

**Senate Finance and Public Administration Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
**SUPPLEMENTARY BUDGET ESTIMATES 2014-15**

**Finance Portfolio**

**Department/Agency:** All

**Outcome/Program:** General

**Topic:** Boards (for Departments or agencies with boards)

**Senator:** Ludwig

**Question reference number:** F68

**Type of question:** Written

**Date set by the committee for the return of answer:** Wednesday, 31 December 2014

**Number of pages:** 4

**Question:**

Since Budget Estimates in May 2014 for each board in the portfolio or agencies:

1. How often has each board met, break down by board name?
2. What travel expenses have been incurred?
3. What has been the average attendance at board meetings?
4. List each member's attendance at meetings.
5. How does the board deal with conflict of interest?
6. What conflicts of interest have been registered?
7. What remuneration has been provided to board members?
8. How does the board dismiss board members who do not meet attendance standards?
9. Have any requests been made to Ministers to dismiss board members?
10. Please list board members who have attended less than 51% of meetings.
11. What have been the catering costs for the board meetings held during this period? Please break down the cost list.

**Answer:**

<b>Department/ Agency</b>	<b>Response</b>
Finance	<ol style="list-style-type: none"><li>1. Board attendance details for ASC Pty Ltd (ASC), Medibank Private Limited (MPL), Albury Wodonga Development Corporation (AWC), and Australian River Co. Limited (ARCo) are detailed in their respective annual reports. The Comcover Advisory Council (Comcover) has not met during this time.</li><li>2. Travel expenses are specified by the Remuneration Tribunal, which states that directors of ASC, MPL and AWC receive Tier 1 travel allowance. Directors of ARCo do not receive travel allowance. The Determination that sets out the provisions that apply are outlined at: <a href="http://remtribunal.gov.au/media/documents/2013/compilations/travel-allowance-compilations/2013-16-determination-official-travel-by-office-">http://remtribunal.gov.au/media/documents/2013/compilations/travel-allowance-compilations/2013-16-determination-official-travel-by-office-</a></li></ol>

Department/ Agency	Response												
	<p><a href="#">holders/2013-16-Determination-26.9.2013.pdf</a>. For Comcover, flight, accommodation and taxis costs are met. No travel costs have been incurred for Comcover.</p> <p>3. Board attendance details for ASC, MPL, AWC, and ARCo are detailed in their respective annual reports. Comcover is not applicable during this period.</p> <p>4. Refer to question 3 above.</p> <p>5. Dealing with potential conflicts of interest is a matter for each Board. However, the <i>Commonwealth Government Business Enterprise Governance and Oversight Guidelines October 2011</i> (GBE Guidelines) require GBE boards to regularly monitor the ongoing independence of each director and the board generally to ensure that they continue to exercise unfettered and independent judgement.</p> <p>GBE Boards also need to ensure that a director does not have any interests that interfere with carrying out the role intended with diligence and care. The Government expects GBE boards to establish and maintain a code of conduct for directors, employees and contractors and ensure that GBEs, in undertaking their business, avoid activities that could give rise to questions about their political impartiality. The code of conduct may cover, among other things, conflict of interest. Consistent with the GBE Guidelines, appointment letters for all directors and Chief Executive Officers generally include reference to conflict of interest matters and directors are to formally respond to the letter of appointment within 30 days of receipt and provide an undertaking to advise the Shareholder Minister(s) if there is any change in circumstances that might impact on their ability to be a director. All Comcover Advisory Council members are required to complete a conflict of interest declaration upon appointment.</p> <p>6. This is a matter for the Chair of each entity to manage. The Comcover Advisory Council has had no conflicts of interest registered at this point.</p> <p>7. Directors of ARCo do not receive remuneration. Remuneration for the directors of ASC, MPL, AWC and the Comcover Advisory Council are determined by the Remuneration Tribunal. The current rates effective from 1 March 2014 are:</p> <table border="1" data-bbox="475 1361 1353 1536"> <thead> <tr> <th data-bbox="475 1361 762 1429">Board</th> <th data-bbox="762 1361 1054 1429">Chair \$ per annum</th> <th data-bbox="1054 1361 1353 1429">Member \$ per annum</th> </tr> </thead> <tbody> <tr> <td data-bbox="475 1429 762 1462">ASC</td> <td data-bbox="762 1429 1054 1462">153,600</td> <td data-bbox="1054 1429 1353 1462">71,680</td> </tr> <tr> <td data-bbox="475 1462 762 1496">MPL</td> <td data-bbox="762 1462 1054 1496">128,530</td> <td data-bbox="1054 1462 1353 1496">64,320</td> </tr> <tr> <td data-bbox="475 1496 762 1536">AWC</td> <td data-bbox="762 1496 1054 1536">56,320</td> <td data-bbox="1054 1496 1353 1536">28,160</td> </tr> </tbody> </table> <p>For Comcover, the rate for the non-APS members is \$848 per meeting.</p> <p>8. For GBE boards, the Shareholder Minister(s) may, at their discretion, remove directors at any time prior to the completion of their term of appointment. Dismissal of the directors could be considered in any case of failure to keep Ministers adequately informed, and in situations of ongoing under-performance in respect of financial or other aspects of the operations of the business. The Minister with responsibility for Comcover, in consultation with the Chair of the Comcover Advisory Council, will address any performance and attendance issues that may arise.</p> <p>9. No for Comcover, ASC, MPL, AWC and ARCo.</p> <p>10. Board attendance details for ASC, MPL, AWC and ARCo are detailed in their respective annual reports. Nil response in relation to the Comcover Advisory Council.</p>	Board	Chair \$ per annum	Member \$ per annum	ASC	153,600	71,680	MPL	128,530	64,320	AWC	56,320	28,160
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	11. This is an internal matter for each entity. Catering costs for GBEs are not funded by the Department of Finance. There have been no costs for the Comcover Advisory Council during 2014.																																																												
Australian Electoral Commission	<ol style="list-style-type: none"> <li>1. The full Electoral Commission has met three times.</li> <li>2. Travel to and from airport and flights.</li> <li>3. 100%, noting one Commission position is vacant.</li> <li>4. Mr Heerey and Mr Rogers attended meetings on 25 June, 6 November and 1 December 2014.</li> <li>5. As per section 11 of the <i>Commonwealth Electoral Act 1918</i> (Electoral Act).</li> <li>6. Nil.</li> <li>7. As per subsection 14A of the Electoral Act.</li> <li>8. As per sections 12 and 25 of the Electoral Act.</li> <li>9. No.</li> <li>10. Nil.</li> <li>11. Nil.</li> </ol>																																																												
ComSuper	1. – 11. N/A. ComSuper is not responsible for any Boards.																																																												
Commonwealth Superannuation Corporation	<p>For the period 28 May to 31 October 2014:</p> <ol style="list-style-type: none"> <li>1. CSC Board has met 4 times.</li> <li>2. Travel allowance in accordance with Remuneration Tribunal Determination.</li> <li>3. 1.5 days duration, all Directors attend.</li> <li>4. <table border="1" data-bbox="467 1072 1362 1594"> <thead> <tr> <th></th> <th>June 2014</th> <th>August 2014</th> <th>September 2014</th> <th>October 2014</th> </tr> </thead> <tbody> <tr> <td>Mrs Patricia Cross</td> <td>attended</td> <td>attended</td> <td>attended</td> <td>attended</td> </tr> <tr> <td>Mr Tony Cole</td> <td>attended</td> <td>attended</td> <td>attended</td> <td>attended</td> </tr> <tr> <td>The Hon Christopher Ellison</td> <td>attended</td> <td>attended</td> <td>attended</td> <td>attended</td> </tr> <tr> <td>Mr Peter Feltham</td> <td>attended</td> <td>attended</td> <td>attended</td> <td>attended</td> </tr> <tr> <td>Ms Nadine Flood</td> <td>apology</td> <td>attended</td> <td>attended</td> <td>attended</td> </tr> <tr> <td>Ms Lyn Gearing</td> <td>attended</td> <td>attended</td> <td>attended</td> <td>attended</td> </tr> <tr> <td>Ms Winsome Hall</td> <td>attended</td> <td>attended</td> <td>attended</td> <td>attended</td> </tr> <tr> <td>Mr John McCullagh</td> <td>attended</td> <td>attended</td> <td>attended</td> <td>attended</td> </tr> <tr> <td>Ms Peggy O'Neal</td> <td>attended</td> <td>apology</td> <td>attended</td> <td>attended</td> </tr> <tr> <td>Air Vice Marshal Margaret Staib</td> <td>apology</td> <td>attended</td> <td>attended</td> <td>attended</td> </tr> <tr> <td>Dr Michael Vertigan</td> <td>attended</td> <td>attended</td> <td>apology</td> <td>attended</td> </tr> </tbody> </table> </li> <li>5. In accordance CSC's Conflicts management framework and Conflicts management policy. A summary of CSC's conflicts management policies/processes is available on the CSC website: <a href="http://www.csc.gov.au/about-us/governance/">www.csc.gov.au/about-us/governance/</a></li> <li>6. CSC's Register of Duties &amp; Interest is on CSC's website pursuant to APRA's Prudential Standard SPS 521 Conflicts of Interest.</li> <li>7. In accordance with Remuneration Tribunal Determination.</li> <li>8. Dismissal procedures would be in accordance with legislative provisions.</li> <li>9. Unaware.</li> <li>10. Nil.</li> <li>11. Catering costs for the meetings between 28 May to 31 October 2014 were \$1,752.95.</li> </ol>		June 2014	August 2014	September 2014	October 2014	Mrs Patricia Cross	attended	attended	attended	attended	Mr Tony Cole	attended	attended	attended	attended	The Hon Christopher Ellison	attended	attended	attended	attended	Mr Peter Feltham	attended	attended	attended	attended	Ms Nadine Flood	apology	attended	attended	attended	Ms Lyn Gearing	attended	attended	attended	attended	Ms Winsome Hall	attended	attended	attended	attended	Mr John McCullagh	attended	attended	attended	attended	Ms Peggy O'Neal	attended	apology	attended	attended	Air Vice Marshal Margaret Staib	apology	attended	attended	attended	Dr Michael Vertigan	attended	attended	apology	attended
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Future Fund Management Agency	<p>For the period 28 May to 31 October 2014:</p> <ol style="list-style-type: none"> <li>1. Details of Board meetings are provided annually through the annual report.</li> <li>2. Total travel costs of \$43,137 (flights \$29,094, accommodation \$6,851 and transfers \$7,192).</li> <li>3. Details of Board meetings are provided annually through the annual report.</li> <li>4. Details of Board attendance is provided annually through the annual report.</li> <li>5. The Board applies its procedures in accordance with the arrangements set out in Division 8 of Part 4 of the <i>Future Fund Act 2006</i>.</li> <li>6. Declarations of conflicts of interest are made on a confidential basis by Board members. Declarations made by Board members to the Board are considered by the Board in accordance with the requirements of Division 8 of Part 4 of the <i>Future Fund Act 2006</i>.</li> <li>7. Remuneration arrangements for Board members are set by the applicable Remuneration Tribunal Determination.</li> <li>8. The Board does not have the power to dismiss its own members.</li> <li>9. No.</li> <li>10. Details of Board attendance at meetings are provided annually through the annual report.</li> <li>11. Catering costs \$4,149 for food and soft drinks.</li> </ol>