % increase

Notes:

¹ A colder winter period in 2012–13 resulted in increased boiler operation.

² Mains water consumption is supplemented by a 70 kL rain water tank which services the toilets and irrigation systems at One National Circuit.