

CHAPTER 6

Management and Accountability

The department strives to meet its goals, as stated in its Corporate Plan, in the most efficient, effective and accountable way. Its corporate governance arrangements are supported by a comprehensive management and accountability framework, covering human and financial resources and underpinned by a strong ethical base.

Ethical standards

The *Public Service Act 1999* sets the framework for ethical standards within the department. Our ethical standards govern:

- ▶ how we do our business;
- ▶ how we manage our people; and
- ▶ how we relate to our stakeholders.

A commitment to ethical standards is firmly embedded in the department's 'Open for Business' charter. Ethical standards are an integral part of the department's core leadership behaviours. These are articulated in our Organisational Capability Framework and incorporated into every individual's Performance and Development Plan under the department's Performance Management System.

Information on the department's ethical standards, and expectations of individuals or companies who are contracted to provide services to the department, is included in our standard contracts.

'Open for Business'

'Open for Business' is a key theme for the department that is promoting transformational change both internally and in the way we work with stakeholders. The department is committed to fostering a culture of openness and partnership, both internally and with our external stakeholders.

Our Stakeholder Relationship Charter

In July 2002, the department commissioned market research to advance its 'Open for Business' commitment. The research, a benchmark study against which the department can measure performance in the future, explored the multi-level relationships the department has with its stakeholders. Stakeholders were asked to assess the department on the eight commitments stated in the Stakeholder Relationship Charter, introduced in March 2002.

The research showed that, overall, stakeholders are satisfied with their relationship with the department:

- ▶ over 80 per cent described as good their relationship with the department, the department's leadership, senior executive and operational staff;

- ▶ in the qualitative interviews a strong view was expressed that relationships between stakeholders and the department had improved dramatically in the six months prior to the research exercise. In the quantitative survey forty-eight per cent of stakeholders felt that the relationship they had with the department then, compared to 12 months before, was better, while 45 per cent felt it had remained the same. Less than three per cent felt their relationship with the department had worsened;
- ▶ interpersonal areas of service such as listening with understanding and being approachable and enthusiastic are strengths for the department. Ninety-one per cent of stakeholders were satisfied that the department is polite in its dealings with them, while 66 per cent were satisfied that the department is building a trusting relationship with them. Stakeholders considered this the most important attribute; and
- ▶ according to the research, the department's performance was not as strong on attributes relating to consultation on policy development with twenty per cent of stakeholders dissatisfied with the department's consultation processes.

The research methodology had two phases. A quantitative survey followed on from 15 in-depth, qualitative interviews with stakeholders conducted between 15 and 29 July 2002 in Canberra, Brisbane, Sydney and Melbourne. The purpose of the qualitative phase was to develop a questionnaire for quantitative measurement. A 50 per cent response rate was achieved for the quantitative phase, and 237 interviews held.

In response to the survey results, plans are under way to redevelop the department's website to make it more accessible to stakeholders, to develop communications protocols, and to address specific issues through a range of activities. A comprehensive database has recently been developed to facilitate ongoing communications with stakeholders.

Further market research is planned to gauge the progress of stakeholder satisfaction against the Stakeholder Relationship Charter.

DEST service charter

The department supports its commitment to service quality by reviewing its client service charter annually and regularly monitoring service performance.

In 2002–03, the department handled 5 068 calls and 501 emails via its service charter line. Compared to the previous year, major achievements against the service standards during this period include an 82 per cent decrease in the number of complaints to the line and a 47 per cent improvement in the average time taken to answer telephone calls.

Table 37 displays traffic and performance details for the service charter line and shows how these compare to 2001–02 figures.

Table 37: Service charter line

	2002–03			2001–02		
	Number	Average Time to Answer	Complaints	Number	Average Time to Answer	Complaints
Telephone	5068	9 secs	4	7688	17 secs	23
Email	501	3 days		471	3 days	

Source: DEST Statistics

'Open for Business' review

During 2002–03 the department established a number of reviews to support its 'Open for Business' commitment to stakeholders. They focused on streamlining existing departmental policies and procedures to promote greater efficiency and on adopting a best practice approach to work. They included the:

- ▶ Budget Policy Strategy Review Committee, to oversight strategic issues for the Budget, including: the department's outcomes/outputs framework; the integration of outcome budgeting with strategic planning, performance monitoring, and research and evaluation activities; and to consider and oversight implementation of initiatives from the work of the Strategic Review of Programme Delivery;
- ▶ Strategic Review of Programme Delivery, to oversight reviews of programmes and to provide a framework to promote systematic improvement to programme delivery across all programmes; and

- ▶ Simplification of Business Rules/Processes Review, to review processes and business rules to make them as simple and efficient as possible, especially in support of client servicing, whilst ensuring that a prudent risk management approach is maintained within the department.

The reviews were instrumental in delivering new approaches to the Indigenous education and New Apprenticeships Incentives programmes, in streamlining the department's procurement processes, simplifying the Chief Executive Instructions and integrating business planning, performance reporting and outcome budgeting processes.

People management

Effective people management is crucial to the achievement of our business. Our people management strategies are underpinned by our stated organisational capabilities, which have been identified as collaborate, understand, create, anticipate, influence and implement. These capabilities are supported by values of leadership, diversity and fairness.



The Secretary, Dr Jeff Harmer, presenting a Secretary's Excellence Award to Michele Kane, People Management Branch.

Leadership protocol

DEST's leadership protocol articulates leadership expectations. DEST senior executive employees (SES) are expected to 'lead with integrity'; 'act collaboratively'; 'foster a fair and rewarding workplace'; and 'anticipate opportunities and encourage creativity'. Half of a senior executive's individual performance assessment is based on how well these expectations are met.

Workforce planning

During 2002–03 the department undertook workforce planning as part of its broader business planning process. The aim was to identify and understand the key business drivers and demographic trends that impact on the organisation's workforce capability and its ability to deliver its business now and in the future.

This process involved qualitative discussions with senior level managers and an analysis of demographic data. A key aspect of this process was the forecasting by line areas of skill demands based on future scenarios, and an analysis of their current workforce characteristics. Strategies are included in business plans to address any forecast capability requirements.

Staff turnover and retention

At 30 June 2003, the department had a total of 1617 employees. This compares with 1522 employees at 30 June 2002. A total of 315 people separated from DEST between 1 July 2002 and 30 June 2003. Of these, 146 were non-ongoing employees who ceased engagement during the year, 72 transferred to another agency, five retired and 92 left for a variety of other reasons. Table 38 identifies separations by level.

Table 38: Separation by levels 2002–03

DEST New Apprentices	0
DEST Cadets	1
DEST Graduates	1
DEST Level 1	93
DEST Level 2	92
DEST Level 3	55
DEST Legal Officers	3
Executive Level 1	44
Executive Level 2	22
Senior Executive	3
Public Office Holders	1
Total	315

Sources: DEST Statistics

Learning and development

The department's learning and development activities over 2002–03 were based on workforce planning analysis and the continued bedding-down of the 'Open for Business' charter. The department continued to support existing learning and development programmes and also commenced new initiatives related to building capability. Priority areas were:

- ▶ writing, creativity and innovation;
- ▶ corporate learning priorities, including contract management, policy development, Indigenous cultural awareness, risk management;
- ▶ entry-level development (graduate and new apprenticeships programmes);
- ▶ Indigenous development (Indigenous cadets and study awards);
- ▶ leadership development – *Leadership Imperative for Tomorrow* (LIFT) – for high potential Executive Level 1 staff; and

- ▶ leadership development – *Executive Coaching Programme* for all senior executive staff, aimed at promoting the development of leadership behaviours consistent with the department's Leadership Protocol, SES Leadership Capability Framework and 'Open for Business' Charter.

Other leadership development programmes include:

- ▶ the Australian Public Service Commission *Senior Women in Management Programme* (SWIM);
- ▶ the *Strategic Management Learning Consortium*, through the Australian National University;
- ▶ the Australian Public Service Commission *Career Development Assessment Centres* (CDAC);
- ▶ the *Working in the Senate Programme*; and
- ▶ the Australia and New Zealand School of Government (ANZSOG) Executive Masters of Public Administration.

Yarrangi

Approximately 10 per cent of our people identify as Indigenous Australians. The department is committed to attracting, developing and retaining Indigenous Australians through Yarrangi, the department's Indigenous Australian recruitment and career development strategy. Yarrangi has been in place since 1993; the Yarrangi plan 2003–2005 was launched in March 2003. A Yarrangi Steering Committee, chaired by the Group Manager, Corporate Strategy Group and with a representative from each National, State and Territory Office, is responsible for developing, implementing and evaluating the Yarrangi plan.

Certified Agreement and Australian Workplace Agreements

The *Stay Here and Grow: DEST Certified Agreement 2003–2005* provides a highly competitive remuneration and conditions package, and aids the department's capacity to attract, retain and reward its people. The Certified Agreement (CA) is set against the department's broader organisational and cultural change agenda and uses the flexibility available to it through the Australian Government's workplace relations and public sector reforms to improve productivity and assist employees to balance their work and family responsibilities. The CA was negotiated with the Community and Public Sector Union and elected employee representatives. Extensive consultation was undertaken with employees in all locations to ensure that as many employees as possible were involved in the process. The success of this process was reflected in the voting in favour of the agreement by 88 per cent of eligible employees who voted. The agreement was certified on 13 December 2002.

The key features of the CA include:

- ▶ a streamlined, principles-based approach;
- ▶ a simplified performance management system with strong links to business planning;
- ▶ an increase in the ordinary work day from 7 hours and 21 minutes to 7 hours and 30 minutes;
- ▶ all departmental workplaces will be closed for the two working days between Christmas and New Year;
- ▶ family-friendly leave provisions including paternity leave, adoption leave, half-pay maternity leave and purchased annual leave;
- ▶ School Holiday Care Allowance; and

- ▶ an annual Health Related Allowance for each employee.

Australian Workplace Agreements (AWAs) provide a flexible platform through which remuneration and terms and conditions of employment can be adapted to suit individual circumstances and enhance the department's capacity to attract and retain a highly-skilled workforce. The department's graduates are offered AWAs that provide for accelerated advancement based on performance after the completion of the graduate year. SES AWAs include remuneration increases based on business outcomes, leadership behaviours and organisational performance. At 30 June 2003, the department had in place 289 AWAs, of which 39 were at SES level, 140 at Executive Level 2, and 112 at other non-SES levels. Remaining employees (1328) were covered by the department's CA.

Table 39: Salary ranges for APS employees in DEST

Notional Salary Ranges for SES Employees at 30 June 2003	
SES Band 3	\$145 000 – \$200 000
SES Band 2	\$115 000 – \$160 000
SES Band 1	\$90 000 – \$130 000

Salary Ranges for non-SES Employees at 30 June 2003	
Executive Level 2	\$76 968 – \$88 771
Executive Level 1	\$66 135 – \$71 219
DEST Level 3 (APS 6)	\$51 629 – \$57 658
DEST Level 2 (APS 5)	\$46 632 – \$49 280
DEST Level 2 (APS 4)	\$42 924 – \$45 361
DEST Level 1 (APS 3)	\$38 180 – \$40 348
DEST Level 1 (APS 2)	\$34 188 – \$37 141
DEST Level 1 (APS 1)	\$29 925 – \$32 509

Source: DEST Statistics

The range of non-salary benefits provided to employees over 2002–03 include:

- ▶ access to performance-based pay for SES and Executive Level 2 employees;
- ▶ access to labour market/retention bonuses for specified employees based on scarce or in demand skill sets;
- ▶ access to an executive vehicle for SES employees;
- ▶ access to School Holiday Care Allowance for non-SES employees (limited to \$100 per family per week);
- ▶ access to a Transition Bonus of \$1500 for New Apprentices who successfully complete their work-based training programme;

- ▶ studies assistance – reimbursement of up to half of study-related costs (limited to \$1200 per semester);
- ▶ access to a Health Related Allowance of \$200 for health related activities or items, and
- ▶ First Aid allowance of \$20 per fortnight.

Performance pay

A total of 32 SES employees received performance pay during 2002–03, based on assessments relating to the 2001–02 performance cycle. Payments totalling \$289 794 were made comprising \$223 323 for SES Band 1 and \$66 471 for SES Band 2 and 3. Individual payments ranged between 5 per cent and 15 per cent of salary.

A total of 150 Executive Level 2 employees received performance pay during 2002–03, based on assessments relating to the 2001–02 performance cycle. This number includes people acting Executive Level 2 for more than 3 months, who received pro rata payments. Payments totalling \$847 051 were made, with individual payments ranging between 5 per cent and 15 per cent of salary.

Staffing numbers

Demographics of the department's staffing profile are shown in Tables 40–42.

Table 40: DEST employees by classification at 30 June 2003

Classification	Men	Women	Total
Secretary	1	0	1
Statutory Office Holders	1	0	1
Subtotal	2	0	2
SES Band 3	1	2	3
SES Band 2	5	2	7
SES Band 1	15	16	31
Subtotal	21	20	41
Executive Level 2	104	90	194
Executive Level 1	185	226	411
Subtotal	289	316	605
DEST Level 3	141	213	354
DEST Level 2	142	302	444
DEST Level 1	34	91	125
Subtotal	317	606	923
DEST Legal Officers	8	9	17
DEST Public Affairs Officers	1	1	2
DEST Graduates	8	12	20
DEST Cadets	1	1	2
DEST New Apprentices	0	5	5
Subtotal	18	28	46
Total	647	970	1 617

Source: DEST Statistics

Table 41: DEST employees by employment status at 30 June 2003

Employment Category	Men	Women	Total
Ongoing			
Full Time	596	790	1386
Part Time	15	90	105
Subtotal	611	880	1 491
Non-Ongoing			
Full Time	31	75	106
Part Time	5	15	20
Subtotal	36	90	126
Total	647	970	1 617

Source: DEST Statistics

Table 42: DEST employees by location at 30 June 2003

Employment Category	Men	Women	Total
New South Wales	38	59	97
Victoria	13	30	43
Queensland	25	60	85
Western Australia	22	25	47
South Australia	11	24	35
Australian Capital Territory	511	744	1 255
Tasmania	5	5	10
Northern Territory	16	22	38
Overseas Posts	6	1	7
Total	647	970	1 617

Source: DEST Statistics

Purchasing

The department's Financial Management Manual and Procurement Manual detail processes for procuring goods and services that comply with Commonwealth procurement guidelines.

The business processes outlined in these manuals, in conjunction with the department's Procurement Management System, (PROMISE), ensures that all the department's procurement activities are effectively monitored and accurately reported. In addition, all the department's complex or high value procurements (over \$100 000) require additional internal clearance to provide further assurance that core purchasing policies and principles (including industry development) are met.

The department is redeveloping its Procurement Management System, including the provision of direct links to its Financial Management System. This will further enhance the department's procurement process performance management and reporting capacity.

Consultants

In 2002–03, the department undertook 247 consultancies with expenditure of \$22.865 million including 149 new consultancies let in 2002–03 with a total contract value of \$18.336 million. Details of consultancies let in 2002–03 are listed in Appendix 5.

Competitive tendering and contracting (CTC)

No new CTC activities were carried out during 2002–03.

During a previous reporting period (June 2000), the department concluded a re-tendering exercise for the existing panel arrangement for external legal services that it has had in place since 1996. The total cost for external legal services in 2002–03 was \$1.7 million. This panel arrangement has continued to enable the department to get the best value for money in the legal services market place, as well as retaining its ability to call on a broad range of expertise.

Asset management

Physical assets are not a significant aspect of the department's strategic management. An asset replacement strategy developed by the department ensures that it has an adequate budget in place for the replacement of assets as they come to the end of their useful lives.

Information and communications technology

The department assumed responsibility for its IT desktop, helpdesk and security infrastructure services in March 2003. Previously these services had been provided by the Department of Employment and Workplace Relations. Internal delivery allows the department to assume ownership of the IT infrastructure functions, reduce costs and improve the services. The client satisfaction rating after the transfer indicated improved service quality and customer satisfaction.

Developments in IT have made a significant contribution to the department's programme performance in 2002–03, through the development of improved business systems and processes under integrated e-government strategies aligned with the Commonwealth's *Better Services, Better Government* strategy, released in November 2002. Building on the achievements under its *2000 Online Action Plan*, the department has delivered improved access and quality of services and information to its clients and business partners through high-quality, cost-effective enabling technologies. Major achievements include:

- ▶ successful implementation of major enhancements to the Training and Youth Internet Management System (TYIMS) supporting the third contract round of the New Apprenticeships Programme;
- ▶ improved efficiency and integration of services across Commonwealth and state jurisdictions through implementation of a new electronic interface between the TYIMS and state training authorities in three states;
- ▶ special commendation for the Electronic Confirmation of Enrolment (eCoE) enhancement to the Provider Registration and International Student Management System (PRISMS) in the December 2002 Prime Minister's Awards for Excellence in Public Sector Management; and
- ▶ establishment in February 2003, of a new multi-lingual website called *Study in Australia* which has received very positive feedback from international students and the education industry.

A performance audit conducted by the Australian National Audit Office in 2002, confirmed the overall soundness of the department's e-business and its internet presence, and the satisfactory design and operation of IT and e-business governance in the department.

Risk management

General business risk

The Executive has endorsed the full integration of risk management practices into strategic and business planning processes. The principal aim of applying risk management in the department is to achieve better outcomes for our Ministers, our staff, our services, our programmes and our clients. Formalised risk management is central to being able to demonstrate the 'efficient, effective and ethical' use of resources required by the *Financial Management Accountability Act*.

Each group, branch and state manager is responsible for ensuring that risk assessments for all programmes and functions are completed in accordance with instructions issued by the Chief Lawyer, who has policy responsibility for risk management. This strongly links risk management, procurement policy and legal advice, and maintains an emphasis on applying risk management principles to all departmental programmes and support activities.

Our regular risk assessment processes indicate that the department is a relatively low risk organisation. In 2002–03 there were 82 risk assessments completed across the department, with a further 27 in progress at 30 June 2003. Our risk assessments have identified that the department's main sources of risk, in decreasing order of importance, arise from:

- ▶ commercial and legal relationships (including compliance with legislation and the use of guarantees, warranties, indemnities and letters of comfort);
- ▶ personnel and human behaviour;
- ▶ financial operations;
- ▶ policy development;
- ▶ information systems; and
- ▶ property and asset management.

Monitoring of risk management occurs through:

- ▶ regular monitoring of outcomes by the Executive and Corporate Leadership Group;
- ▶ an annual report to Corporate Leadership Group by the Chief Lawyer;
- ▶ activities of Audit and Investigations Group and the Audit and Business Assurance Committee;
- ▶ advice given and monitoring undertaken by Procurement, Assurance and Legal Group; and
- ▶ programme and contract management by line managers.

An indicator of the effectiveness of our risk management programme is that for 2002–03 the department received the maximum available discount of five per cent on its Comcover premium due to the strong results recorded in the Comcover Risk Management Benchmarking Survey.

Fraud risk

The department has combined fraud risk assessments and general business risk assessment into one integrated process, but is required to assess fraud risk against sources of risk identified in the Commonwealth Fraud Control Guidelines.

The department has in place a fraud control plan with appropriate fraud prevention, detection, investigation, reporting and data collection procedures and processes, that meet the specific needs of the department and comply with the Commonwealth Fraud Control Guidelines. The plan is periodically updated and available to staff at the Risk Management Helpshop on the department's Intranet.

Audit and investigations

The Audit and Investigations Group is responsible for:

- ▶ providing the Executive and managers with independent, timely assurance that programmes, systems and practices conform with legal and accountability requirements, and that fraud prevention, detection and investigation measures are effective; and
- ▶ assisting managers to improve performance, compliance, accountability and fraud prevention in programmes, systems and practices within a risk management environment.

The group continues to proactively influence the management culture of the department through the promotion of best practice and fraud awareness, with a focus on contract management, emerging information technology developments and joint compliance projects. It also does this by participating in steering committees and working groups; developing new initiatives

and information technology systems across the groups; providing ad hoc advice; and scrutinising programme and corporate guidelines before they are implemented.

This approach of working with line management on the basis of 'prevention rather than cure' was introduced a couple of years ago and is working very well.

The Audit and Business Assurance Committee provides the Secretary with assurance in relation to his responsibilities for financial reporting, maintaining an efficient system of internal controls, improving performance and accountability and reviewing specific matters that may arise from the external audit process. It is an independent committee, chaired by a Deputy Secretary and with external membership.

External scrutiny

Complaints to the Commonwealth Ombudsman

During 2002–03, the Commonwealth Ombudsman received 24 complaints about the department, which represented a 40 per cent decrease in comparison with 2001–02. He finalised 27 complaints during 2002–03 (including some matters from the previous year), covering 35 separate issues. Ten of the issues finalised during 2002–03 were investigated and the Ombudsman found no defective administration with respect to these issues.

Compensation for Detriment for Defective Administration Scheme

This scheme allows people adversely affected by the maladministration of a Commonwealth agency to receive compensation when they have no legal redress. The department made no payments under this scheme in 2002–03.

Settlement of legal claims against the Commonwealth

In accordance with Legal Services Directions issued by the Attorney-General, and on the basis that there was a meaningful prospect of liability, the department made one payment of \$70 000 in 2002–03, by way of settlement of legal proceedings concerning alleged non-payment of New Apprenticeships incentives payments.

Federal Court, Supreme Court of New South Wales, Supreme Court of Queensland

In 2002–03, the University of Melbourne instituted proceedings in the Federal Court, challenging the Minister for Education, Science and Training's 2003 funding allocation decision under the Research Training Scheme. This matter is still before the Court.

In 2002–03, the Federal Court handed down two decisions in favour of the Commonwealth concerning claims for personal injuries allegedly due to exposure of ex-RAAF service personnel to ionising radiation in the 1950s. Four other applications concerning alleged exposure to ionising radiation relating to British nuclear tests at Maralinga and the Monte Bello Islands in the late 1950s and early 1960s are currently before the Federal Court and the Supreme Court of New South Wales. None of these matters has yet gone to trial.

In 2002–03, the Commonwealth, as represented by the department, discontinued proceedings instituted in the New South Wales Supreme Court to enforce a mortgage in its favour. This matter concerned a 'China Taskforce' debt recovery action which was settled by way of payment to the Commonwealth during 2002–03 of the sum of \$450 000.

Legal proceedings against the Commonwealth, as represented by the department, and also against the Australian Institute of Marine Science, were instituted in the Supreme Court of Queensland in 1999–2000. The proceedings concern allegations of negligence and/or breach of statutory duty arising out of a death by drowning. The plaintiffs are expected to discontinue their action against the Commonwealth during 2003–04.

Social Security Appeals Tribunal

The Social Security Appeals Tribunal is a first tier of external review of certain decisions made by Centrelink on behalf of the department about education payments. The Social Security Appeals Tribunal is an independent body and its role is to provide a mechanism of review that is fair, economical, informal and quick. Applicants dissatisfied with decisions of the Social Security Appeals Tribunal have a further right of appeal to the Administrative Appeals Tribunal.

During 2002–03, the Social Security Appeals Tribunal made 10 decisions relating to ABSTUDY. Of these decisions:

- ▶ 1 was decided in favour of the applicant;
- ▶ 5 were decided in favour of the department;
- ▶ 1 was dismissed; and
- ▶ 3 were cases where the tribunal decided that it had no jurisdiction.

During 2002–03, the Social Security Appeals Tribunal made one decision relating to the Assistance for Isolated Children Scheme. In this case, the Social Security Appeals Tribunal decided that it had no jurisdiction to hear the matter.

Higher Education Contribution Scheme and Open Learning Deferred Payment Scheme – remission of debts

Under the *Higher Education Funding Act 1988*, the Secretary, or a delegate of the Secretary, can remit debts relating to either of these schemes for students in special circumstances. These circumstances may involve illness, work or personal reasons. If remission is not granted, the student can seek a review and subsequently can appeal the matter to the Administrative Appeals Tribunal. The Secretary, or delegate, can reconsider an application to take into account any new information provided to the tribunal.

During 2002–03, 3712 applications for remission of debts relating to either scheme were received. The following list of outcomes of these applications also includes 350 cases remaining from 2001–02:

- ▶ 107 were not considered because the applicant had paid upfront direct to the institution which was therefore responsible for responding to the application;
- ▶ 302 were received outside the required time and were not considered further;
- ▶ 115 were not considered because the applicant had not incurred the debt;
- ▶ 2301 were successful and the debts were remitted;
- ▶ 993 were unsuccessful;

- ▶ 148 were resolved by negotiations with institutions;
- ▶ 66 were still under consideration as at 30 June 2003;
- ▶ 4 were withdrawn by the applicant;
- ▶ 10 were Postgraduate Education Loans Scheme applications not eligible for consideration; and
- ▶ 16 were related to successfully completed subjects not eligible for consideration.

During 2002–03, 320 applications for review of primary remission decisions were received. The following list of outcomes of these applications also includes 21 cases remaining from 2001–02:

- ▶ 2 were not considered because the applicant had paid upfront;
- ▶ 49 were received outside the statutory time limit and were not considered further;
- ▶ 188 were successful and the debts were remitted;
- ▶ 82 were unsuccessful;
- ▶ 19 were resolved by negotiations with institutions; and
- ▶ 1 was still under consideration as at 30 June 2003.

During 2002–03, 20 new applications were made to the Administrative Appeals Tribunal for reviews of decisions. Of these, 16 cases were finalised. Of the finalised cases:

- ▶ 1 matter resulted in the tribunal setting aside the decision of the Secretary;
- ▶ 1 matter resulted in the decision of the Secretary being affirmed;
- ▶ 4 matters were dismissed by the operation of law;

- ▶ 3 matters were not heard because no fee was paid;
- ▶ 2 matters were dismissed by the tribunal as non-reviewable; and
- ▶ 5 matters were dismissed at the request of the applicant.

As at 30 June 2003, nine cases remained under consideration at the Administrative Appeals Tribunal.

During 2002–03, seven applications for reconsideration of review decisions made by the Secretary, or delegate, were received. The following list of outcomes of these applications also includes one case remaining from 2001–02:

- ▶ 7 cases were considered in favour of the applicants and were remitted; and
- ▶ 1 case was not remitted.

Education services for overseas students

Under the *Education Services for Overseas Students Act 2000*, the Minister, or a delegate of the Minister, can impose a range of sanctions on registered providers of education to overseas students for breaches of the Act or the *National Code of Practice for Registration Authorities and Providers of Education and Training for Overseas Students*. These sanctions include cancelling or suspending a registered provider's registration for all courses for one or more states, and imposing conditions upon the registered provider's registration for one or more courses for one or more states.

During 2002–03, one registered provider had conditions imposed on its registration for seven courses in one state; one registered provider had conditions imposed on its registration for one course in one state; one registered provider had conditions imposed on its registration for four courses in one

state; and three registered providers had their registration cancelled for all courses in one state. Of these, two registered providers had the conditions imposed on their registration removed.

Registered providers may appeal such decisions to the Administrative Appeals Tribunal. During 2002–03, three applications were made to the Administrative Appeals Tribunal by affected registered providers. All these applications were discontinued or withdrawn during 2002–03.

During 2002–03, 113 registered providers had their registration automatically suspended or cancelled. Of these:

- ▶ 38 registered providers were automatically suspended for non-payment of the annual fund contribution or special levy;
- ▶ 8 registered providers were automatically suspended owing to the designated authority for the state suspending the approval of that course for the provider; and
- ▶ 67 registered providers had their registration automatically cancelled when they ceased to be an approved provider for that course for that state.

Human Rights and Equal Opportunity Commission

During 2001–02, the department provided a response to one complaint relating to allegations that a departmental employee had been discriminated against on the basis of her sex. This complaint was dismissed by the Human Rights and Equal Opportunity Commission during 2002–03, on the grounds that the complaint lacked substance.

Federal Privacy Commissioner

The Privacy Commissioner did not refer any complaints to the department during 2002–03. The privacy rights of individual clients are safeguarded in contracts entered into with service providers, for example, Jobs Pathway Providers and New Apprenticeships Centres. These contracts specifically prohibit providers from breaching the information privacy principles contained in section 14 of the *Privacy Act 1988*.

The Privacy Commissioner made no reports to the Minister in accordance with section 30 and no determinations under section 52 of the Act.

Freedom of information

In 2002–03, the department handled 31 freedom of information requests. Of these, 18 were granted in full or in part, six of the requests were refused, one was withdrawn, one was transferred to another agency and five were outstanding at 30 June 2003.

Further data and information on the department's freedom of information processes, including contact details for enquiries, are available in Appendix 2.

Reports by the Auditor-General

In 2002–03 the Australian National Audit Office tabled one report in Parliament that made recommendations directly referring to the department's operations. The report was:

Audit Report No 33, 2002–2003 Management of E-Business in the Department of Education, Science and Training.

In addition, the Australian National Audit Office tabled 14 reports in Parliament that made recommendations relevant to the department's operations. Those reports were:

Audit Report No. 8, 2002–2003 The Senate Order for Department and Agency Contracts (September 2002);

Audit Report No. 18, 2002–2003 Management of Trust Monies;

Audit Report No. 22, 2002–2003 Payment of Accounts and Goods and Services Tax Administration by Small Commonwealth Organisations;

Audit Report No. 23, 2002–2003 Physical Security Arrangements in Commonwealth Agencies;

Audit Report No. 24, 2002–2003 Energy Efficiency in Commonwealth Operations – Follow-up Audit;

Audit Report No. 25, 2002–2003 Audits of Financial Statements of Commonwealth Entities for the period ended 30 June 2002;

Audit Report No. 27, 2002–2003 Management of Commonwealth Guarantees, Warranties, Indemnities and Letters of Comfort;

Audit Report No. 45, 2002–2003 Reporting of Financial Statements and Audit Reports in Annual Reports;

Audit Report No. 50, 2002–2003 Managing People for Business Outcomes, Year Two;

Audit Report No. 52, 2002–2003 Absence Management in the Australian Public Service;

Audit Report No. 53, 2002–2003 Business Continuity Management Follow-on Audit;

Audit Report No. 54, 2002–2003 Capitalisation of Software;

Audit Report No. 60, 2002–2003 Closing the Books; and

Audit Report No. 61, 2002–2003 Control Structure as part of the Audit of Financial Statements of Major Commonwealth Entities for the Year Ending 30 June 2003.

Details of these reports can be found on the Australian National Audit Office web site at <http://www.anao.gov.au/>

Parliamentary scrutiny

In 2002–2003, the Joint Committee of Public Accounts and Audit did not table any reports in Parliament that made recommendations relevant to the department's operations.