



Chapter 1
Corporate overview

Who we are

The Australian Institute of Health and Welfare (AIHW) was established as a statutory authority in 1987 by the *Australian Institute of Health Act 1987* to report to the nation on the state of its health. In 1992, the role and functions of the then Australian Institute of Health were expanded to include welfare-related information and statistics, making it the Australian Institute of Health and Welfare. The Act is now entitled the *Australian Institute of Health and Welfare Act 1987* (AIHW Act) (Appendix 2, page 140).

In alternate years the AIHW is required by its Act to publish *Australia's health* and *Australia's welfare*, which have become key national resources of these major areas. The AIHW also publishes many other reports.

The AIHW's unique combination of features keeps it at the forefront of health, community service, and housing statistics and information in Australia:

- Expertise is varied and strong. We have a highly committed staff in Canberra of around 200 people and a network of collaborations across Australia with specialist groups.
- We aim to meet the needs of a wide range of stakeholders including policy makers, researchers, service providers, clients and the general community.
- National data are held on three important and related areas — health, community services and housing — and therefore information from these areas can be combined in ways that shed further light on the life of Australians and how it may be improved.
- The Act protects the confidentiality and long-term security of the data held. It is therefore guaranteed that any data provided to the AIHW will be used only as the provider permits. High ethical standards are followed.
- Major interested parties are brought together to develop and promote standardised data definitions and collection methods, new national collections, the linking of separate national collections, and key summary statistics (or indicators).
- The AIHW operates openly and transparently, putting its work in the public arena.

Key relationships

The AIHW is part of the Health and Ageing portfolio and works closely with the Australian Government Department of Health and Ageing (DoHA). It also has a strong relationship with the Australian Government's departments of Families, Community Services and Indigenous Affairs (FaCSIA) and Veterans' Affairs (DVA), the Australian Bureau of Statistics (ABS), as well as with state and territory departments covering health, housing and community services and with various non-government agencies.

Data

The AIHW obtains data mainly from administrative information collected by Australian Government and state and territory jurisdictions in the course of service delivery in the health, community services and housing assistance sectors. The national information agreements, established under direction of the relevant Ministerial Councils and mentioned in Output Group 2 on page 27 of this report, facilitate the flow of data from these jurisdictions to the AIHW so it can fulfil its function of collecting and producing health-related and welfare-related information and statistics.

Increasingly, there is interest in areas where concepts of health and welfare merge in policy or service provision. The AIHW is in a unique position to focus on areas where policies overlap and to influence the development, management and use of common data standards in health and welfare data collection and statistics.

National Committees

To ensure the integrity, quality and timeliness of reports based on the national collections, the AIHW has established steering committees to guide production of the reports, such as the Australian Hospital Statistics Advisory Committee. Such a comprehensive process ensures the requirements of key stakeholders are considered in preparing the reports, engages data providers in the process to support their timely provision of quality data, and imposes a rigour that ensures that the expectations of all stakeholders are met.

How we are funded

The AIHW receives just over one-third of its funding as an annual appropriation from the Australian Government. The majority of the AIHW's funding now comes from Australian and State Government departments and agencies for work on specific projects. The deliverables and funding for each of these projects is subject to negotiation with the funder. The AIHW also occasionally receives funding from non-Government organisations for special projects.



AIHW STAFF, FEBRUARY 2007

How we are governed

The corporate governance arrangements are the processes by which the AIHW is directed and controlled.

The AIHW is an Australian Government statutory authority within the Health and Ageing portfolio, reporting directly to the portfolio minister, the Hon. Tony Abbott, the Minister for Health and Ageing.

The AIHW is defined as a body corporate subject to the *Commonwealth Authorities and Companies Act 1997* (CAC Act). The AIHW reports to parliament through the responsible minister.

The AIHW has delegated management of its affairs to the AIHW Director. The Director is appointed by the minister on the recommendation of the AIHW Board. The Director, who is a member of the Board, is responsible to the Board for the AIHW's activities. The performance of the Director is reviewed annually by the Board, with advice from the Remuneration Committee.

The AIHW's main governing agent is the Board, underpinned by its three committees — the Ethics Committee, the Audit and Finance Committee and the Remuneration Committee.

AIHW Board

The role and composition of the Board are specified in s. 8(1) of the AIHW Act. 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 3 years.

Details of 2006–07 Board members are listed below. The financial statements contain details of the remuneration of Board members (Note 10, page 134).

The following is a list of Board members for the period 1 July 2006 to 30 June 2007.

CHAIR

The Hon. Peter Collins, AM, QC, BA, LLB

SECRETARY, DEPARTMENT OF HEALTH AND AGEING

Ms Jane Halton, represented by Mr David Kalisch, BEc (Hons)

AUSTRALIAN STATISTICIAN

Mr Dennis Trewin, BSc (Hons), BEc, MSc (*until December 2006*)

Mr Brian Pink, BComm (*from March 2007*)

AUSTRALIAN HEALTH MINISTERS' ADVISORY COUNCIL NOMINEE

Mr Peter Allen, BA, Dip Journalism

COMMUNITY AND DISABILITY SERVICES MINISTERS' ADVISORY COUNCIL NOMINEE

Ms Sandra Lambert, BA, Dip Teaching

REPRESENTATIVE OF THE STATE AND TERRITORY HOUSING DEPARTMENTS

Dr Owen Donald, BA, PhD

MINISTERIAL APPOINTEES

Adjunct Professor Heather Gardner, BA (Hons), MA, FAIEH (Hon)

Mr Ian Spicer, AM, LLB, FAIM, FCIM, ACIS

Dr Greg Stewart, MBBS, MPH (Syd), FRACMA, FAFPHM

EXPERT IN PUBLIC HEALTH RESEARCH

Prof Sandra Eades, BMed, PhD (*from 1 September 2006*)

STAFF REPRESENTATIVE

Ms Chrysanthe Psychogios, BA (*until April 2007*)

Mr Daniel McCarthy, BA (*from May 2007*)

DIRECTOR, AIHW

Dr Penny Allbon, BA (Hons), PhD

Other invited members:**A REPRESENTATIVE OF THE SECRETARY OF FACSIA, CURRENTLY THE DEPUTY SECRETARY**

Mr Stephen Hunter, BA (Hons) (*until September 2006*)

Ms Robyn McKay, BA (Hons), BEc (Hons) (*from December 2006*)

CHIEF EXECUTIVE OFFICER OF THE NATIONAL HEALTH AND MEDICAL RESEARCH COUNCIL

Professor Warwick Anderson, BSc (Hons) UNE, PhD (Adel), AM

Four Board meetings were held during the period. Details of meetings attended and short biographies of the Board members are in Appendix 5 (page 183).

The AIHW Charter of Corporate Governance adopted by the Board takes into account contemporary issues regarding corporate governance and forms the basis for Board operations in an increasingly complex environment. This Charter is provided as Appendix 4 (page 172).

Ethics Committee

The functions and composition of the AIHW Ethics Committee are prescribed in s.16(1) of the AIHW Act and Regulations accompanying the Act. The committee's main responsibility is to advise the AIHW on the ethical acceptability or otherwise of current or proposed health-related and welfare-related activities of the AIHW or of bodies with which the AIHW is associated. 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's *Privacy Act 1988* and the terms and conditions under which the data were supplied to the AIHW.

Membership and meetings

Membership of the Ethics Committee is shown below. The Ethics Committee meets the National Health and Medical Research Council (NHMRC) requirements for the composition of human research ethics committees.

Four meetings of the Ethics Committee were held during 2006–07 and attendance at meetings is shown in Appendix 5, page 186. The committee agreed to the ethical acceptability of 44 projects during the year.

Ethics Committee members 2006–07

CHAIR

Mr Robert Todd, AM, LLB (Melb), BCL

MEDICAL GRADUATE WITH RESEARCH EXPERIENCE

Dr Wendy Scheil, MBBS, FAFPHM, FRACGP, MAE, DTMEH

GRADUATE IN SOCIAL SCIENCE

Dr Siew-Ean Khoo, AB, MSc, DSc (*until 30 November 2006*)

Dr Ching Choi, BA, PhD (*from 4 December 2006*)

NOMINEE OF THE REGISTRARS OF BIRTHS, DEATHS AND MARRIAGES

Ms Val Edyvean, BA, MAPsS

MINISTER OF RELIGION

Rev. Dr Wesley Campbell, BA (Hons), DipTheol, BD (Hons), DTheol

LEGAL PRACTITIONER

Ms Kathryn Cole, BA (Hons), LIB

REPRESENTATIVES OF GENERAL COMMUNITY ATTITUDES

Mr John Turner, DIP PUB Admin, FAICD (*until 30 March 2007*)

Mr John Buckley, BA (Hons) (*from 31 March 2007*)

Ms Janet Kahler, BA, ALAA

DIRECTOR, AIHW

Dr Penny Allbon, BA (Hons), PhD

Audit and Finance Committee

The Audit and Finance 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 is shown below. Attendance at the five meetings held during the year is shown in Appendix 5, page 187.

The major matters on which the committee reported to the Board were review of annual financial statements, the draft budget, internal audit program, and accommodation.

Audit and Finance Committee members 2006–07

CHAIR

Mr Ian Spicer, AM, LLB, FAIM, FCIM, ACIS

CHAIR AIHW BOARD

The Hon. Peter Collins, AM, QC, BA, LLB (*until December 2006*)

MEMBERS

Mr Peter Allen, BA, Dip Journalism

Ms Heather Gardner, BA (Hons), MA, FAIEH (Hon) (*from December 2006*)

Dr Owen Donald, BA, PhD (*from December 2006*)

Remuneration Committee

The Remuneration Committee advises the Board on the remuneration of the Director and provides performance feedback to the Director.

Membership and meetings

Membership of the Remuneration Committee is shown below. Attendance at meetings is shown in Appendix 5, page 187.

Remuneration Committee members 2006–07

CHAIR AIHW BOARD

The Hon. Peter Collins, AM, QC, BA, LLB

MEMBERS

Mr Ian Spicer, AM, LLB, FAIM, FCIM, ACIS

Mr Peter Allen, BA, Dip Journalism (*from December 2006*)

How we are organised

Roles and responsibilities

The AIHW's main functions relate to the collection, analysis and dissemination 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 to 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)
- subject to strict confidentiality provisions in the AIHW Act and with the agreement of its Ethics Committee, release data to other bodies or persons for research purposes.

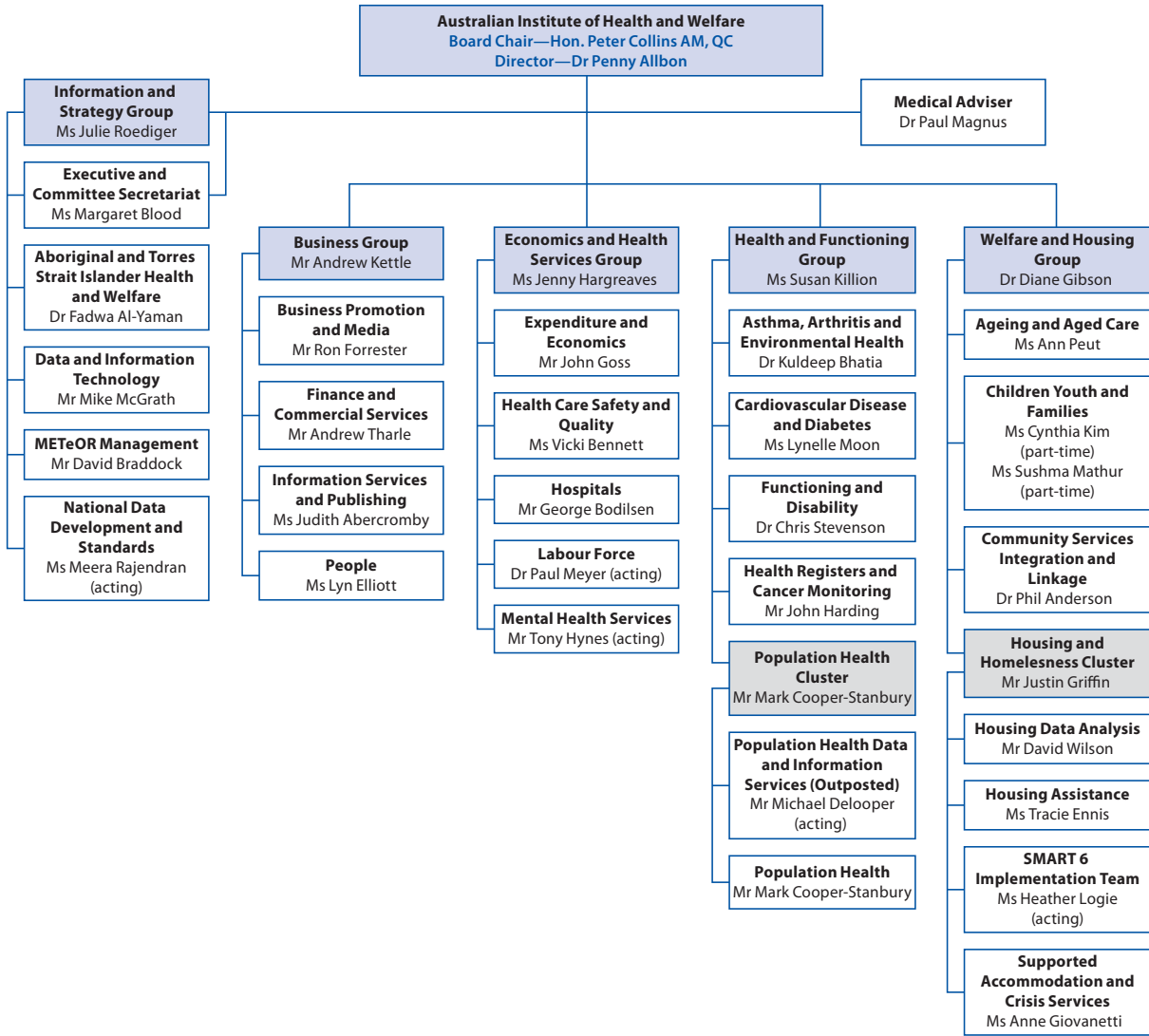
The AIHW promotes and releases the results of its work into the public domain.

Structure

The AIHW structure is aimed at ensuring the AIHW fulfils its roles and responsibilities in the best manner possible. The structure reflects the growth in various aspects of the work program and ensures staff have clear, balanced and reasonable workloads.

The Director is supported by a Deputy Director and four Group Heads, each with major functional responsibilities. The Deputy Director has responsibility for the Information and Strategy Group, and the Group Heads have responsibility for Health and Functioning, Welfare and Housing, Economics and Health Services, and Business. A chart showing the AIHW's structure as at 30 June 2007 is on page 10.

ORGANISATIONAL CHART AS AT 30 JUNE 2007



The AIHW executive, July 2007.
Front (l-r) **ANDREW KETTLE**, **PENNY ALLBON**, **DIANE GIBSON**.
Back (l-r) **SUSAN KILLION**, **JENNY HARGREAVES**, **JULIE ROEDIGER**, **PAUL MAGNUS**.

Executive staff at 30 June 2007 are listed below. Information about Unit Heads is included in Appendix 9, page 196. Further information about staffing can be found on page 90.

DIRECTOR

Dr Penny Allbon, BA (Hons), PhD

DEPUTY DIRECTOR AND INFORMATION AND STRATEGY GROUP HEAD

Mr Ken Tallis, BA (Hons), BEc (*until 9 March 2007*)

Ms Julie Roediger BSc, BA, MA (SS) (*from 26 March 2007*)

HEALTH AND FUNCTIONING GROUP HEAD

Dr Paul Magnus, MB, BS (*until 16 July 2006*)

Ms Susan Killion, BSc (Nursing), MN (*from 17 July 2006*)

WELFARE AND HOUSING GROUP HEAD

Dr Diane Gibson, BA (Hons), PhD

ECONOMICS AND HEALTH SERVICES GROUP HEAD

Ms Jenny Hargreaves, BSc (Hons), GradDip Pop Health

BUSINESS GROUP HEAD

Dr Anny Stuer (*until 5 July 2006*)

Mr Andrew Kettle, MA (Hons), CA (*from 24 July 2006*)

MEDICAL ADVISER

Dr Paul Magnus, MB, BS

Collaborations and partnerships

The AIHW has data sharing agreements with a number of other organisations to facilitate collaboration. In effect, this creates AIHW units at various universities. Such collaborations extend the range of skills available to the AIHW and enhance its capacity to perform its functions across a broader range of subject matter. See Appendix 8 — Collaborations and partnerships, page 193, for more information.

In addition to the data sharing collaborations the AIHW also has collaboration agreements with other government agencies with whom it works. These include the Australian Safety and Quality in Healthcare Commission and the Australian Institute of Family Studies.

Our reporting framework

Portfolio Budget Statement outcome and outputs

The AIHW has its own specific outcome in the 2006–07 Portfolio Budget Statement for the Health and Ageing portfolio:

Better health and wellbeing for Australians through better health and welfare statistics and information.

In previous years, the AIHW drew appropriations from consolidated revenue under the Australian Government Department of Health and Ageing's Outcome 9 — Health investment.

To achieve its outcome, the AIHW has developed three output groups, which form the basis of this report. The groups are sufficiently broad to enable reporting on contributions made to the Australian Government's Families, Community Services and Indigenous Affairs and Veterans' Affairs portfolios, as well as to the Health and Ageing portfolio.

- **OUTPUT GROUP 1:** Specific services to the minister and parliament required under the AIHW Act.
- **OUTPUT GROUP 2:** National leadership in health-related and welfare-related information and statistics.
- **OUTPUT GROUP 3:** Collection and production of health-related and welfare-related information and statistics for government, non-government and community organisations.

Performance targets

This report outlines the AIHW's performance against each of the performance measures in each of the three output groups in the Portfolio Budget Statement. It also identifies areas where these goals were not met.

AIHW corporate plan

The *AIHW corporate plan: Strategic directions 2007–2010* was launched and distributed to all AIHW staff in April 2007.

The corporate plan is the culmination of a 1-year consultative process, led by AIHW's Executive Committee and Unit Heads, in developing a new strategic direction for AIHW over the next 3 years.

All AIHW staff were given the opportunity to engage in this process, providing input and feedback to the suggested areas of endeavour. Interested parties such as departmental policy makers were also part of this consultation process. The Board provided strategic direction to this process, and endorsed the final directions.

The broad directions the plan outlines comprise strengthening AIHW's policy relevancy; capitalising on the new information scene; enhancing data access and guarding privacy; getting AIHW's messages out better; and being versatile as well as expert.

The document will be used to guide AIHW staff in their more detailed planning over the next 3 years, and as such will be a valuable strategic 'map' for AIHW stakeholders in general.

New strategic directions

The *AIHW corporate plan: Strategic directions 2007–2010* document really can claim to be new: new in the process behind it, in the breadth of its ownership, in its style and in its emphasis. Some key features:

- in working up the plan, everyone at the AIHW had a good chance to make it *theirs* (see below)
- the resulting document is a clear change from the booklet form of previous years — it is now an attractive, concertina-style brochure that is as handy and concise as possible
- the AIHW mission stays the same, but said in fewer words
- our values are listed succinctly
- there are five main directions for 2007–2010, each with a background to explain it and a series of strategies to advance it.

In summary, *Strategic directions* says who we are at the AIHW, what we do and what we care about. Then it goes on to the special directions we plan to take over the next few years.

The five directions:

1. Strengthening our policy relevance
2. Capitalising on the new information environment
3. Enhancing data access, protecting privacy
4. Getting the messages out better
5. Our people — valued, expert and versatile

This does not mean these will be our *only* directions — much of our work will be important business as usual. But we will make a particular effort in these few areas.

Policy relevance

We want our work to ‘inform discussions and decisions on policy and services’. Can we keep doing that better? We plan to stay strongly engaged with policy agendas around Australia, to take more ‘holistic’ views of government programs and people’s lives and to tailor our reports better to policy issues.

New information environment

Consider changes such as the impending electronic health record, the continuous client record for community services and a growing awareness that many data

sources are being underused. We intend to capitalise on them, not just to react. We are aiming to stay closely in touch with key developments, to build our technical and analytical capacity to take advantage of them and to play a leading role in helping others do the same.

Access and privacy

These two values of society are vital in their own right and for each other. The AIHW will be taking a strong stance in promoting our unique combination of privacy measures and the greater access this gives to health and welfare data sets brought under our protection. We will also play a leading national role in explaining that privacy and access are mutually beneficial.

The messages

Through our reports, if we want our messages to be policy relevant we also want them to be as widely read and *used* as possible. So we will make extra efforts to find out what our readers want, especially those who make policy and run programs. We will also consider the variety, style, detail and mode of delivery of our products, including how to distil our statistics into digestible key messages.

Our people

The AIHW has long valued its people and aims to reflect that through a fulfilling and nurturing work environment. To follow our other strategic directions, our strong statistical know-how remains vital but only part of the story. We will take steps, in our training and recruitment, to ensure we are a versatile and adaptable team with the wide range of skills to meet the challenges ahead.

How did we get here and what's next?

Every step was taken to make the plan come from the whole institute, not just from a few senior managers. Over many months, numerous open sessions were held to raise issues and discuss strategies. Drafts were run by the whole institute and every line in the initial drafts attracted five lines of good suggestions! The AIHW's Board set us on a clear path and then saw two stages of draft and provided many astute comments that fed into the final version.

As to what's next, the big task is to flesh out the detailed plans and make it happen. Each strategic direction has a member of the AIHW's Executive team as a champion and a progress report will be given to the Board in June next year.

