

Chapter 4: Corporate governance, management and accountability

Highlights 2004–05

- Institute website upgraded for improved access
- New IT support contract gives enhanced technical capacity, contains costs
- New Agency Agreement improves staff conditions and management flexibility
- Proportion of Indigenous staff increases to 32 per cent
- Cost of corporate support further reduced

Overview

ENABLING LEGISLATION

The Australian Institute of Aboriginal and Torres Strait Islander Studies (also known as AIATSIS and the Institute) operates under the *Australian Institute of Aboriginal and Torres Strait Islander Studies Act 1989* (the Act).

RESPONSIBLE MINISTER

The responsible Minister is the Minister for Education, Science and Training, the Hon. Dr Brendan Nelson, MP.

COUNCIL

Under Section 43(1) of the Act, the Minister may ask the Council of the Institute to provide advice on aspects of the culture, history and society of Aboriginal people and Torres Strait Islanders. The Council of the Institute consists of:

- four people elected by the members of the Institute in accordance with the Institute rules, being people who are themselves members of the Institute
- one person appointed by the Minister, being a person who is a Torres Strait Islander
- four other people appointed by the Minister, being people who are Aboriginal or Torres Strait Islanders.

All Councillors are non-executive members and hold office on a part-time basis.

Membership of the Council and the term of each appointment for this financial year are set out in Table 10.

TABLE 10: ELECTED AND APPOINTED COUNCIL MEMBERS AND TERMS

ELECTED MEMBERS	
Professor Mick Dodson, AM	16 May 2004 – 15 May 2006
Professor Larissa Behrendt	16 May 2004 – 15 May 2006
Emer. Professor Robert Tonkinson	16 May 2004 – 15 May 2006
Mr Michael Williams	16 May 2004 – 15 May 2006
APPOINTED MEMBERS	
Mr Eric Bedford	22 November 2002 – 21 November 2004
	24 May 2005 – 23 May 2007
Ms Jackie Huggins, AM	22 November 2002 – 21 November 2004
	24 May 2005 – 23 May 2007
Ms Natascha McNamara, AM, MBE	22 November 2002 – 21 November 2004
	24 May 2005 – 23 May 2007
Ms Raymattja Marika	22 November 2002 – 21 November 2004
	24 May 2004 – 23 May 2007
Professor Martin Nakata	10 November 2003 – 9 November 2005

Professor Dodson, AM was appointed Chairperson and Emer. Professor Tonkinson was appointed Deputy Chairperson from 24 May 2005 until 15 May 2006. Council held two meetings in Canberra and one meeting in Darwin in 2004–05.

Councillors are provided with an indemnity for claims against them whilst performing their duties as Councillors. The indemnity is in the form of a standard insurance policy with Comcover, the Commonwealth's self-insurance agency. The value of the indemnity is \$100 million per claim. The premium in 2004–05 was \$6,525.

Profiles of all Council members in 2004–05 are provided on pages 6–8.

MEMBERS

Members of the Institute are people who have been appointed by Council under the current Act or who were members, associate members or corresponding members under the preceding Act (the former *Australian Institute of Aboriginal Studies Act 1964*). Membership accords with AIATSIS rules and members must demonstrate an interest in Aboriginal and Torres Strait Islander studies. Membership is awarded for five years and is renewable. Applications are considered by the Research Advisory Committee (see page 17) which

then makes recommendations to Council. During this financial year, 14 new members were appointed by Council, bringing the total membership to 525 at 30 June 2005. Of these, 126 identify as Indigenous.

Corporate governance

Under the AIATSIS Act (s13) the **Council** is responsible for ‘the proper and efficient performance of the functions of the Institute and to determine the policy of the Institute’. The **Principal** is responsible for day-to-day administration of the Institute.

Council is supported by a **Finance Committee** and an **Audit Committee**.

The Finance Committee consists of two Council members, the Principal, the Deputy Principal and the Director Corporate Services. During the year, Council representatives on the Finance Committee were Professor Martin Nakata and Mr Michael Williams.

Deloitte Touche Tohmatsu provided internal audit services under contract until December 2004. A new contract for internal audit services will be negotiated during 2005–06. This work is overseen by the Audit Committee, which consists of the members of the Finance Committee plus representatives from Deloitte and the Australian National Audit Office (ANAO). There were no reports by Parliamentary committees on the Institute’s operations and there were no judicial decisions which are expected to have a material impact on operations.

A review of governance arrangements was completed in November 2004. The review found that AIATSIS had sound governance structures, but that more work was needed on risk management. Development of a risk management plan was begun. A result of this work was a reduction in insurance premiums by Comcover, the Australian Government’s self-managed insurance fund.

The Principal is supported by the Executive Board of Management (EBM), which comprises the senior managers and other officers. The EBM meets monthly to discuss matters affecting the Institute. Meeting minutes are published on the internal Intranet.

The Information Technology Advisory Committee provides advice to the EBM on IT and information management matters. The Consultative Committee is a management/staff forum that deals with workplace relations issues. Minutes for both of these committees are also published on the Intranet.

The AIATSIS Corporate Plan was reviewed in 2004. The main change was the addition of a new goal: “to promote and market the products, services and capacity of AIATSIS”. This change was made to explicitly recognise the significant benefits that can be obtained from wider understanding of our capabilities.

Corporate Services provides finance, human resources, information technology and building management support to all Institute programs. This includes assistance with regulatory compliance and accountability requirements; planning for sustainability; and risk management.

Management of human resources

STAFFING

A dissection by category of staff employed at 30 June 2005 is shown in Table 11. During the year, seven ongoing positions were filled. At 30 June 2005, two staff were on leave without pay. There were 27 separations during the year, comprising 3 resignations, 3 transfers, 18 contracts expired and 3 retirements.

TABLE 11: STAFFING LEVELS AND NUMBERS, 30 JUNE 2005

LEVEL	MALE	FEMALE	ONGOING	NON-ONGOING	INDIGENOUS	FULL-TIME	PART-TIME	PWD*	NESB**
PEO	1	0	1	0	1	1	0	0	0
SES	1	1	2	0	1	2	0	1	0
EXEC 2	3	4	4	3	1	6	1	0	0
EXEC 1	11	12	13	10	3	22	1	0	0
APS6	5	17	11	11	7	17	5	0	0
APS5	3	9	6	6	3	11	1	1	0
APS4	9	16	14	11	7	20	5	0	0
APS3	2	12	4	10	5	9	5	0	0
APS2	1	6	2	5	5	4	3	0	0
APS1	2	2	0	4	4	0	4	0	0
TOTAL	38	79	57	60	37	92	25	2	0
% OF STAFF	33	67	49	51	32	79	21	2	0

* People with a disability

** Non-English speaking background

WORKPLACE DIVERSITY

The Institute's program for workplace diversity, set out in the AIATSIS Workplace Diversity Program, continued operation during the year.

The Agency Agreement includes a number of specific provisions to facilitate the employment and retention of Indigenous staff within the Institute. All positions require a knowledge of Indigenous issues and the ability to communicate effectively with Indigenous people.

The Institute attracts Indigenous people to vacant positions through advertising in Indigenous newspapers and networks in addition to advertising in the mainstream press. Indigenous cadetships and training positions are being identified to provide paid work experience and to enhance future employment opportunities for Indigenous peoples. Three cadets were employed during 2004–05.

At 30 June 2005, the Institute employed a total of 117 staff, 32 per cent of whom identify as Indigenous. This compares with 27 per cent of staff who identified themselves as Indigenous in 2003–04.

The Indigenous Caucus is an internal working group supported by management, which provides Indigenous staff with a forum to discuss issues affecting them. The Caucus has assisted management in reviewing policies such as the studies assistance guidelines, and is consulted when employment policies are reviewed or training courses developed. The Caucus is represented at the AIATSIS Consultative Committee, which brings staff and management together to discuss employment issues.

The Institute is involved in the Indigenous Employment Network administered by the Australian Public Service Commission; the Principal is a member of the steering committee for this project. The Network supports and advocates Aboriginal and Torres Strait Islander interests, values and perspectives in the Australian Public Service (APS). Staff members are encouraged to join the Network and participate in discussion groups. Arrangements are in place to advise new Indigenous staff about the Network.

During 2004–05, five Indigenous staff members attended the Indigenous APS Careers Workshop for APS 1–4 staff. The workshop helps participants to identify their career aspirations and provides strategies for career development. Feedback from participants is that the course gave them valuable information and insights into their career needs.

STAFF REMUNERATION

All staff except those covered by Australian Workplace Agreements (AWAs) are covered by the AIATSIS Agency Agreement 2005–06. AIATSIS provides a range of non-salary benefits, details of which are set out in the Agreement.

A new Agreement was negotiated, and began operating in January 2005. The Agreement provided for salary increases totalling 7 per cent over two years. Improvements to conditions included provisions for more flexible working hours; adoption and paternity leave; salary increments to apply from 1 July each year, to match the performance management cycle; and a trial to assess the merits of broadbanding different classifications.

Table 12 shows the range of salaries under the Agency Agreement, by classification.

TABLE 12: SALARY RANGES UNDER AGENCY AGREEMENT

POSITION	MINIMUM (\$)	MAXIMUM (\$)
Executive Level 2	76 666	86 937
Executive Level 1	66 500	71 815
APS Level 6	51 946	59 671
APS Level 5	48 095	50 998
APS Level 4	43 120	46 819
APS Level 3	38 689	41 757
APS Level 2	33 967	37 667
APS Level 1	18 009	33 172
Apprentice/trainee	16 304	29 891
Cadet	10 190	16 598

Eight AIATSIS staff were covered by AWAs (two Senior Executive Service (SES) staff; six non-SES). Except for remuneration, the employment conditions in these non-SES AWAs were identical to those in the Agency Agreement and other AIATSIS employment policies.

Three employees received performance bonuses in 2004–05, totalling \$35,782.

Further information on AWAs and performance bonuses is not provided for confidentiality reasons.

STAFF TRAINING AND CAREER DEVELOPMENT

The Institute is committed to the continued development of its staff through the provision of training and career advancement. This recognises the Institute's need to retain and develop high quality staff in a tight job market, and the needs of staff to improve their skills and job satisfaction.

The Institute's Agency Agreement requires that the Performance Feedback Scheme (PFS) is linked to remuneration. The PFS provides a forum to discuss an individual's performance, a basis for the provision of training and development opportunities, and assists with workforce planning. During 2004–05, performance agreements for all staff with employment contracts longer than three months were put in place for the first time. Training in more effective use of the PFS was provided to supervisors and staff.

Three rounds of the Personal Efficiency Program (PEP) were run during 2004–05. PEP aims to improve individual time and workflow management by improving workplace practices. Initial assessments indicated that staff who completed the program substantially improved their productivity while reducing stress and increasing work levels.

The Institute spent \$182,523 on staff development activity during 2004–05, around double the normal annual expenditure. The increase reflects the Institute's commitment to ensuring that all staff have, at least, the important skills for success in the Public Service as well as technical skills to enhance their career prospects.

COOPERATIVE WORKPLACE RELATIONS

The Institute is committed to promoting a cooperative workplace and to ensuring that there is appropriate participation by staff in the decision-making processes. Both staff and management recognise that the maintenance of cooperative workplace relations will provide all staff with an opportunity to participate in decisions that impact directly on them.

The AIATSIS Consultative Committee, which brings staff and management together to discuss employment-related issues, completed discussions on a replacement Agency Agreement in November. Staff voted to accept the new Agreement in December 2004.

Health and safety, human resource development, workplace diversity and access and equity issues were also addressed through the Institute's consultative mechanisms, ensuring that the Institute's obligations were met while maintaining a cooperative workplace environment.

OCCUPATIONAL HEALTH AND SAFETY

The Institute has a policy of providing and maintaining the highest degree of health and safety of all employees. It aims to:

- prevent all accidents and ill health caused by working conditions
- protect all employees from any health hazard which may arise out of their work or the conditions in which it is carried out
- place and maintain employees in an occupational environment designed to satisfy their needs for health, safety and welfare at work.

To demonstrate our commitment, the Principal signed an employer 'statement of commitment' with Comcare for the period 2005 to 2012. The statement covers the following four targets:

- reduce the incidence of workplace injuries and diseases
- eliminate all fatalities due to workplace injury
- reduce the average lost time rate
- reduce the average time taken for rehabilitation intervention.

The Occupational Health and Safety Committee met quarterly to discuss OH&S issues. Measures taken during the year to protect the health, safety and welfare at work of employees of the Institute included:

- testing of emergency evacuation procedures
- staff training in workplace practices, including the responsibilities of fire wardens
- provision of equipment needed by staff to deal with OH&S concerns.

The Agency Agreement now includes a formal statement of the Institute's policy on the use of drugs in the workplace, and provides for access to counselling services by staff. Influenza vaccinations were offered to staff in May 2005. Staff are eligible for reimbursement of up to \$200 during 2005 and 2006 to encourage improvements in their health.

'Workpace' software was trialled in January 2005. This software records individual keystrokes and mouse movements, and recommends periodic breaks from using a computer. The aim is to reduce repetitive-strain type injuries by encouraging alternate activities. The trial was successful and the software was made available to all staff.

No accidents requiring notification under section 68 of the *Occupational Health and Safety (Commonwealth Employment) Act 1991* were reported during the year under review. No notices were given to the employer during the year under sections 30, 46 or 47 of the Act, nor were any directions given under section 45.

COMMONWEALTH DISABILITY STRATEGY

The Institute recognises the significance of the Commonwealth Disability Strategy and continues to work on developing its policy towards formal implementation of the strategy.

In its capacity as an employer, the Institute enhanced its reporting arrangements during 2004–05 to more accurately identify staff with disabilities and to better meet their needs. Appropriate equipment has been provided to assist staff in their work.

As a public access provider, the Institute is making use of new technologies to provide an enhanced service to people with disabilities. The Institute's reference library and audiovisual collections are located on the ground floor of its premises and lifts are available to assist in access to other areas of the building. The Institute's reception desk and the Library's reference desk have been constructed at an appropriate height to meet the needs of clients with wheelchairs.

In its role as policy adviser, the Institute recognises the importance of the Commonwealth Disability Strategy in the development of government policy.

Strategic alliances to support corporate activities

As a small agency, AIATSIS has limited resources available to deal with the plethora of accountability, management and reporting policies required to support good corporate governance. The Institute works to improve its effectiveness by joining with other agencies with similar corporate directions to share policy ideas. During 2004–05, the Institute maintained membership of the Cultural Managers Forum—a group comprising the Canberra-based cultural agencies—to discuss common issues on information technology and human resources management.

Staff in Corporate Services have maintained and built on the Institute's strategic alliance with the Indigenous Employment Strategy team at the Australian Public Service Commission.

Financial management

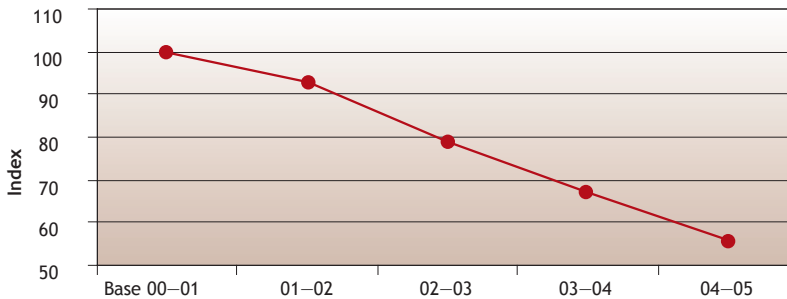
FINANCIAL OUTCOMES

The financial result for the year—a loss of \$0.064m—represents a significant improvement compared with the initial expectation of a cash loss of \$0.734m. The main reason for this was receipt of a grant of \$1.5m for digitisation (see

page 97). Around half of this was for equipment, which has been capitalised and therefore does not appear as expenditure to offset the revenue.

Further progress was made during this financial year in reducing the real cost of corporate support to the Institute. Over the past four years, the reduction in the cost of corporate support has totalled about 44 per cent for each staff member supported. These savings have been reinvested to provide enhanced services.

FIGURE 5 CORPORATE SUPPORT COST INDEXATION



The AIATSIS building and library collection were revalued, as required by accounting standards. This resulted in an increase in their total value of \$3.3 million, measured on the ‘fair value’ basis.

INTERNAL AUDITS

Three reviews were conducted by the Institute’s internal auditor, Deloitte, during the year:

- corporate governance—the findings included comments that the Institute is generally being well managed, but that further work is needed on risk management
- credit card management—several minor issues were raised and have been addressed
- financial processes—no findings had been received as at 30 June 2005.

Work on improving risk management included two seminars for senior staff at which it was agreed to develop registers identifying risks and how they were being managed.

FINANCIAL MANAGEMENT SYSTEM

The Microsoft Great Plains financial system began operating in July 2004. After initial difficulties resulting from a shortened implementation process, the system is now working well and delivering the expected benefits. Further benefits are expected during 2005–06 by taking full advantage of the system's features.

Information technology

In June 2004, the Government allocated \$1.5 million for digitisation activities in 2004–05, including acquisition of a Digital Asset Management System (DAMS) (see page 63). Subsequently, offers for ExLibris Digitool software and for Sun data storage equipment were accepted, at significantly lower cost and greater storage capacity than initially expected.

Digitisation of corporate records began in April 2004. As at 30 June 2005, 90 files had been digitised and will be available to researchers through DAMS early in 2005–06.

The Institute's current website needs to be updated to provide improved functions and access to Institute information. An offer from Squiz.Com to provide the Matrix Content Management System was accepted in March 2005; the new site should be operating early in 2005–06.

A contract with Exceed Systems Integration Pty Ltd for the provision of IT operational support was finalised, and services commenced in August 2004. These services are providing enhanced technical capacity to the Institute while containing cost increases over the contract term. The current extremely tight market for high-quality IT staff in Canberra has highlighted the value of this decision.

A review of IT system security was completed in July 2004. The review recommended updates to security policies and revisions to network architecture. These are being addressed in conjunction with other IT projects.

Building management and environmental performance

AIATSIS experienced no major problems with building operations during 2004–05.

There will be significant changes to office layouts, particularly in the Audiovisual Archives, to accommodate new staff and equipment being acquired for the digitisation project. Planning for this work began in May 2005; building work is expected to begin early in 2005–06. During 2004–05, work on a quarantine room, creation of new offices and glazing in the Library—to reduce noise and improve environmental conditions—was completed.

AIATSIS occupies a relatively new building with modern controls for energy management, designed to minimise environmental effects. Energy use is monitored to ensure the lowest use consistent with archival and office requirements. Natural gas is used for most heating requirements. Water use is minimised, for example through the use of dual-flush toilets and by not irrigating lawns around the building. Used paper is recycled where possible.

Freedom of information

No requests for information were received under the *Freedom of Information Act 1982* during the year.

Advertising and market research

The Institute spent \$32,496 during the year on recruitment advertising in the press. In addition \$27,805 was spent on marketing Institute publications. No expenditure was made to fund advertising campaigns, market research, outdoor, television, radio or cinema advertising or to direct mail advertising organisations.

Service charter

The Institute's Service Charter operated throughout the reporting period. The Charter provides for the monitoring of performance and service provision, and encourages client feedback. Any indications of dissatisfaction on the part of clients are followed up by investigation and, where possible, resolved. No specific indications of dissatisfaction were received during 2004–05.

Consultants and contracts

The Institute let five consultancies during the year with a total estimated value of \$82,978. In addition, 30 contracts were let each valued at \$10,000 or more and totalling \$3.75 million. The majority of these contracts were for the supply of equipment. For details of consultancies and major contracts see Appendix 6.

Competitive tendering and contracting

All contracts had provisions allowing access by the Auditor-General.

Exempt contracts

No contracts were exempt from publication in the *Purchasing and Disposal Gazette*.