

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

TREASURY

Australian Taxation Office

(Additional Estimates 14 February 2007)

Question **AET 138**
Topic: **MOU with Merit Protection Commission**
Hansard Page: **E59**

Senator **Wong** asked:

Senator WONG—I also understand that, pursuant to the Public Service Regulations, there is a mandatory requirement that an ISAC established in respect of an employment opportunity must, amongst other things, assess the relative merits of the candidate. I had a look at the memorandum of understanding and it appears that, whilst the ISAC oversees the recruitment and co-designs selection methodology and plays that scoping role, the assessment of candidates is intended to be done by private sector recruitment agencies.

(a) My first question is: given the relative responsibilities that are set out for the ISAC in the MOU, can you explain to me how that complies with the Public Service Regulations to which I referred?

Answer:

(a) The Merit Protection Commissioner is responsible for ensuring that the operation of the Independent Selection Advisory Committee (ISAC) complies with the Public Service Regulations as it is the exercise of his statutory power. The Commissioner, Mr Lamond, advised the Tax Office in a letter dated 13 December 2006 that - “I am satisfied that the arrangements agreed to earlier in the year are working well in practice and that the process is consistent with an ISAC’s statutory role. I note in this context that the Regulations do not prescribe any particular selection methodology to be followed by ISACs and that particular selection tools commonly used in the APS have no particular legislative or other authority, for example orders of merit, but are nevertheless consistent with the merit value”.

(b) Could you also tell me if there is either a cost distribution or payment from the ATO to the MPC for ISAC services.

Answer:

(b) Public Service Regulation 4.2 (2) provides that the Merit Protection Commissioner may establish an ISAC at the request of an agency head and that the Commissioner may charge the agency head a fee for carrying out the functions. The Merit Protection Commissioner has advised that the fee is charged on a cost recovery basis. Under the terms of the MOU, the Tax Office pays a fee to the Merit Protection Commissioner on the basis of the actual time spent by Australian Public Service Commission employees on delivering the services.

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(c) **Senator WONG**—Are you able to tell me what the contracts are with external recruitment agencies in the financial year to date pursuant to this arrangement?

Answer:

(c) In this period the Tax Office has used two external recruitment providers to support campaigns using this ISAC approach. Those providers are Manpower and Hudson Global Resources.