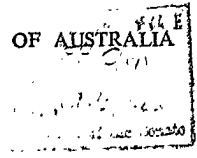


1971

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA



JOINT COMMITTEE OF PUBLIC ACCOUNTS

ONE HUNDRED AND TWENTY-
SIXTH REPORT

TREASURY MINUTE ON THE
ONE HUNDRED AND SEVENTH
REPORT

TOGETHER WITH A

SUMMARY OF THAT REPORT

JOINT COMMITTEE OF PUBLIC ACCOUNTS

EIGHTH COMMITTEE

J.D.M. Dobie, Esquire, M.P. (Chairman)

C.J. Hurford, Esquire, M.P. (Vice-Chairman)

Senator J.F.Fitzgerald

Senator J.J.Webster

Senator Dame Ivy Wedgwood

F.W.Collard, Esquire, M.P.

J.F.Cope, Esquire, M.P.

B.W.Graham, Esquire, M.P.

A.W.Jarman, Esquire, M.P.

I.L.Robinson, Esquire, M.P.

The Senate and the House of Representatives appointed their
Members on 25 November, 1969.

DUTIES OF THE COMMITTEE

Section 8 of the Public Accounts Committee Act 1951-1966 reads as follows :-

8. The duties of the Committee are -
- (a) to examine the accounts of the receipts and expenditure of the Commonwealth and each statement and report transmitted to the Houses of Parliament by the Auditor-General in pursuance of sub-section (1.) of section fifty-three of the Audit Act 1901-1950;
 - (b) to report to both Houses of the Parliament, with such comment as it thinks fit, any items or matters in those accounts, statements and reports, or any circumstances connected with them, to which the Committee is of the opinion that the attention of the Parliament should be directed;
 - (c) to report to both Houses of the Parliament any alteration which the Committee thinks desirable in the form of the public accounts or in the method of keeping them, or in the mode of receipt, control, issue or payment of public moneys; and
 - (d) to inquire into any question in connexion with the public accounts which is referred to it by either House of the Parliament, and to report to that House upon that question,

and include such other duties as are assigned to the Committee by Joint Standing Orders approved by both Houses of the Parliament.

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JOINT COMMITTEE OF PUBLIC ACCOUNTSOne Hundred and Twenty-Sixth ReportTreasury Minute on the One Hundred
and Seventh Report Relating to
Subscriber Trunk Dialling Facilities(S.T.D.)CHAPTER 1 --INTRODUCTION

In its Seventy-ninth Report dated 10th March, 1966, P.P.No.275
Your Committee set out in detail the basis of the Treasury of 1964-65-66
Minute arrangements which have been made to ensure that appropriate
action ensues from comments contained in our Reports.

As they now stand, the arrangements concerned are:-

- (1) The Report of Your Committee is tabled by the Chairman in the House of Representatives and by a Member of the Committee in the Senate. Motions are moved in both Houses of the Parliament that the Report be printed as a Parliamentary Paper.
- (2) The Chairman of Your Committee thereafter forwards a copy of the Report to the Departments affected and to the Treasurer with a request that he give the Report his consideration and inform the Chairman of the action taken to deal with Your Committee's comments.
- (3) The reply received, which is in the form of a Treasury Minute, is then examined by Your Committee and, together with the conclusions of the Report to which it relates, is submitted as soon as possible to the Parliament as a Report.
- (4) Where during its examination of a Treasury Minute Your Committee finds that there are recommendations not fully dealt with or which are subject to a further Minute, it holds an exploratory discussion with officers of the Department of the Treasury prior to the submission of the Minute to the Parliament.

- (5) In reporting a Treasury Minute to the Parliament, Your Committee does not usually make any comment on the Minute other than to note recommendations not fully dealt with or subject to a further Minute. In special cases where comment is thought to be necessary, Your Committee makes it.
- (6) Your Committee reviews a Treasury Minute, if necessary, when it again examines the department concerned.
- (7) The Department of the Treasury furnishes Your Committee with a half-yearly report on outstanding Treasury Minutes, indicating the progress made in dealing with Your Committee's comments.

CHAPTER 2 - TREASURY MINUTE ON THE ONE HUNDRED AND SEVENTH REPORT RELATING TO SUBSCRIBER TRUNK DIALLING FACILITIES (S.T.D.)

On 17 December 1970, and in accordance with the arrangements relating to follow-up action on Your Committee's Reports, the Treasurer conveyed to the Chairman a Treasury Minute dated 14 December, 1970, which reported the action taken on Your Committee's One Hundred and Seventh Report.

Summary and Committee's Conclusions
One Hundred and Seventh Report (22 April 1969.)

66. Your Committee's decision to conduct this Inquiry arose partly from its examination of the costs and control of telephone facilities by the Department of Immigration and partly from subsequent action taken by the Department of the Treasury which was reported by the Auditor-General in paragraph 308 of his Report for the Financial Year 1967-68. Your Committee had also noted that in September 1967, the Public Accounts Committee of the Victorian Parliament had reported on Subscriber Trunk Dialling Telephones in that State. It had made the following recommendations:

- (a) S.T.D. should be barred on all out lines on the Treasury switchboard and the operator controlling trunk calls should be given access to 5 unbarred lines for urgent calls.
- (b) The position should be reviewed on the switchboard at 179 Queen Street, Melbourne after the July 1967 accounts had been received and if the upward trend was maintained, barred access to S.T.D. should be imposed.
- (c) All other P.A.B.X. and P.B.X. installations throughout the State with S.T.D. available should be examined and a decision made after proper analysis. Where barred access is not introduced, the position should be reviewed each six months.
- (d) All departments should be notified in strong terms not to use S.T.D. facilities except in special circumstances.
- (e) Where barred access is imposed, Ministers, Permanent Heads and selected officers should be provided with direct unbarred exchange lines terminating on separate hand-sets.
- (f) When consideration is being given to the purchase of new P.A.B.X. systems it would be necessary to ensure that facilities are available on the equipment for barring S.T.D.

67. Your Committee would emphasise that in conducting this Inquiry its main purpose has been to examine the broad policy issues underlying the introduction of S.T.D. facilities in Australia and the broad lines of control developed in connection with their use in Commonwealth departments. At the same time Your Committee has taken the opportunity to examine, to some degree, the practical arrangements for control introduced by some of the departments.

68. The evidence shows that since 1959 the Government has adopted a telephone policy framed on a long term basis to meet the expansion of Australia and to confer progressively the benefits of new and improved techniques and modern equipment on users of telephone services. A basic feature of that policy was the provision of facilities which would enable nation-wide subscriber to subscriber dialling.

69. By 1968, the development of these facilities had reached a stage where the majority of subscribers in Sydney, Canberra, Melbourne, Brisbane, Adelaide and Hobart had obtained access to subscriber dialling equipment and considerable progress had been made in the extension of such facilities to subscribers in Western Australia.

70. Apart from conferring faster and more convenient services to subscribers, S.T.D. was introduced also because of its economic advantages which include a relative reduction in the requirement for telephonists; a reduction in trunk docketing and accounting costs and a reduction in the size of exchanges and the buildings required to house them.

71. So far as the use of S.T.D. facilities in Commonwealth departments is concerned, it had been recognised before these facilities were introduced that they offered scope for unauthorised use. However, following discussions that took place between the Department of the Treasury, the Public Service Board, the Auditor-General's Office, the Department of the Interior and the Postmaster-General's Department, it had been decided, as a general principle, that access to trunk dialling equipment from Commonwealth department services should not be restricted. In this regard the view had been taken that if Commonwealth departments were not prepared to use S.T.D. facilities because of the possibility of unauthorised calls this fact could undermine the confidence of business and private subscribers in the S.T.D. service. Should this occur, Australia would be required to maintain a largely manual trunk service and the cost of expansion of telephone services to cater for the growth in traffic would be considerable.

72. At the interdepartmental committee meeting that occurred prior to the introduction of S.T.D. in March 1962, it had been recognised that, although ways of restricting the use of S.T.D. were technically possible they were expensive and their use would be directly counter to the purpose for which S.T.D. was being introduced. While the Postmaster-General's Department has sought to dissuade subscribers from the use of restrictive devices it has always been prepared to install such equipment where it has been requested to do so.

73. Although S.T.D. was introduced in 1962 it was not until 1967, following correspondence from the Auditor-General's Office and Your Committee's inquiry into S.T.D. in the Department of Immigration that the Department of the Treasury issued a circular to all Commonwealth departments on the subject. In that circular it stated that while all reasonable precautions must be taken to prevent unauthorised and wasteful use of telephones, there should be no unnecessary impairment of their full and proper use for the performance of public business. The circular emphasised that responsibility for the prevention of improper use of official telephones was placed on the permanent heads of Departments. Your Committee believes that a useful purpose would have been served if such a circular had been issued by the Department of the Treasury subsequent to the interdepartmental committee meetings that occurred prior to the introduction of S.T.D. in 1962.

74. The evidence shows that in 1967-68 the Auditor-General's Office reached the conclusion that the substantial misuse of telephone facilities could occur in departments and the costs involved could be concealed in mounting charges for local calls. An audit review conducted in that year disclosed that while, in most departments, instructions relating to telephones had been issued prior to the introduction of S.T.D. they had not, in a number of cases been updated to recognise the introduction of that service. In some cases instructions had not been committed to writing.

75. In advising the Department of the Treasury of its findings in June 1968, the Auditor-General's office suggested that more specific requirements should be prescribed as an aid to management in departments and that an interdepartmental Committee should be established to evolve a model set of instructions relating to the control of S.T.D. It also suggested that comparative cost statements could be beneficial in determining the effects of S.T.D. on overall costs.

76. In September 1968 the Department of the Treasury wrote to the Public Service Board, the Postmaster-General's Department and the Prime Minister's Department with a view to establishing an inter-departmental committee to consider various aspects of the use and control of S.T.D., including the desirability of introducing access barring in appropriate cases. In October 1968 the Treasury also issued a circular to all departments seeking certain information for the benefit of the interdepartmental committee. In particular, departments were requested to attempt an analysis of their telephone accounts to enable the isolation of the various factors that have contributed to increased financial allocations for telephone purposes.

77. The evidence taken from the selected departments on their use of telephone facilities including S.T.D. shows that in each case the control of these facilities is based on administrative supervision supported by office instructions. In the case of one of these departments, the Department of Trade and Industry, barring facilities have been introduced into a State office and the Department is inclined to the view that the use of such facilities is to be preferred to the reiteration of office instructions.

78. So far as office instructions relating to telephone facilities are concerned, the evidence revealed significant differences as between the departments examined. While each of the departments requires that the authority of a senior officer be obtained before trunk calls are made, the minimum levels at which this authority is required varies from mainly Class 11 (Third Division) in the case of the Public Service Board to Class 9 (Third Division) in the case of the Department of the Treasury and Class 8 (Third Division) in the case of the Department of Trade and Industry.

79. In regard to private Trunk Calls, very wide divergencies of practice were found. In the Postmaster-General's Department an officer desiring to make a private Trunk Call must obtain authority from his section leader, book and pay for his call at the nearest Post Office and may then have the call connected to his office telephone. In the other Departments, private Trunk Calls may be made through the departmental switchboard providing prior approval has been obtained. In some cases payment is required to be made immediately following the call but in other cases the evidence indicates that payment is not required to be made until requested.

80. While each of the Departments examined requires prior approval to be obtained before official trunk calls are booked, we found that the Department of External Territories requires details of file and folio references to be supplied to the switchboard operator before a call could be booked. However, the switchboard operator is not required to take any action regarding this information after it has been obtained. Your Committee doubts the wisdom of such an arrangement as the mere quotation of the desired details relating to a fictitious file would enable private Trunk Calls to be booked as official calls.

81. Your Committee notes that no evidence was tendered to suggest that departments apply control through supervision to the private use of telephones for local calls or the use of telephones before or after normal working hours or during lunchtime recesses. The improper use of telephones in any of these circumstances, can, however, prove costly.

82. The evidence shows that in many cases the departments examined maintain in their office telephone directories information relating to the control of telephone facilities. In the case of the Department of Trade and Industry, however, the directory contains little information in relation to trunk call procedures. Your Committee notes with satisfaction that the Department proposes to remedy this defect when it re-issues its directory.

83. In view of differences in departmental practice that Your Committee discovered during its inquiry and the wider-based differences discovered by the Audit review carried out in 1967-68, Your Committee believes that a full-scale review of departmental instructions and practices should be carried out by the interdepartmental committee established late in 1968 and that arising from that review, the Committee should evolve a model set of instructions relating to the control of telephone facilities, including S.T.D. for the guidance of departments.

84. The evidence taken from the Department of External Territories and the Department of Trade and Industry in relation to telephone expenditure highlights the cost control problems that arise in buildings where multi-occupancy occurs. Allied to this is the problem that has arisen for any Department which is the registered subscriber of a multi-occupancy building. In this regard it is noted that the problems of estimating and cost control confronting such departments have increased following the introduction of S.T.D. In these circumstances Your Committee agrees with the action taken by the Department of the Treasury in October 1968 in requesting departments to analyse their

telephone accounts with a view to isolating the factors that have contributed to increased financial allocations for telephone purposes. We believe that when this information has been supplied to the inter-departmental committee, that committee should conduct a full-scale review of departmental telephone expenditure.

85. Your Committee expects to be advised in due course, of the work undertaken by the interdepartmental committee and of the results achieved.

TREASURY MINUTE
(14 December 1970)

The Treasury has examined the Report and has discussed with the departments and authorities concerned the observations and conclusions of the Committee which have, where necessary, been brought to the notice of the Officers concerned.

During the course of its sittings, the interdepartmental committee established to examine the problems associated with the control of S.T.D. telephone facilities within the Commonwealth Public Service, considered in particular:

- (i) comparative statements of departmental telephone expenditure since the introduction of S.T.D.;
- (ii) comparative costs of communication by letter, telex and telephone;
- (iii) existing control measures and administrative instructions adopted by departments;
- (iv) the advantages and disadvantages of access barring facilities;
- (v) other technical measures available to control the use of S.T.D.;
- (vi) education of staff in the use of S.T.D.; and
- (vii) the particular problem of control in multi-occupied buildings.

The committee's report, which has been distributed to all Permanent Heads, includes recommendations for an education programme to train officers in the proper technique for the efficient use of the telephone service, for the selective use of access barring and other control devices within departments, and, where possible, separate metering facilities for each department in multi-occupied buildings. A model set of administrative instructions has been prepared and is attached to the report.

Copies of the circular memorandum sent to each Permanent Head and the interdepartmental committee's report are attached as Annexures A and B respectively.

ANNEXURE A
Control and Use of Subscriber Trunk Dialling Facilities.

Following questions raised by the Public Accounts Committee and the Auditor-General, an Interdepartmental Committee was convened by the Treasury to examine the problem of control and use of S.T.D. facilities; to recommend suitable control measures, and to prepare a model set of administrative instructions for the guidance of Permanent Heads. A copy of the Committee's report is attached.

2. Attention is particularly drawn to paragraphs 15 and 16 on the education of staff. The following comments should also be noted:-

- (a) Paragraph 10, Access Barring. Telephones in unsupervised areas should be controlled. Consideration should also be given to access barring in common service areas such as typing pools. However, the decision whether access barring facilities should be used is a matter for departmental administration.
- (b) Paragraphs 11-14, Other Control Devices. The use of Petra, under the control of a responsible officer, is strongly recommended. The belief that it may be in use and that the extension to which it is attached may be changed regularly should be widely disseminated; the periods for which the equipment is hired and the extension numbers to which it is connected should be known to as few officers as possible. The use of the other devices mentioned should not, of course, be overlooked.
- (c) Paragraphs 17 and 18, ~~Multi~~-occupied buildings. Any department which is the present registered subscriber of a P.A.B.X. serving a number of departments in a multi-occupied building should inform the other user-occupants that it intends to seek advice as soon as possible from the Postmaster-General's Department as to the feasibility of providing separate metering facilities with the existing P.A.B.X. equipment. Where and when it is practicable this will be achieved by the provision of separate groups of exchange lines for the exclusive use of each department served by the P.A.B.X., to handle both incoming and outgoing calls. Under this arrangement, the present registered subscriber (usually the Department of the Interior or the Department regarded as the major occupier) will continue to pay rental for the switchboard

and all extensions together with the cost of staffing the board. The Department of the Interior or the major occupier should be advised of all requests for additional extensions. Each department using the common switchboard will be separately billed for the rental of its block of exchange lines as well as all trunk and metered (including S.T.D.) call charges in respect of those lines. Each department will also deal directly with the Postmaster-General's Department on all matters relating to its block of exchange lines, such as variations in the number of lines, trunk access barring (where necessary), the installation of PEERA, etc.

- (d) Model Instructions, Guide for selection of means of communication. In considering the costs of the various means of communication it should perhaps be added that the cost of a memorandum assumes a fully occupied typing pool. Clearly any saving from the use of S.T.D. in place of a memorandum would be lost if a typist were otherwise without work at the time.

(D.J. HILL)
First Assistant Secretary.

Report
Interdepartmental Committee
Control and Use of Subscriber Trunk
Dialling (S.T.D.) Telephone Facilities

An interdepartmental committee consisting of representatives from the Postmaster-General's Department, the Public Service Board and the Treasury was convened on 8 May 1969 to examine the problems associated with the control of S.T.D. telephone facilities within the Commonwealth Public Service for the purpose of recommending suitable control measures and preparing a model set of administrative instructions for the guidance of Permanent Heads. At the outset the Committee felt that it could not ignore the fact that over the post-war years and more particularly in recent years there had been a greater range of government functions and an increase in the tempo of Government business which has led to a greater use of the telephone service in preference to other means of communication.

2. Subscriber Trunk Dialling was introduced by the Australian Post Office because of its economic advantages and because it provides a faster, cheaper and more convenient service to subscribers. It was recognised before its introduction that unauthorised use by staff would be difficult to prevent entirely, but following discussions between the Treasury, the Public Service Board, the Auditor-General's Office, the Department of the Interior and the Postmaster-General's Department in 1960 it was decided as a general principle that access to trunk dialling equipment from Commonwealth Departmental services should not be restricted. The question of control of the use of the facility was subsequently raised by the Public Accounts Committee and the Auditor-General in the light of increased costs and differences in departmental practices relating to the control of telephone facilities.

3. During the course of its sittings the Committee considered in particular:-

- (i) comparative statements of departmental telephone expenditure since the introduction of subscriber trunk dialling (S.T.D.);
- (ii) comparative costs of communication by letter, telex and telephone;
- (iii) existing control measures and administrative instructions adopted by departments;

- (iv) the advantages and disadvantages of access barring facilities;
- (v) other technical measures available to control use of S.T.D.;
- (vi) education of staff in the use of S.T.D.; and
- (vii) the particular problem of control in multi-occupied buildings.

Departmental Expenditure.

4. The examination of telephone expenditure since the introduction of S.T.D. generally revealed a substantial increase in the cost of metered calls which is not offset by a reduction in manual trunk calls. An attempt was made to measure the rate of increase in telephone expenditure against the rates of increase in staff numbers, total expenditure and salary expenditure on a departmental basis taking into account increases in telephone charges and other relevant factors. In only one or two cases could reasonable correlation be established between the metered call expenditure rate and those other rates. In the great majority of cases the increase in telephone expenditure was at a much higher rate.

5. Departments were asked to provide reasons for increased expenditure on metered calls but were generally unable to do so adequately. In most departments there has been some staff growth and an increase in functions but not sufficient to explain the increased use of telephones. Some departments explained that there had been an increased use of telephones because of the convenient and speedy form of communication provided by the S.T.D. facility. However in almost every case the situation was complicated by such matters as changes in accommodation, frequently from or to a multi-occupied building, the transfer of staff to Canberra, or the transfer of a function and its associated staff from one department to another. The staggered introduction of S.T.D. also complicated the problem.

6. The Committee reluctantly concluded that it was not possible for it to reach any firm opinion on the extent to which the increased expenditure represented wasteful or unauthorised use of the facility, but the matter deserves serious attention and additional controls are recommended later in this report.

Comparative Cost of Letters, Telex and Telephone (S.T.D.)

7. At the request of the Committee, the Public Service Board produced a paper comparing the cost of these three methods of communication. The paper is attached as an appendix to this report. The paper concludes that for a fairly simple enquiry by a medium range officer an S.T.D. call costs rather less than a letter, telex being rather more expensive. If the enquiry is made by a more senior officer, the telephone becomes relatively more economical. A letter has the advantage of providing a permanent record but a telephone call is much quicker and more convenient and frequently results in a better understanding between the parties. It is stressed, however, that the paper refers to the intelligent use of S.T.D. Measures to improve the standard of use are discussed below under the heading 'Education of Staff.'

Existing Control Measures.

8. Departmental instructions all require trunk calls to be approved by senior officers and rely upon the supervision of senior officers to prevent wasteful or unauthorised use. In addition there are some cases where selected extensions are barred access to the trunk system.

9. Procedure after approval, however, varies considerably between departments. Some departments permit the officer to use the S.T.D. facility himself, others require the switch operator to place the call using S.T.D., and yet others require all trunk calls to be booked through the manual trunk system. The Committee noted that for the most efficient use of the trunk telephone service S.T.D. should be used and the officer should dial the number himself, and considered that this practice should be permitted unless there were good reasons to the contrary. It was also noted that the outright prevention of unauthorised use by conventional methods of supervision is difficult, if not impossible, in most situations; it was considered that further supervisory controls should be introduced in consultation with P.M.G's Department: see below under 'Other Control Devices.'

Access Barring.

10. Briefly, access barring equipment prevents access from P.B.X. extensions or individual exchange lines to the trunk system. It is available in many forms to suit the various types of equipment in use.

In the case of the older type P.A.B.X. equipment it can have the disadvantage of denying management the flexibility of barring selected extensions and in the extreme could deny all extensions access to both the manual and automatic (S.T.D.) trunk systems. It is the view of the Committee that the S.T.D. facility ought to be available to all officers who may be required to communicate with persons in other localities as part of their normal duties and that therefore access barring should only be resorted to after careful assessment in each case. However, telephones in waiting rooms, amenity areas, lifts and other unsupervised areas ought to be 'access barred' or otherwise controlled.

Other Control Devices

11. The following control devices are now available -

(i) PETRA

Basically Petra is an electronic device with a tape print-out which will enable the origin of the sampled calls to be identified. It has a number of different programmes of operation but the most effective for S.T.D. management will probably be the mode where it is placed across up to five of the outgoing exchange lines from a P.B.X. It can then be set to sample the S.T.D. outgoing calls from up to 100 extensions using those exchange lines and print out the time the call is made, the digits dialled, and an identification of the calling extensions. It can also be set to show the time of completion of the S.T.D. call but this would occupy the unit for a longer time and therefore reduce the number of calls in the sample, as it can record only one call at a time. Calls made simultaneously with the recorded call are excluded. Another use is to record all S.T.D. calls from up to five preselected extensions. The present cost of hiring one Petra unit is \$20 per month and the charge for changing a programme is \$8.

(ii) Switchboard Locking Device

A locking device is available whereby a switchboard may be locked during periods outside normal working hours to prevent access to the exchange for both local and trunk calls. It is primarily designed for small switchboards.

(iii) Control Locks - Individual Telephones

Control locks are available to prevent the use of telephone instruments on an outgoing basis, whilst permitting incoming calls.

(iv) Telephones Without Dials

Telephones without dials are available for use where there is a need for an extension user to receive inward calls only.

(v) Plug-in Telephones

Plug-in telephones which may be removed and locked away when not in use are also available.

12. It is considered that Petra provides a most useful and economical supplement to the present supervisory control. Checking the Petra record may give the information necessary to detect whether unauthorised S.T.D. calls have been made from particular extensions; by recording the time spent it can also assist with determining whether authorised use has been uneconomic. The mere knowledge of the presence of Petra will have a deterrent effect against the unauthorised use of the telephone, particularly if disciplinary action is taken against offenders detected by the use of Petra.

13. The switchboard locking device offers full protection against unauthorised use of telephones outside normal working hours, but is only suitable for small switchboards and its disadvantage of preventing emergency calls, e.g. reporting fires, must be taken into account.

14. Control locks on individual telephones or telephones without dials to permit incoming calls only would have a limited use within the public service but departments should not overlook these possibilities in order that they may be used in suitable locations. Locks might be installed in unsupervised areas in lieu of access barring.

Similarly the use of portable telephones which may be locked up when not required should also be considered by departments.

Education of Staff

15. The Committee believes that part of the increased costs results from inefficient use of the telephone service and that, in this connection, departmental instructions can be improved. The Committee believes that, over and above the need to issue improved departmental instructions, training of staff in the correct use of the telephone service (in particular S.T.D.) is of considerable importance and should have a significant effect in reducing the rate of increase in telephone costs.

16. The Committee's inquiries indicate a need to include a training session on the correct use of the telephone in induction courses for new staff, but beyond seeing a need for training over and above that of new entrants the Committee has not attempted to define in a precise way the nature of the further training. We were advised that the P.M.G.'s Department could assist materially and it appears that that Department could provide suitable training sessions for two types of audience; the first for supervisory officers and the second for much larger groups of staff below the supervisory level. The P.M.G.'s Department can supply short films and associated literature for use in both induction training courses and other internal training courses organised by Departments. In this latter type of training the Committee sees merit in the incorporation of a session devoted to the general discussion of methods of communication and also the inclusion in the departmental instructions concerning the use of telephones some advice on this particular topic.

Multi-occupied Buildings

17. It is the practice in multi-occupied buildings for all departments to be serviced by a common switchboard; the Department of the Interior or the Department regarded as the major occupier is the registered subscriber for accounting purposes and payment of telephone accounts. Prior to the advent of S.T.D. each occupier had a separate charge number for trunk calls but under the S.T.D. charging system all S.T.D. trunk calls are recorded on the local call meter and are therefore charged to the registered subscriber. This situation

has created a problem of financial control as the various occupying departments do not know their individual costs. The Department in the role of registered subscriber is finding it increasingly difficult to prepare accurate estimates of expenditure and to obtain satisfactory explanations to questions relating to costs as it is not possible to pinpoint the areas of increased costs within the occupying departments.

18. Enquiries indicate that it would usually be technically possible to provide separate metering facilities for each occupying department at little extra cost but it should be recognised that there may be some delay in procuring and installing the necessary equipment. Separate metering would result in some loss of efficiency which could be overcome by the provision of additional exchange lines. It is the Committee's view that a policy of separate metering be adopted to enable departments to exercise proper financial control and that the additional cost of separate meters and additional exchange lines would be fully justified.

Model Instructions

19. As mentioned in paragraph 3, the Committee examined instructions issued by all departments for the control and use of the telephone. In general, the main criticism of these instructions is that the use of the trunk service is regarded as something to be avoided whenever possible: a typical direction is that trunk calls are to be made only where the nature of the business makes correspondence, telex or telegraphic communication impracticable. These instructions assume that the use of the trunk service is the most expensive form of communication. With the advent of S.T.D. this is no longer always the case.

20. It is the Committee's view that with the increase in the tempo of Government business, the greater need for immediate communication, and the reduction in the comparative cost of trunk calls, more attention should be given to the choice of means of communication and to obtaining the optimum benefit in terms of efficiency and economy from communication facilities. As a first step in this direction the Committee has included a "Guide for selection of means of communication " in the set of model instructions annexed to this report. The Committee suggests, however, that the Public Service Board might undertake regular reviews

of the comparative costs of the various means of communication and make the results available to departments for their guidance. With the steady increase in the costs of all processes using direct labour, it appears that we are approaching a situation where in many circumstances the telephone will inevitably become more readily accepted as the normal means of long-distance communication. This does not mean that the written form of communication will become redundant.

21. The Committee has not included any directions about training, or any instructions to supervisory staff in the model instructions. Departments should, however, consider impressing on supervisors the need for on the job training of junior staff in the use of the telephone.

Summary of Recommendations

22. (i) An education programme dealing with the proper techniques for efficient use of the telephone including S.T.D. should be undertaken in all departments.
- (ii) As a general principle S.T.D should be available for the conduct of official business.
- (iii) The access barring facility should be used with discretion; the Committee has in mind that some such control should be used in unsupervised areas, e.g. waiting rooms, amenity rooms, lifts, etc.
- (iv) The call analyser, Petra, should be brought into use by the Commonwealth as widely as possible.
- (v) Consideration should be given to fitting small switchboards with a locking device to prevent use of the telephone service outside normal working hours.
- (vi) Departments should install individual locks or telephones without dials to prevent outgoing calls in any case where a telephone is not required for the purpose of making outgoing calls.
- (vii) Where possible separate metering facilities should be provided for each department in multi-occupied buildings.

Attachment

23. (i) Model instructions as a basis for instructions to be issued to staff by departments.
- (ii) A statement detailing the cost of obtaining information.*

G.S. DAVIDSON
(Chairman)

A.B. MILNE
(member)

A.C. BECKWITH
(member)

* Because of its bulk this statement and supporting statistical information have not been included in the Treasury Minute.

APPENDIX A

MODEL INSTRUCTIONS ON THE USE OF TELEPHONES

The telephone is an efficient and economic means of communication and is an essential aid in facilitating departmental operations. However, the telephone is only one of a number of methods of communication; before using it, consider whether one of the other methods would be more appropriate for the immediate purpose. Read and understand the "Guide for selection of means of communication" printed below.

No officer below the (insert status or class) may initiate a trunk call unless he has first obtained the approval of (insert the appropriate officer or level in each work situation); wherever possible calls should be made by the use of the S.T.D. facility. The notes for proper usage of that facility set out below should be studied and applied.

The authority to approve overseas calls is restricted to
(Second Division Officers.)

Guide for selection of means of communication

In determining the most appropriate means of communication the following factors should be taken into account:

- (a) the need for an authoritative written record:

Order of preference

letter or memo; telex; telephone.

- (b) the degree of urgency:

Order of preference

telephone; telex; letter or memo.

- (c) the need for discussion - later questions

depends on answers to early questions, etc.:

Order of preference

telephone; telex; letter or memo.

- (d) the cost:

depending on circumstances, an S.T.D. trunk telephone call can cost rather less than a letter; telex is slightly more expensive.

The cost factor needs further elaboration. A fairly simple enquiry by a medium range officer costs rather less by a brief S.T.D. trunk call than by memorandum; telex is slightly more expensive. But the telephone must be intelligently used to obtain this result and the notes for proper usage, see below, must be understood and applied by all officers making trunk calls.

Notes for proper usage of S.T.D. trunk call facility

1. The cost of an S.T.D. call is directly related to the duration of the call. Therefore, as with all calls, decide what you are to say before making the call, keep generalities to a minimum and have writing materials at hand.
2. Much time can be spent in waiting for a person or for information; call back later when he or it will be ready.
3. Time can be spent by operators making a call and then connecting the caller. As far as possible the caller should himself dial the required number; this also saves time when it is necessary to determine a recall time.
4. A quick S.T.D. enquiry for a wanted person can be cheaper than a "particular person" call.
5. Always advise the answering operator that you are calling from a distance: This is Mr. Smith of X Dept. Canberra calling S.T.D.- may I speak to Mr. Jones please?
6. If you are in regular contact with a particular person or Department, consider delaying the call until you have a number of matters to discuss.

Private telephone calls

You are reminded that telephones are provided for official purposes. Private calls are to be kept to a minimum and only made with the prior approval of your supervisor. Where approval has been given for a private trunk call to be made, the call must be booked through the Trunk Line Operator () or the switchboard telephonist who should be asked to advise the cost of the call on completion. The cost of the call is to be remitted immediately to Disciplinary action may be taken against any staff member found making private calls without approval. (Departments should introduce internal checks to make certain that amounts due for private trunk calls are paid to a Collector or Receiver of Public Moneys without delay).

Chapter 3
Observations of Your Committee

In examining the Treasury Minute Your Committee has given particular attention to the report of the interdepartmental committee relating to the control and use of subscriber trunk dialling (S.T.D.) telephone facilities, which report was tendered to us as an annexure to the Treasury Minute.

From our examination of the report of that committee, we are disappointed that departments were generally unable to provide adequate reasons for increased expenditure on metered calls. We were further disappointed that the interdepartmental committee has concluded that it is impossible for it to reach any firm opinion of the extent to which the increased expenditure represented wasteful or unauthorised use of the facility.

However, we note in connection with multi-occupancy buildings, the interdepartmental committee's view that a policy of separate metering should be adopted to enable departments to exercise proper financial control and that the additional cost of separate meters and additional exchange lines would be fully justified. Your Committee agrees with this recommendation and hopes that separate metering facilities will be installed in such buildings with minimum delay. Your Committee also hopes that the added financial control accorded departments following the introduction of such facilities will assist them in the preparation of accurate estimates and will also assist them to provide adequate reasons for future variations in their telephone expenditures.

We note that at the request of the interdepartmental committee the Public Service Board conducted an investigation in 1969 of the cost of obtaining information by means of memoranda, telex facilities and S.T.D. Because of the lapse of time since that examination and with consequent rises in costs, a re-examination of the original investigation was made by the Board in July 1970 for the interdepartmental committee. In view of the evident need to reassess the relative costs of these forms

of communication within such a short period of time, Your Committee believes that, for the guidance of departments, the Public Service Board should make regular assessments to take account of future cost level variations.

We also note the assertion made by the interdepartmental committee that a letter has the advantage of providing a permanent record but a telephone call is much quicker and more convenient and frequently results in a better understanding between the parties concerned. Your Committee recognises these advantages inherent in the use of telephones, but it has been our repeated experience in public inquiries that some departments have failed to provide or receive written confirmation of telephone conversations and as a result have been unable to provide us with tangible evidence. In these circumstances we would hope that the reference in the interdepartmental committee's report to the intelligent use of S.T.D. will be interpreted by departments as including the need to provide or receive written confirmation of telephone discussions in appropriate cases.

Your Committee has also examined the model instructions on the use of telephones prepared by the interdepartmental committee and circulated with its report to all Permanent Heads. We note that the circular provides for private telephone calls to be made only with the prior approval of the supervisor. This we support. We are disturbed, however, by the statement included in the model instructions that disciplinary action may be taken against any staff member found making private calls without approval. Your Committee believes that where a staff member is detected in making private calls without approval, disciplinary action should be taken and that the model instructions be amended accordingly.

We would also observe that, from its nature, the report of the interdepartmental committee suggests that the committee has issued a final report and that no further work on its part is contemplated. In view of the proposals put forward by that committee

for greater control of telephone facilities and the fact that the installation of separate metering facilities in multi-occupancy buildings is expected to enable the departments concerned to exercise proper financial control, Your Committee believes that the interdepartmental committee convened to examine the problems associated with the control of S.T.D. telephone facilities within the Commonwealth Public Service for the purpose of recommending suitable control measures and preparing a model set of administrative instructions for the guidance of permanent heads should continue in existence. That committee could then undertake periodic follow-up surveys of the matters within its terms of reference.

For and on behalf of the Committee.

David N. Reid

DAVID N. REID
Secretary
Joint Committee of Public Accounts,
Parliament House,
Canberra. A.C.T.

18 February, 1971

Don Dobie

DON DOBIE
Chairman

Ray Wedgwood cl.