



Australian Government

**Australian Institute of
Health and Welfare**

Australian Institute of Health and Welfare

Annual report 2006–07



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Australian Government

Australian Institute of Health and Welfare

The Hon. Tony Abbott MP
Minister for Health and Ageing
Parliament House
CANBERRA ACT 2600

Dear Minister

I am pleased to present the annual report of the Australian Institute of Health and Welfare for the year to 30 June 2007.

Section 4(2)(a) of the *Australian Institute of Health and Welfare Act 1987* defines the Institute as a body corporate subject to the *Commonwealth Authorities and Companies Act 1997* (CAC Act).

In accordance with the requirements of Section 9 of the CAC Act, the report was endorsed on 27 September at a meeting of directors responsible for the preparation and content of the report of operations, in accordance with Finance Minister's Orders.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ian Spicer'.

Ian Spicer, AM
Chair of the Board (Acting)

27 September 2007

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The AIHW and this report — a quick guide

The AIHW


The Australian Institute of Health and Welfare (AIHW) was established under an Act of parliament to produce health and welfare information and statistics. Thus, in alternate years the AIHW publishes *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.

This report

This annual report has been written to inform the community of the AIHW's roles and responsibilities and to summarise achievements over the past year. It also fulfils legislative and parliamentary reporting requirements. The report is a key document for reference, for internal management and as part of the historical record.



This report contains the following sections:

The **Overview** provides some highlights from the past year. It includes reports from the Chair of the Board and the Director, a statement of the AIHW's mission and values, and a presentation of the values of the Australian Public Service.

Chapter 1 provides a corporate overview of AIHW and outlines its governance, structure and functions.

Chapter 2 summarises the achievements that the AIHW has made against priorities for the reporting year.

Chapter 3 provides information on the business management of the AIHW.

The **appendixes** provide detailed information on aspects of the AIHW's business.

Overview of the year

Chair's report

This year marks the twentieth anniversary of the creation of the Australian Institute of Health and Welfare (AIHW). In that time, the AIHW has grown enormously in the breadth and volume of its work. A single statistic encapsulates this growth: in 1997, the AIHW managed 53 gigabytes of data — this year, it managed 3,200 gigabytes (or 3.2 terabytes) of data.

A major focus for the AIHW Board during 2006–07 was establishing the AIHW's five key strategic directions in the new corporate plan, which we approved in March. We also reviewed the AIHW's work planning and resource base to ensure good alignment and balance between the competing demands. We need to strike a balance between maintaining the regular reporting that supports management and research, investing in improving the information infrastructure, and providing responsive support on topical issues that arise.

Looking back over the year, the Board was satisfied with the balance struck in 2006–07. The AIHW was more visible than ever in supporting evidence-based debate: media interest remained high and the Director and several staff appeared before parliament to advise on the statistical evidence base in areas of policy interest. The AIHW produced more publications in 2006–07 than ever, with 140 released, in either hard copy or Internet-only format. The work of the AIHW in improving the information infrastructure was evident in new data sets, improved quality and use of existing data sets, innovations in data linkage, and a doubling of the number of hits on its metadata site.

A particular initiative sponsored by the Board during the year was the extension of the AIHW's arrangements for embargoed access to its publications before release. With the successful implementation of this policy, all Australian governments, including state and territory jurisdictions, now have access to our relevant publications before their release, to ensure they are fully briefed on the implications and able to contribute to media discussion.

I would like to acknowledge the contribution made to the AIHW by members of the Board. We farewelled several directors during the year: Dr Kerry Kirke, a ministerial nominee, and Ms Chrysanthe Psychogios, the staff representative, completed their terms of appointment and Mr Dennis Trewin departed following his retirement from the position of Australian Statistician. In their place, the Board welcomed Dr Greg Stewart as a new ministerial nominee, Professor Sandra Eades as a ministerial nominee in the role of public health expert, Mr Brian Pink, the new Australian Statistician, and Mr Daniel McCarthy as the new staff representative.



I am enormously proud of the work of the AIHW and the contribution it makes to community discussion and debate. I believe the AIHW can be confident that its work is respected and used by policy makers, researchers and the broader Australian community. Through better health and welfare statistics and information, the AIHW is creating better health and wellbeing for all Australians.

Hon. Peter Collins, AM, QC

BOARD CHAIR

Director's overview

During the past year, my first full year as Director of the AIHW, we have collected, collated, improved, promoted, analysed, synthesised, disseminated and published a broad array of data, statistics and information.

But we have done a great deal more than that. We have worked hard to ensure our information is driven by and responsive to policy, program delivery and community debate in Australia. We have worked to develop new information sources to answer old questions (and some new ones) and we have sought to increase the availability and accessibility of the information we manage.

The work plan for 2006–07 reflected the growing demand for information in a number of key areas of policy and community interest. Better information to underpin the health-care safety and quality agenda in Australia was one of these areas. The signing of an Agreement with the Australian Commission on Safety and Quality in Health Care marked the start of what will be a very positive partnership in the expanding of the evidence base in keeping with the theme: 'we measure to improve'.

The need for a better understanding of the differentials between Indigenous and non-Indigenous outcomes in Australia continued to drive an expansion of the AIHW's work in Aboriginal and Torres Strait Islander health, housing and community services work, which is carried out with advice from the National Advisory Group on Aboriginal and Torres Strait Islander Health Information and Data. The AIHW carried out all the detailed analyses for the Aboriginal and Torres Strait Islander Health Performance Framework and has also worked hard to drive the improvement of Indigenous identification in data sets.

In response to the national concern over the impact of chronic, and often preventable, diseases, the AIHW has assembled a range of indicators of chronic disease and is working with the Population Health Information Development Group to improve the surveillance of chronic disease. In the area of community mental health, the AIHW has worked with the Australian Government Department of Families, Community Services and Indigenous Affairs to develop a tool for assessing the needs of people eligible for assistance under the new Personal Helpers and Mentors program. We have worked throughout the year with the Disability Policy & Research Working Group to improve the reporting from disability services and to develop a national data set and performance reporting for the Young People in Residential Aged Care Program. We are pleased to have taken the first steps with the Australian Government Department of Health and Ageing towards the development of more comprehensive data about primary health care — an area which is poorly understood in comparison to hospital services and yet which can play a key role in preventing the need for hospitalisation.

Two novel pieces of research have received considerable attention. The analysis of the health status and treatment of Indigenous people with coronary heart



disease demonstrated some stark differentials in treatment and outcomes. Another publication analysed whether cardiovascular medicines are used appropriately.

Partnerships and collaborations at all levels have strongly characterised the work of the AIHW over the year. Apart from the partnership agreement with the Australian Commission on Safety and Quality in Health Care, we also signed a new agreement with the Australian Institute of Family Studies to work together in improving information on child protection and other family-related services in Australia. The AIHW also explored ways of strengthening its collaboration with the National Health and Medical Research Council and Cancer Australia. These partnerships will facilitate collaboration on research and statistical analysis as advocated by the annual report against the National Research Priority Areas for the Australian Government. AIHW's research contributed to the national effort in at least two of the priorities: 'promoting and maintaining good health' and 'strengthening Australia's social and economic fabric'.

Enhancing our focus on the policy relevance of our work is one of the key themes of the AIHW's new 2007–2010 Corporate Plan. The plan takes forward five strategic directions, forged from a combination of Board direction, external stakeholder views and wide consultation among all AIHW staff.

To a considerable extent, the work of the AIHW over the past year has been influenced by the specific nature of the contract work it has undertaken. In its early years of operation, all the AIHW's work was funded by appropriation. In 2006–07, appropriation funding made up less than 36% of the AIHW's revenue, with the remainder coming from contractual arrangements, mostly from government agencies.

This change in the basis of funding has to some extent ensured that the data and information are policy relevant and used. On the other hand, it has exposed the AIHW to vulnerabilities. The basic information infrastructure, which has expanded enormously over the years, has been hard-pressed to keep pace with the enormous changes in the information and informatics environments. Moreover, funding new or improved data collections that originate in state and territory service delivery has become a difficult process of negotiation across nine jurisdictions. The AIHW's small financial loss in 2006–07 reflects the difficulty of keeping pace in the current environment. We are budgeting for a larger loss in 2007–08, partly because our accommodation cost will increase considerably due to a market review of our rent as required by our lease agreement.

The AIHW is a creature of federalism and it is essential to our work that we occupy an independent space between all governments, bringing together state and territory level data in an objective manner, accessible equally to all. The Board's decision to extend embargoed access to our publications to all jurisdictions was implemented through the year and has worked successfully. We have received good feedback from jurisdictions and ministers about this early advice.

The breadth of subject matter and expertise across the AIHW has remained strong throughout the year. We have maintained regular reporting on subjects as diverse as social housing, juvenile justice, expenditure patterns and asthma, with a total of 140 reports published, either in hard copy or on the Internet. Throughout the year, we maintained 14 national minimum data sets, with another 9 under development. 'Hits' on our online metadata registry, METeOR, totalled 7 million over the year — more than double the previous year. This indicates the central importance and usefulness of METeOR and underlies our plans for its expansion. The National Diabetes Register, the National Death Index and the National Cancer Statistics Clearing House continued to experience high levels of use for research purposes, with the number of requests for linkage to the latter two doubling since last year.

All those interested in cancer monitoring have welcomed the development of the new online interactive Australian Cancer Incidence and Mortality books. These books allow users to interrogate the data easily and effectively. Increasing the access to data by developing more interactive electronic tools is a response to two of our new strategic directions in the 2007–10 Corporate Plan — enhancing data access and capitalising on the new information environment.

The redevelopment of the information management and data collection tool SMART to underpin the collection of data from non-government agencies that provide services to homeless people has been a major undertaking over the past year. The SMART 6 project has drawn together a range of skills from across the AIHW and has been trialled in the Victorian Homelessness Pilot during the year.

Using data linkage techniques to tell a more comprehensive or whole-of-life story than individual data sets is also a strong theme underlying these strategic directions. We made considerable new ground in this area throughout the year. Our data linkage protocol for linkage among data sets held at the AIHW was promulgated after wide consultation. Several new projects raised our capability in linkage by enhancing linkage methodology to enable innovative analyses — particularly in the areas such as the movement of people from hospital to residential aged care. We look forward to an expansion of this work as resources permit.

One of the challenges for the AIHW in the future will be the way in which we respond to the developing new world of 'e-health' — electronic recording and exchange of health services data. In the past year, we have laid the foundations to take a leadership role in meeting these challenges. Work carried out within the AIHW in partnership with the national Statistical Information Management Committee has begun to explore the need for common standards and clear national processes that will allow the potential of electronic records to be harnessed, without placing our current information base under threat. This work will become increasingly important in the coming year.

In this area, as in many others, we have benefited by developing closer relationships with international organisations like ourselves. The Board of the Canadian Institute for Health Information invited me to address it in Ottawa (in the depths of winter). This provided a great opportunity to meet the President and staff and begin more collaborative work. Similarly, we have strengthened our ties with the New Zealand Health Information Service, who we hosted for 2 days of useful discussions in April. The AIHW's role as the Australian Collaborating Centre for the World Health Organization Family of International Classifications has also provided a vehicle for Australia to both gain from and contribute to international development of some of the classifications that underpin our work.

'Getting the message out better' is another of the strategic directions endorsed in the new corporate plan. It has led to a great deal of internal development of guidelines and training, to ensure that the information we produce is promulgated to the community in the most effective way. New formats for conveying our information have begun to appear — shorter, more focused summaries of the key messages. A good example was the production of a short 'Report Profile' on Breastscreen monitoring in Australia, which was launched by the Minister for Health and Ageing, the Hon. Tony Abbott.

Our publications have also had a new look produced by our talented graphic artist, Peter Nolan, and our magazine, *Access*, had a major makeover last year. Media interest in our publications remains high, with good radio and print coverage of our reports. Some of the reports that generated particular media interest included *Statistics on drug use in Australia 2006*, *The burden of disease and injury in Australia*, *Cancer in Australia: an overview* and *Smoking and pregnancy*.

With their usual methodological rigour and high level of commitment, AIHW staff undertook a significant review of workloads and the balance between work and the rest of life. The initiative for this review arose during the Certified Agreement discussions and reflects the growing workloads with which many staff cope. A large team undertook the review and held wide and well-attended consultations across all units. The 47 recommendations were constructive and useful and implementation is well underway. My particular thanks go to Ken Tallis and Stuart Fox for their leadership throughout this review.

The year has also seen a strong focus on planning and improving the transparency of funding arrangements to clarify the separate contributions of appropriation funding and contract funding. Our new Business Manager, Andrew Kettle, has done an outstanding job in assisting managers and staff to account for their time and funds more clearly.

The contribution made by our collaborating units situated at various universities around Australia has again been substantial. Internally, we have worked to clarify the arrangements and streamline processes to better meet our accountabilities.

The Executive team at the AIHW displayed a good balance of corporate knowledge and fresh ideas during the year. While we were all sad to see the official departure of our interim Deputy Director, Ken Tallis (who has nevertheless still been working on projects for us), we have welcomed the arrival late in the year of Julie Roediger as our new Deputy. As well as Andrew Kettle, we also welcomed Susan Killion as Head of the Health and Functioning Group. Jenny Hargreaves earned a well-deserved promotion to Head of the Economics and Health Services Group, while Diane Gibson and Paul Magnus have continued to play key roles on the Executive.

It is rare to find an organisation with a culture as warm, responsive and committed as the AIHW. In many ways, the culture is tangible — visitors experience it as they walk through the door. Staff are focused on producing work of the highest quality. There can be no better basis for an organisation to produce outstanding results. I extend my personal thanks to all our staff for the hard work and extra miles they have walked throughout the year.

Dr Penny Allbon

DIRECTOR

AIHW mission

Better information and statistics for better health and wellbeing

AIHW values

Our values are:

- **the APS values** being apolitical, accountable, sensitive and fair with the highest quality ethics and leadership
- **objectivity** ensuring our work is objective, impartial and reflects our mission
- **responsiveness** meeting the needs of those who supply or use our information
- **accessibility** making information as accessible as possible
- **privacy** safeguarding the personal and collective privacy of both information subjects and data providers
- **expertise** applying specialised knowledge and high standards to our work
- **innovation** showing curiosity, creativity and resourcefulness in what we do

Australian Public Service values

The Australian Public Service (APS):

- is apolitical, performing its functions in an impartial and professional manner
- is a public service in which employment decisions are based on merit
- provides a workplace that is free from discrimination and recognises and uses the diversity of the Australian community it serves
- has the highest ethical standards
- is openly accountable for its actions within the framework of ministerial responsibility to the government, the parliament and the Australian public
- is responsive to the government in providing frank, honest, comprehensive, accurate and timely advice and in implementing the government's policies and programs
- delivers services fairly, effectively, impartially and courteously to the Australian public and is sensitive to the diversity of the Australian public
- has leadership of the highest quality
- establishes workplace relations that value communication, consultation, cooperation and input from employees on matters that affect their workplace
- provides a fair, flexible, safe and rewarding workplace
- focuses on achieving results and managing performance
- promotes equity in employment
- provides a reasonable opportunity to all eligible members of the community to apply for APS employment
- is a career-based service to enhance the effectiveness and cohesion of Australia's democratic system of government
- provides a fair system of review of decisions taken in respect of employees.

