

## CHAPTER 1

# ORGANISATION OF THE AUSTRALIAN INSTITUTE OF HEALTH AND WELFARE



## Enabling legislation

The Australian Institute of Health and Welfare (AIHW) was established as a statutory authority in 1987 by the then *Australian Institute of Health Act 1987*. In 1992 the AIHW's role and functions were expanded to include welfare-related information and statistics. The Act is now entitled the *Australian Institute of Health and Welfare Act 1987* (AIHW Act) (Appendix 2, page 13).

The AIHW is in the Health and Ageing portfolio and has a close relationship with the Australian Government Department of Family and Community Services and the Australian Government Department of Veterans' Affairs.

## Responsible Minister

The Hon. Tony Abbott, the Minister for Health and Ageing, is the Minister responsible for the AIHW.

The AIHW also communicates with the Minister for Family and Community Services, the Minister for Ageing and the Parliamentary Secretary to the Minister for Health and Ageing.

## Objectives and functions

The AIHW's main functions relate to the collection and production of health-related and welfare-related information and statistics, and are specified in s.5 of the AIHW Act.

In summary, the AIHW:

- identifies and meets the information needs of governments and the community to enable them to make informed decisions to improve the health and welfare of Australians
- provides authoritative, timely information and analysis to the Australian Government, state and territory governments, and non-government clients by collecting, analysing and disseminating national data on health, community services and housing assistance
- develops, maintains and promotes, in conjunction with stakeholders, information standards for health, community services and housing assistance.

The AIHW may:

- enter into contracts or arrangements, including contracts or arrangements to perform functions on behalf of the AIHW (details of such collaborations are included later in this report)
- release data to other bodies or persons for research purposes, subject to strict confidentiality provisions in the AIHW Act and with the agreement of its Ethics Committee.

The AIHW promotes and releases the results of its work into the public domain.

# STATEMENT OF GOVERNANCE

## AIHW Board

Section 8(1) of the AIHW Act specifies the composition of the Board of the AIHW. Board members, other than three ex-officio members and a staff representative, are appointed by the Governor-General on the recommendation of the Minister for Health and Ageing for periods not exceeding three years. Details of 2004–05 Board members are listed below. The financial statements contain details of remuneration of Board members (Note 12, page 72), and Related Party Disclosures of the Board (Note 13, page 72).

The following is a list of Board members for the period 1 July 2004 to 30 June 2005.

### *Chair*

The Hon. Peter Collins, AM, QC

### *Secretary, Department of Health and Ageing*

Ms Jane Halton

### *Australian Statistician*

Mr Dennis Trewin

### *Australian Health Ministers' Advisory Council nominee*

Mr Peter Allen

### *Community Services Ministers' Advisory Council nominee*

Ms Linda Apelt

### *Representative of state and territory housing departments*

Dr Owen Donald

### *Ministerial nominees*

Prof. Heather Gardner

Dr Kerry Kirke

Mr Ian Spicer

### *AIHW staff nominee*

Ms Justine Boland

### *Director, AIHW*

Dr Richard Madden

The Secretary of the Department of Family and Community Services is invited to attend and participate in Board meetings. The Chief Executive Officer of the National Health and Medical Research Council (NHMRC) attends the Board as an observer.

Three Board meetings were held during the period. Details of meetings attended and Board members' qualifications and experience are in Appendix 5 (page 113).

The performance of the AIHW Director is reviewed annually by the Board Chair.

The Charter of Corporate Governance adopted by the Board takes into account contemporary issues regarding corporate governance and underpins Board operations in an increasingly complex environment.

The AIHW Charter of Corporate Governance is available at Appendix 13.

## Board committees

### ETHICS COMMITTEE

The functions and composition of the Australian Institute of Health and Welfare Ethics Committee are prescribed in s. 16(1) of the AIHW Act and Regulations accompanying the Act. The Committee's main responsibilities are to form an opinion as to the acceptability or otherwise, on ethical grounds, of current or proposed health- and welfare-related activities of the AIHW or bodies with which the AIHW is associated, and to inform the AIHW of the Committee's opinion. The AIHW may release identifiable health and welfare data for research purposes with the agreement of the Committee, provided that release does not contravene the Commonwealth Privacy Act and the terms and conditions under which the data were supplied to the AIHW.

### Membership and meetings

Membership of the Ethics Committee at 30 June 2005 is shown below. The Ethics Committee meets the NHMRC requirements for the composition of human research ethics committees.

Four meetings of the Ethics Committee were held during 2004–05. The Committee agreed to the ethical acceptability of 21 projects during the year.

## Ethics Committee members 2004–05

### *Chair*

Mr Robert Todd

### *Medical graduate with research experience*

Prof. Tony Adams

### *Graduate in a social science*

Dr Siew-Ean Khoo

### *Nominee of the Registrars of Births, Deaths and Marriages*

Ms Val Edyvean

### *Minister of religion*

Rev. Dr D'Arcy Wood

### *Legal practitioner*

Ms Marina Farnan

### *Representatives of general community attitudes*

Mr John Turner

Ms Janet Kahler

### *Director, AIHW*

Dr Richard Madden

## AUDIT AND FINANCE COMMITTEE

The Audit and Finance Committee is a subcommittee of the AIHW Board. The Committee authorises and oversees the AIHW's audit program and reports to the Board on financial and data audit matters.

### Membership and meetings

Membership of the Audit and Finance Committee and details of the three meetings held during the year are shown in Appendix 6.

The major matters on which the Committee reported to the Board were:

- review of annual financial statements
- internal audit program
- data audit program.

## INDEMNITIES AND INSURANCE PREMIUMS FOR OFFICERS

The AIHW provided appropriate indemnity for officers during the financial year.

## FUNDING

Two main sources of income fund the AIHW's activities. As part of the Health and Ageing portfolio, the AIHW was allocated \$8.42 million in 2004–05 by the Australian Government (Appendix 1, page 45). Revenue for externally funded projects from other sources was \$14.9 million. External projects are largely funded through agreements between the AIHW and the Australian Government (the Department of Health and Ageing, the Department of Family and Community Services and the Department of Veterans' Affairs), Health, Community Services and Housing Ministers' advisory councils, and state and territory agencies.

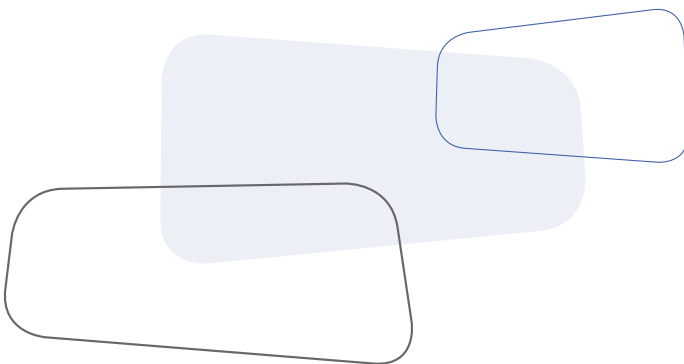
## ORGANISATIONAL STRUCTURE

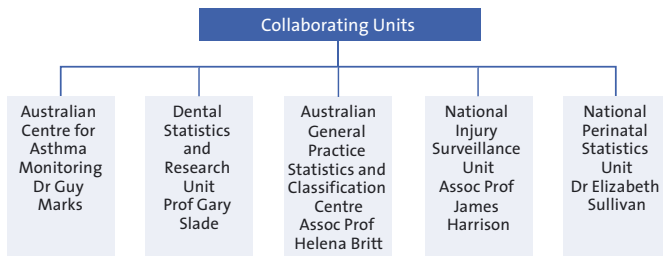
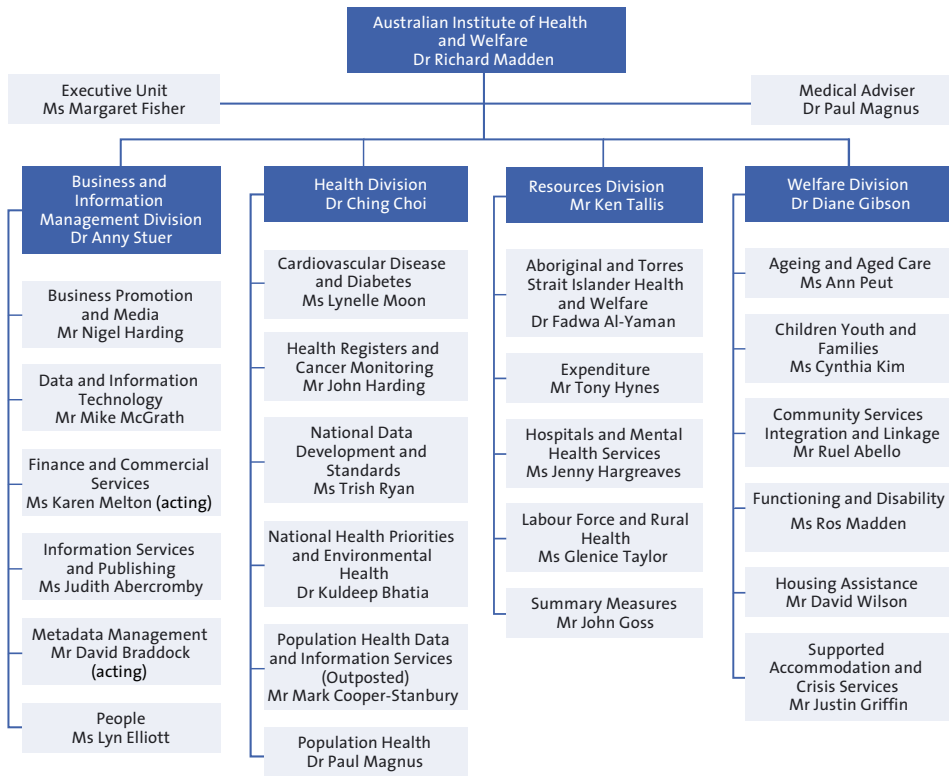
The organisational structure of the AIHW has been established to ensure it best meets its functional responsibilities. The structure does not remain static but is modified to meet the changing requirements of its constituents.

The Director, who is a member of the Board, is responsible for the AIHW's activities. The Director is supported in this role by four Division Heads, each with a major functional responsibility within the organisation (for Health, Welfare, Resources, and Business and Information Management), and an Executive Unit. A chart showing the AIHW's organisational structure is on page 7.

## Collaborative arrangements

The AIHW has agreements with a number of other organisations to facilitate collaboration. Those collaborations extend the scope of the AIHW's skills base and enhance the ability of the AIHW to perform its functions (Appendix 4 Other bodies carrying out Institute functions, page 109).





## AIHW staff

AIHW staff are employed under the *Public Service Act 1922*. Details of staffing during 2004–05 are shown on page 121. Executive staff at 30 June 2005 are listed below. Information about Heads of functional units is included in Appendix 9 (page 123).

### *Director*

Richard Madden, BSc (Syd), PhD (Princeton), FIA, FIAA

### *Business and Information Management Division Head*

Anny Stuer, BA (Hons) (France), PhD (ANU)

### *Health Division Head*

Ching Choi, BA (ICU), PhD (ANU)

### *Resources Division Head*

Ken Tallis, BA (Hons) (ANU), BEc (ANU)

### *Welfare Division Head*

Diane Gibson, BA (Hons), PhD (Qld), FASSA

## ESTABLISHMENT AND MAINTENANCE OF ETHICAL STANDARDS

Ethical standards at the AIHW are upheld through our values:

- accessibility
- expertise
- independence
- innovation
- privacy
- responsiveness.

These values, and those of the Australian Public Service (APS), shape the *AIHW Corporate Plan 2003–2006*, the Business Plan which flows from the Corporate Plan, and the annual Work Program.

To reinforce the AIHW's strong commitment to its values, staff (and those with approved access to AIHW data) are required to sign an Undertaking of Confidentiality in relation to data held under the AIHW Act. An important part of the AIHW's induction program is a discussion, led by the Director, of the values and ethical standards under which the AIHW operates. These practices, together with our data audit programs, are designed to ensure the confidentiality of the data held. The APS Values and Code of Conduct are regularly promoted to staff in seminars and newsletters.