

Other issues

- 5.1 In addition to the examination of Outcomes 1, 2 and 3, the Committee also inquired into a range of other issues arising from the *DFAT Annual Report 2009–10*. These included:
- gender equality; and
 - funding and the implications on staffing.

Gender equality

- 5.2 The *DFAT Annual Report 2009–10* notes that at June 2010 there were 2064 female employees and 1907 male employees within DFAT.¹
- 5.3 However, the Australian National Committee for UN women (UN Women Australia) was concerned by the disproportionate representation of women at the Senior Executive Service (SES) level. The *DFAT Annual Report 2009–10* advises that 58 of the 220 SES positions were held by women.²
- 5.4 Additionally, UN Women Australia noted DFAT does not have a system of accountability, or a merit based process behind women’s participation in senior positions.³
- 5.5 In response, DFAT told the Committee that the percentage of women in the SES had increased dramatically in the last 25 years from one percent to 26 percent.⁴

1 *DFAT Annual Report 2009–10*, p. 214.

2 *DFAT Annual Report 2009–10*, p. 214.

3 The Australian National Committee for Women, *Submission No 5*, p. 61.

- 5.6 DFAT acknowledged that it did not have programs specifically designed to increase the numbers of females employed within the department. Nevertheless, the department continues to maintain gender equality within the workplace. DFAT drew attention to a proportional increase of females entering DFAT at the graduate level which reflects the community-wide increase of tertiary educated women and not deliberate gender policy.⁵
- 5.7 DFAT told the Committee that it employed on the basis of merit. It has an obligation to:
- ... provide an environment which is conducive and free to everyone ... Where different parts of the organisation do not feel disadvantaged by virtue of their gender.⁶
- 5.8 In maintaining a gender equality environment, DFAT said that it will continue to address family issues that have an impact on women through the implementation of relevant policy. This includes the provision of day-care arrangements and leave without pay for family related reasons.⁷

Funding

- 5.9 Dr Monk noted in his submission that DFAT's operating budget has seriously suffered. DFAT's resourcing has shrunk over the past decade from 0.43 to 0.25 of federal government spending.⁸
- 5.10 Ms Oliver made a similar observation and notes DFAT has:
- suffered at least a decade of eroding resources, becoming overstretched and increasingly ill-equipped to deal with foreign policy agenda.⁹
- 5.11 In addition, Ms Oliver indicated that the overemphasis on security by the Australian Government is contributing to a disproportionate allocation of funding. She informed the Committee that \$26 billion in funding was

4 Mr Dennis Richardson, *Transcript 27 May 2011*, p. 4.

5 Mr Dennis Richardson, *Transcript 27 May 2011*, p. 4.

6 Mr Dennis Richardson, *Transcript 27 May 2011*, p. 4.

7 Mr Dennis Richardson, *Transcript 27 May 2011*, p. 4.

8 Dr Paul Monk, *Submission No. 6*, p. 64.

9 Ms Alexandra Oliver, *Exhibit No. 2*, p. 1.

allocated to the Department of Defence while only \$2 billion was provided for DFAT.¹⁰

- 5.12 DFAT acknowledged that it has not done well in budgetary allocations over the past 15 years. However, since 2007 there has been a net increase of \$88 million from the budget which has enabled DFAT to slowly recover from the trough experienced in 2003.¹¹
- 5.13 DFAT's current budget is not as constrained as those of other sectors of the public service and reflects the framework of a tight fiscal environment. DFAT told the Committee that the challenge over the course of next year will be absorbing the cost of any enterprise agreement and the efficiency dividend.¹²
- 5.14 DFAT added that it has laid down a broad framework in adapting to the budgetary environment. It includes:
- maintaining the global network;
 - not reducing any training or staff development dollars; and
 - maintaining the graduate intake program.¹³
- 5.15 It was noted during the hearing that the budget for language training had been stagnant at an amount of \$2 million per annum.¹⁴ DFAT informed the Committee that language training had in fact increased from \$3.8 million in 2009–10 to \$4.7 million in 2010–11.¹⁵

Staffing

- 5.16 As mentioned in Chapter 2, DFAT's staffing has not reflected the general increases within the wider public service. The total number of personnel has decreased by five per cent despite the general expansion of the public service as a whole by 15 per cent.¹⁶

10 Ms Alexandra Oliver, *Transcript 23 May 2011*, p. 66.

11 Mr Dennis Richardson, *Transcript 27 May 2011*, p. 2.

12 Mr Dennis Richardson, *Transcript 27 May 2011*, p. 2.

13 Mr Dennis Richardson, *Transcript 27 May 2011*, p. 6.

14 Dr Paul Monk, *Submission No. 6*, p. 65.

15 Mr Dennis Richardson, *Transcript 27 May 2011*, p. 11.

16 Mr Dennis Richardson, *Transcript 27 May 2011*, p. 2.

- 5.17 Between 1996 and 2003, DFAT lost approximately 400 Australian-based staff. While there has been a relative increase of 200 Australian-based staff in 2003, DFAT is still behind the staffing levels of 1996.¹⁷
- 5.18 In light of these figures, DFAT's level of staffing remained stagnant at 3971 personnel in 2009–10.¹⁸
- 5.19 Ms Oliver noted that DFAT Australian-based staff posted overseas has plummeted to 25 per cent in 2009 while locally employed staff have hovered around 40 per cent of total DFAT staff for more than a decade.¹⁹
- 5.20 Dr Monk told the Committee that the replacement of Australian based officers with locally engaged staff is not a comparable substitution.²⁰
- 5.21 In addition to his comments made to the Committee, Dr Monk noted in his submission that the number of Australian-based staff fluent in any Asian language remains comparatively low.²¹
- 5.22 DFAT responded by saying that:
- We currently have 18 officers who have a minimum of S3R3 in Indonesian, 44 with a minimum of S3R3 in Japanese and 75 with a minimum of S3R3 in Chinese. But we have some officers whose proficiency has lapsed.²²
- 5.23 Dr Monk mentioned that 18 of 19 government departments have developed their own international division. This coincides with greater budget allocations to departments such as the Prime Minister and Cabinet who are increasing their oversight of foreign policy.²³
- 5.24 In response to these developments, DFAT did not express concern, but noted:
- ... there are now departments with an international component to what they do, but that simply reflects globalisation, connectedness and the fact that there are very few areas of government that can now afford to ignore the international dimensions.²⁴
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17 Mr Dennis Richardson, *Transcript 27 May 2011*, p. 2.

18 *DFAT Annual Report 2009–10*, p. 214.

19 Ms Alexandra Oliver, *Exhibit No. 2*, p. 2.

20 Dr Paul Monk, *Transcript 23 May 2011*, p. 31.

21 Dr Paul Monk, *Submission No. 6*, p. 65.

22 Mr Dennis Richardson, *Transcript 27 May 2011*, p. 11.

23 Dr Paul Monk, *Submission No. 6*, p. 65.

24 Mr Dennis Richardson, *Transcript 27 May 2011*, p. 12

Committee comment

- 5.25 The Committee accepts DFAT's comments regarding gender equity issues. The Committee also welcomes the recent increase in funding for DFAT, but believes that increases in funding should be maintained if Australia is to be adequately represented overseas.

Mr Michael Danby MP

Chair

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