

Questions on notice from Senator Kim Carr

1. Efficiency Dividends

What financial impact will the increased efficiency dividend have on your Department/agency this financial year and in the out years?

The Defence Housing Authority (DHA) is not a budget funded agency and is therefore not subject to the payment of an efficiency dividend.

2. AWAs

How many staff are covered by AWAs in your Agency/Department?

148 Defence Housing Authority employees are currently employed under an Australian Workplace Agreement.

Can you provide a break down of AWAs by gender and by classification?

Please refer to the table below:

Classification	Male	Female	Classification Total
DHA4B	1	3	4
DHA5B	5	6	11
DHA6B	28	35	63
EXEC1B	24	14	38
EXEC2B	18	8	26
SES	5	1	6
TOTALS	81	67	148

Can you tell me how many of the staff on AWAs are paid more than the band for their classification under the certified agreement?

40 Defence Housing Authority (DHA) employees are paid above the band for their classification under DHA's Certified Agreement.

Why were these staff not simply promoted to a higher classification?

Many staff in this category are paid above one band and below the next classification. Employees may be at the maximum of their band and acting at a higher classification, receiving higher duties allowance.

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An employee can only be promoted if there is a vacancy and they are the successful candidate in a merit selection process. If after conducting the process the DHA employee was unsuccessful they would become excess to agency requirements.

3. Performance pay

Is performance pay available under your department/agencies Certified Agreement?

Yes, under clause 5.2 of the Defence Housing Authority Certified Agreement 2004-2007. First payments under this clause will be paid in the 2005/2006 financial year.

If not how many staff in your Department/Agency are eligible for performance base pay?

Not applicable.

Please provide a breakdown of performance pay awarded for this financial year to date including the following details:

1. How many staff have received performance pay?

156 Defence Housing Authority employees.

2. What levels are those staff at?

Please refer to 'Table A' below.

3. What gender, breakdown please?

Please refer to 'Table A' below.

Table A: Performance Pay paid during the 2004/2005 financial year

Classification	Male	Female	Classification Total
DHA4B	2	5	7
DHA5B	6	3	9
DHA6B	33	33	66
EXEC1B	28	19	47
EXEC2B	16	6	22
SES & Executive	4	1	5
TOTALS	89	67	156

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4. **How much has each staff member received?**

Please refer to the table below;

Performance Pay Range	Employee Numbers
0-\$2,000	15
\$2,001-\$3,000	26
\$3,001-\$4,000	41
\$4,001-\$5,000	28
\$5,001-\$8,000	20
Above \$8,000	26
Grand Total	156

5. **When did they receive it?**

Please refer to the table below;

Date Received	Employee Numbers
25 August 2004	148
8 September 2004	4
22 September 2004	2
23 February 2005	1
4 May 2005	1
Grand Total	156

6. **What was the rationale for the awarding of performance pay in each instance?**

Performance pay was awarded to employees who have been assessed to have met or exceeded all agreed performance targets contained in their individual performance plan.

7. **Did the Department/Agency head receive performance pay?**

The position of Managing Director of the DHA is a Principal Executive Officer (PEO), the terms and conditions of which must be consistent with relevant Remuneration Tribunal determinations. In the case of performance pay, the Tribunal has determined in respect of PEOs that performance pay means an amount of at-risk performance-based pay of no more than 15 per cent of total remuneration. The amount of performance pay, if any, is determined by the DHA Board. It has not been usual practice to reveal the details of performance pay, if any, paid to particular employees of the Authority and the Managing Director.

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8. **How much?**
See answer to question seven
9. **When?**
See answer to question seven
10. **On what grounds?**
See answer to question seven

Questions on notice: Senator Joe Ludwig

4. Legal service expenditure

1. **What amount did the Department/agency spend during the financial year 2004/2005 on outsourced legal practitioners (including private firms, individuals, the Australian Government Solicitor, and any others)?**

During the year DHA spent \$289,000 on general legal fees, \$1.14 million in respect of conveyancing fees and \$562,000 for property advice in respect of significant individual development and property acquisition projects.

2. **What was the budgeted amount for outsourced legal practitioners in 2004/2005?**

\$524,277 for general legal advice. Legal fees for conveyancing and property advice are not budgeted separately as they are essentially demand-driven and included in the value of the asset which is the subject of the legal transaction.

3. **What amount did the Department/agency spend on internal legal services? (Provide an estimate if exact amount is unavailable.)**

The DHA's internal legal services were provided by a General Counsel. Details are provided in the answer to question four (below).

4. **Does the Department/agency have an in-house legal section? If so, what was the 2004/2005 actual cost of this section? What was the budgeted amount for this section in 2004/2005? What is the budget amount for this section in 2005/2006?**

On 26 July 2004, DHA engaged a General Legal Counsel to provide in-house legal services. The cost of the General Legal Counsel was \$107,305

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in 2004/05, compared to a budget of \$149,309. This function is budgeted to cost \$147,268 in 2005/06.

5. What is the total projected expenditure on legal services for 2005/2006 for the Department/agency?

\$475,001 has been budgeted for expenditure on general legal advice in 2005/06. As indicated in the answer to question two, legal fees for conveyancing and property advice are not budgeted separately as they are essentially demand-driven and included in the value of the asset which is the subject of the legal transaction.

6. Which organisations or individuals were contracted to provide legal services to the Department/agency in 2004/2005?

Payments for general legal advice and advice in respect of significant property transactions are as follows:

<i>Andreones</i>	<i>\$30,844</i>
<i>AGS</i>	<i>\$812</i>
<i>Blake Dawson Waldron</i>	<i>\$17,120</i>
<i>Bradley Allen</i>	<i>\$38,101</i>
<i>Clayton Utz</i>	<i>\$118,877</i>
<i>Hopkins & Associates</i>	<i>\$1,223</i>
<i>Hunt & Hunt</i>	<i>\$62,352</i>
<i>McInnes Wilson</i>	<i>\$32,046</i>
<i>Minter Ellison</i>	<i>\$290,100</i>
<i>Phillips Fox</i>	<i>\$138,015</i>
<i>Matthew Tyson</i>	<i>\$685</i>
<i>Wilson, Ryan & Grose</i>	<i>\$21,868</i>
<i>Piper Alderman</i>	<i>\$99,190</i>

In 2004/05, DHA paid \$1,143,185 in respect of routine conveyancing transactions are as follows:

<i>Bradley Allen</i>	<i>\$205,750</i>
<i>Duncan Sande & Assoc</i>	<i>\$4,133</i>
<i>Hunt & Hunt</i>	<i>\$434,114</i>
<i>McInnes Wilson</i>	<i>\$178,414</i>
<i>Minter Ellison</i>	<i>\$45,906</i>
<i>White Cleland</i>	<i>\$82,180</i>
<i>Wilson, Ryan & Grose</i>	<i>\$69,625</i>
<i>Downings Legal</i>	<i>\$95,025</i>
<i>Not allocated to vendor</i>	<i>\$28,038</i>

7. In each instance, how much was each organisation or individual paid for these services?

Please see answer to question six.

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8. **Does the Department/agency use an open tendering or select tendering process (as described in the Commonwealth Procurement Guidelines, p 42) when procuring legal services?**

Open tendering

9. **If a select tendering process is used: (a) which method of select tendering is used and (b) which firms or individuals are currently eligible to tender for legal services?**

Not applicable.

10. **If a multi-use list is used: (a) which firms or individuals are currently on that list and (b) when was the list last opened for applications?**

The list for provision of general legal services currently comprises Deacons and Minter Ellison. The list was opened for applications in late 2004 and positions on the list awarded in early 2005. The DHA conveyancing panel was last opened for applications in 2001.

11. **In 2004/2005 did the Department/agency obtain any legal services using a direct sourcing procurement process? If so, provide details including the name of the provider, the work involved and the cost?**

Yes. Piper Alderman, Sydney, \$99,190.57. This firm has been retained to advise DHA in respect of legal matters associated with its development panel in Sydney, due to the availability of specialist expertise in the firm with prior knowledge of DHA's local arrangements. These arrangements represent excellent value for money.

12. **In 2004/2005 did the Department/agency procure any legal services under the thresholds required for 'covered procurements' (within the meaning of 8.6 of the Commonwealth Procurement Guidelines)? If so, provide details including the name of the provider, the work involved and the cost.**

DHA is not subject to the Commonwealth Procurement Guidelines, although it does have regard to them in managing its procurement process.

13. **In 2004/05 did the Department/agency contract any legal firms to provide services other than legal services (such as consulting, conduct of policy reviews etc)? If so, provide details including the name of the firm, the project involved and the cost of the contract.**

No.

5. Languages

A follow-up to a question Senator Ludwig asked in December.

Regarding the employees that your department or agency has identified as having:

- a) fluency
- b) accredited translator
- c) accredited interpreter

Of these employees, please indicate what the department is doing in order to make full use of its employees skills in this regard, and please provide a breakdown of this between employees whose accreditation was paid for by the department and those whose were not.

DHA did not identify employees in any of these categories.