



Australian Government

**Department of Agriculture,
Fisheries and Forestry**

Senate Finance and Public Administration Legislation Committee

Public Service Amendment Bill 2023

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Contents

Introduction	3
Overview.....	3
Organisational Capability in recent years	4
The current environment.....	5
Amendments to the Public Service Amendment Bill 2023	5
<i>Item 2 Stewardship, new subsection 10(6)</i>	<i>5</i>
<i>Item 8 Capability reviews, new section 44A.....</i>	<i>5</i>
<i>Item 10 Long-term insights reports, new section 64A</i>	<i>5</i>
<i>Item 11 Include a member of the Australian Defence Force (ADF) under s78(8) as an ‘outsider’.....</i>	<i>6</i>
<i>Item 12 Australian Public Service Employee Census – results and actions plans.....</i>	<i>6</i>
Conclusion.....	6

Introduction

The Department of Agriculture, Fisheries and Forestry (DAFF) welcome the opportunity to provide this submission to the Senate Finance and Public Administration Legislation Committee on the *Public Service Amendment Bill 2023*.

This submission provides an overview of the role of the department including key areas of responsibility, and purpose and objectives embedded through a Purpose, Objectives, Priorities, Vision and Values statement delivered in December 2022. The overview also includes the department's action to identify and uplift capability through development and delivery of key strategic documents, realigning functions within the department to focus on APS reform and capability uplift and working with the Australian Public Service Commission capability uplift program currently underway.

Overview

DAFF's vision is ***A more sustainable and prosperous Australia through biosecurity, production, and trade.*** The department's purpose is to work together to safeguard and grow sustainable agriculture, fisheries, and forestry for all Australians. The key objectives are:

- **Biosecurity** - Strengthen our national biosecurity system to provide an appropriate level of protection to Australia's people, our environment and economy from the biosecurity threats of today and tomorrow
- **Industry growth** - Support industry to grow toward a \$100 billion agriculture, fisheries, and forestry industry by 2030 amid changing global market conditions
- **Resilience and sustainability** - Increase the contribution agriculture, fisheries and forestry make to a healthy, sustainable and low emissions environment.

These objectives cover our significant regulatory, program and policy responsibilities across different parts of the economy and internationally.

The Department's responsibilities intersect with a range of nationally significant economic and national security issues, and the challenges and opportunities facing our country cannot be addressed without proactive engagement across our areas of responsibility. This includes:

- **Strategic importance to the economy** - DAFF is a major border agency, playing a key role in regulating exports and imports (about 40% of Australia's GDP) across different parts of the economy and is central to the efficiency and resilience of Australia's supply chains
- **Role in the shift to a net zero economy** - Agriculture accounts for 55% of Australia's land use, 24% of water extractions, and 15% of Australia's greenhouse gas emissions – this shift will not only transform production, but renewable energy technologies require extensive land and sea area and careful planning and work with landowners and local communities
- **Trade and investment** – 70% of Australia's agricultural production is exported and it accounts for 12% of the value of our total exports – its central to our comparative advantage in global markets and generates broader benefits for the economy, for example ABARES estimates that around 25 cents of every \$1 of raw agricultural export accrues to the domestic service sector for inputs (e.g., business, trade services), and 7 cents to the domestic industrial sector including chemicals, plastics and fertilisers
- **Relationships in the Asia-Pacific** – Australian agriculture supports the food security of our immediate region (for example Australia is the largest source of Indonesia's food imports). The Pacific mobility labour scheme (anticipated to have 35,000 participants by June 2023) supports agricultural and food processing across Australia and also supports small island economies through remittances and strengthens people-to-

people and institutional relationships. We also deliver capability building and technical assistance through biosecurity

- **Growth and prosperity of regional Australia** – as a key tradeable sector agriculture, fisheries and forestry employs 239,000 people nationally and underpins the prosperity of regional Australia especially when accounting for the broader supply chain
- **Generating economic opportunities for First Nations people** – given our shared interests across our land, water, and sea country, particularly across northern Australia
- **Critical role in national security** – the value of Australia's biosecurity system was estimated at \$314 billion over 50 years in present value terms (2020) –protecting Australia from biosecurity risks is critical given a significant biosecurity incursion would generate a range of negative impacts including cost and availability of food, lost income, supply chain disruptions, and associated social and health and welfare impacts for farmers and the broader community.

DAFF's work is diverse and complex with significant dependency on technical expertise. We provide regulatory services for many parts of the economy through our regulatory activities for imports and exports. Our staff work on policy, on-ground programs, regulation, economics, science and research, international negotiations, trade and managing operational programs.

The department employs over 5,300 staff work in more than 180 locations across Australia and external territories. Department staff in air and seaports, mail centres, livestock premises, laboratories, abattoirs, and 17 other locations outside Australia. We are the largest public sector employer of veterinarians in the nation and a significant employer of scientists alongside a wide range of specialist roles including policy experts, economists, and Indigenous Rangers. Significant investment in human resources (75% of total funding) with a high reliance on cost recovery that is directly related to the delivery of regulatory services.

Achieving our purpose and objectives goes beyond our direct regulatory and funding responsibilities. It requires us to leverage diverse relationships that have been built up over many decades to influence outcomes within a complex and sometimes contested eco-system of state and territory governments, industry, unions, other national governments, international organisations, First Nations communities and organisations, and higher education and research institutions.

Organisational Capability in recent years

Within this complex and diverse operating context, DAFF (and the former Department of Agriculture, Water, and the Environment (DAWE)) has taken proactive steps to uplift organisational capability:

- In 2020 when DAWE was formed, the department undertook a Future Department Review (FDR) that identified the capabilities that would be needed to deliver the portfolio's work
- In 2021, DAWE released the Future Department Blueprint (building on the FDR), which outlined 8 streams of focus to uplift organisational capability
- Following the machinery of government (MoG) changes in mid-2022, the DAFF Executive Board commissioned the Designing DAFF Taskforce to create a new Purpose, Objectives, Priorities, Vision and Values (POPVV) statement for the department (released in December 2022) and identify options to optimise the department's operations. It has supported the delivery of a new organisational structure and is now working on delivering improvements to the department's governance; financial management; planning, reporting and risk management; and workforce data and analytics.

The current environment

The Australian Public Service Commission (APSC) is currently undertaking a Capability Review (the Review) of the department. The Review will assess the department's ability to meet future objectives and identify organisational capability gaps and opportunities to address them, including taking into consideration our resourcing arrangements. An independent Senior Review Team (SRT) is undertaking the Review, which is anticipated to be completed in early August 2023, which will be followed by the development of an Action Plan in response.

This enterprise-wide focus on capability uplift requires specific support and resourcing, and the department is also working to ensure adequate support to operationalise the Action Plan and an ongoing focus on its delivery. This includes establishing an Enterprise and Budget Strategy Branch within the department's Portfolio Strategy and Services Group to develop a forward-plan for organisational capability uplift, lead on APS reform activities and requirements, work across the department to enable the delivery of enterprise-wide capability uplift priorities, and monitoring and evaluating this work.

Amendments to the Public Service Amendment Bill 2023

Item 2 Stewardship, new subsection 10(6)

The department's Core 4 Values align with the APS Values and have recently been updated to ensure that they reflect the [Secretaries Charter of Leadership Behaviours](#) (DRIVE). Once 'stewardship' is added to the APS Values, the department's Core 4 values will be reviewed and updated where appropriate to ensure ongoing alignment with the APS Values.

Item 8 Capability reviews, new section 44A

The department supports this inclusion noting that:

- an agency right of reply/fact check of review findings prior to finalisation of a report isn't included in the Bill, and DAFF notes this a pivotal part of the procedural fairness attached to the review process
- the explanatory memorandum mentions the drafters believe that personal privacy implications of capability review reports are sufficiently addressed within the Bill, and that personal privacy is a reason for limiting materials.

Item 10 Long-term insights reports, new section 64A

DAFF is supportive of a focus on long-term insights and notes:

- the importance of a whole of government approach to foresight analysis and the selection of topics
- new subsection 64A(3) provides for public consultation including academia, industry, and the not-for-profit sector
- the [Treasury's Wellbeing Framework](#) provides an opportunity to benchmark and analyse public policy issues that warrant focus
- the criticality of uplifting the organisational capability of departments in terms of strategic policy, research, and science to shape these insight reports and make use of them.

As a departmental institution, the [Australian Bureau of Agricultural and Resource Economics and Sciences](#) (ABARES) is internationally renowned for the commodity market forecasts it has provided for Australia's agricultural sector since the 1940s, as well as its economic-based analysis that has underpinned many agricultural policy settings. ABARES delivers

[Insights series](#) which provide 'evidence-based context for discussion of industry issues' and complement ABARES analytical reports, forecasts, and statistical series.

ABARES insights, data and analysis are invaluable to the department in remaining contemporary and ahead of the game, remaining a critical part of industry supply chains, facilitating trade and market access for many of Australia's products. The department also advises on policies and helps farmers and rural commodities deal with drought.

Item 11 Include a member of the Australian Defence Force (ADF) under s78(8) as an 'outsider'

Section 78(8) provides that 'An Agency Head cannot, under subsection (7), delegate powers or functions to an outsider without the prior written consent of the Commissioner. For this purpose, outsider means a person other than:

- (a) an APS employee; or
- (b) a person appointed to an office by the Governor-General, or by a Minister, under a law of the Commonwealth.

We note the inclusion of ADF members for the purpose of this section and the potential requirement for delegations to be available for example, in emergency response situations. We also note there may be a need to consider other employees in public sector roles who are not employed under section 22 of the *Public Service Act* (1999), for example those employed under the *Australian Federal Police Act* (1979).

The department currently seeks to enable decisions to be made at the lowest appropriate classification in certain areas, for example people related delegations. Additionally, it appears that the proposed amendments are broad enough to retain Agency Head discretion as to what [is the lowest] classification considered appropriate to particular decisions.

Item 12 Australian Public Service Employee Census – results and actions plans

The proposed new section 79B provides an additional requirement for agencies to publish APS census results and publish action plans. DAFF is cognisant of the interconnection between census results, and the APSC capability review being undertaken currently. Our response to the APSC Capability Review will continue the department's commitment to its CORE 4 values with the objective of fostering integrity and accountability for organisational capability improvement. This work includes consideration of the APS census results as a key measure of APS employee experience.

The department's Executive Board (EB) has been informed of the changes to the Public Service Amendment Act around agency heads being required to develop an action plan following the APS Employee Census. The Board has agreed that an agency action plan regarding how the department will address the 2023 census results will be developed and released in November 2023.

In-principle, as mentioned above, we are committed to this concept as a department, however, consideration for resourcing needs is also required.

Conclusion

DAFF supports, in general, the amendments proposed in the Public Service Amendment Bill 2023 with the aim to strengthen 'the APS' core purpose and values; build capability and expertise of the APS; support good governance, accountability and transparency.' The APSC capability review of the department and the delivery of an action plan, will enable a proactive focus on uplifting organisational capability and meeting the requirements outlined in the

proposed legislative amendments. The department will continue to closely manage its financial resources to ensure a continued focus on uplifting organisational capability and deliver on its significant policy, program, and regulatory responsibilities.