



Australian Government

Department of Communications and the Arts



Corporate Plan 2018–19

COMMS & ARTS

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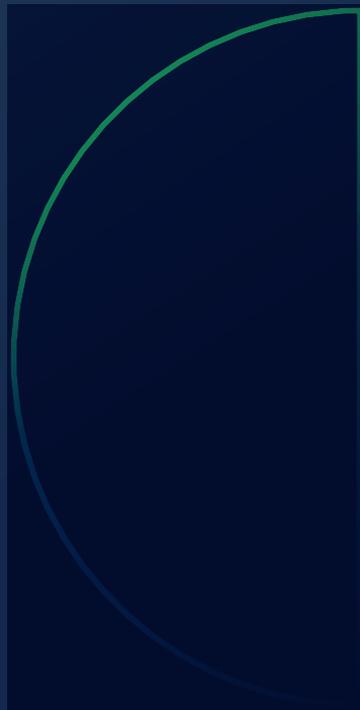
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Secretary's statement

As the accountable authority for the Department of Communications and the Arts, I present the department's 2018–19 Corporate Plan, which covers the periods 2018–19 to 2021–22, as required under section 35(1)(b) of the Public Governance, Performance and Accountability Act 2013



This plan focuses on what we are doing to create an environment in which all Australians benefit from access to diverse communications services and artistic and cultural experiences.

The Australian Government's policy, regulatory and program settings have a significant influence on enabling economic and social activity, particularly as Australia is an increasingly digital economy. A range of services, across diverse sectors, are now predominantly delivered via digital platforms enabled by communications infrastructure.

Connectivity, creativity and culture are at the centre of our work plan and will inform our delivery of progressive government reforms to modernise regulatory and policy settings. These settings are pivotal to ensuring our sectors are sustainable, reliable, competitive and responsive to the needs of all Australians. Together, our sectors contribute to broader economic growth and social cohesion.

Access to communications technology is increasingly necessary for people to participate in the economy, society, education and democracy in Australia. We are supporting the market to deliver the infrastructure, technology and digital platforms demanded for a modern connected Australia.

After the National Broadband Network (NBN) rollout is completed in 2020, Australia will be the only continent where every household and business has access to affordable high speed broadband services.

Australians are also already amongst the world's most prolific users of mobile services and we have a highly competitive, high quality industry. Mobile services are available to more than 99% of our population, including with our Mobile Black Spot Program focusing on extending mobile coverage to areas that are not otherwise commercially viable. We're working so that future urban, regional and remote consumers can continue to connect to emerging access technology, such as 5G, by putting the right regulatory framework in place to enable markets to achieve this goal.

Our communications policy framework also services the Australian community by fostering investment and competition, developing options for a future Universal Service Guarantee (USG), ensuring consumer safeguards, sustaining national postal services, and supporting our national media sector.



We are adaptive to the changing digital environment, which is defined by the wide range of media voices and perspectives available to consumers. We are also actively addressing the challenges of safety and consumer protection in the online context, including protection from harmful content.

Connectivity allows new ways to create and access creative and cultural products, which contributes to a cohesive Australian society and is essential to our national identity and prosperity. Approximately 98% of Australians engage with the arts, and we promote access to and participation in the sector. This includes: delivering grant programs which support creative industries; strengthening the Major Performing Arts Framework, the National Arts and Disability Strategy, production of Australian content; and the preservation of Indigenous languages.

Employment growth in the creative sector is nearly twice the rate of the total Australian workforce. Estimates based on data from the Australian Bureau of Statistics show that cultural and creative sector activity contributes approximately 6% to Australia's economy. One way we are promoting creativity, cultural works and economic activity is through a balanced copyright framework.

Our focus is on contributing to the broader Australian Government agenda of encouraging productivity, growth and innovation, through supporting the links between innovation, arts and creativity. This creates a modern regime to enable creators to have the confidence to produce world quality Australian products.

We support our sectoral institutions and portfolio entities, including the national broadcasters and the national cultural institutions to: engage with new audiences in new ways; increase creative participation; build creative skills and attract and support new talent; to be sustainable and internationally renowned; and meet the needs of Australian consumers.

We also work to ensure Australia's culture, including Aboriginal and Torres Strait Islander voices, are heard, preserved and protected for generations to come.

As we work to implement this plan, we will be guided by our strategic vision: to be the pre-eminent national entity for communications policy, planning, investment and research; to be an effective and accountable leader on telecommunications, broadcasting and digital regulation; to foster and promote Australian content and creativity domestically and abroad on a variety of platforms; to have a view on the right outcome; and to foster an inclusive, high-performing workplace.

Mike Mrdak AO
Secretary



Purpose

Our purpose is to create an environment in which all Australians benefit from access to diverse communications services and artistic and cultural experiences.

We fulfil our purpose through enhancing connectivity, creativity and culture, through 2 Budget programs (activities).

Program 1.1 Digital Technologies and Communications Services

by providing high-quality, strategic advice to the government on communications infrastructure and markets, consumer protections and regulatory reform opportunities; and through the effective delivery of related programs and services

Program 2.1 Arts and Cultural Development

by administering a range of activities that support excellence in the arts and culture, develop and promote access to cultural activities including in regional and remote Australia, preserve and develop Aboriginal and Torres Strait Islander arts and culture, support Australian screen production, and protect Australia's movable cultural heritage

The intended results from these activities are:

- › all Australians have access to quality communications services and can rely on them in their everyday activities
- › Australians are informed and protected in pursuing their interests, not taken advantage of, and can benefit from the opportunities that the online environment offers
- › policy settings maximise the ability of sector participants to invest, remain financially viable and sustainable and internationally competitive and industry is encouraged and able to invest, innovate and meet the needs of Australian consumers
- › portfolio entities are delivering the government's agenda effectively and working to the benefit of the sectors and the nation
- › Australians are able to access uniquely Australian content; and content creators are informed, capable and have the skills and expertise necessary to develop Australian content
- › Australia's arts sector is sustainable, innovative and strong
- › Australians have the opportunity to enjoy and participate in diverse artistic and cultural experiences
- › Australia's arts culture, including Aboriginal and Torres Strait Islander voices, is preserved, protected and commemorated for generations to come
- › Australian arts and culture are showcased and celebrated across the country and throughout the world



Operating environment

Rapid technological change continues to have a profound impact on the Australian economy and society. In this environment, it's critical that our role includes ensuring consistency of access to quality services, content and culture.

Communications infrastructure and technologies underpin economic and social activity and enable the transformation of business and government service delivery. These also allow new ways to connect to and create art and culture which contributes to a prosperous and cohesive Australian society.

Providing effective access to modern communications services – post, telephone, internet, mobiles – has been a constant of Commonwealth policy. However, expectations change as technology evolves and delivery faces new challenges.

Reflecting the economy's digital transformation, demand for communications goods and services is growing faster than that for other goods and services in the economy. In terms of household appetite for data, it's forecast to jump from 95 gigabytes a month in 2016 to around 420 gigabytes a month by 2026.

The affordability of communications services has improved for the majority households in recent years. In aggregate, communications services have never been more affordable, supporting increased demand for services, data, and content, and the proliferation of delivery platforms. Households have greater choice in products and price points, particularly for mobile services, including in regional areas.

The National Broadband Network (NBN) is significantly changing the telecommunications market by progressively making fast broadband access available to all Australian premises. This step change will see industry and businesses with the opportunity to harness significant productivity benefits, as well as to innovate and develop new products and services. It will also continue the trend of Australians having flexibility to digitally manage aspects of life and work in different ways.

With the rollout of the NBN approaching completion, the focus of access is turning to ensuring ongoing access to broadband as well as voice through a new Universal Service Guarantee, complemented by a new forward-looking Consumer Safeguards Framework.

For these opportunities to be realised, regulatory settings must continue to provide the right incentives to support investment in communications infrastructure, remove barriers to innovation and be sufficiently flexible to adapt to rapidly changing market conditions.

Spectrum is a key input in enabling the digital economy, and efficient allocation is essential to move spectrum to its highest value use in the economy. Spectrum is required to enable 5G mobile services which will support machine to machine, internet of things and smart city applications.



The digital economy is also having a profound impact on the postal sector, leading to a significant decline in letters, while the parcels and logistics sectors are transforming and growing rapidly to support e-commerce.

Security has also become a higher priority for the sector, requiring coordination with activity across government.

Increased connectivity and capacity provided through fixed and mobile networks is also contributing to the disruption of traditional business models, in particular traditional broadcasting activities (including television and radio), and models of work, changing social communication and how Australians experience our culture and that of others.

The National Cultural Institutions play an important role in preserving and providing access to Australia's cultural heritage and are vital to Australia's innovation agenda.

The broadcasting sector is also integral to a thriving creative economy. Broadcasters are an important source of quality news journalism, content diversity and Australian content in a converged, digital environment of almost limitless choice and multiple delivery systems, and a key mechanism for achieving cultural policy objectives. They will be an important means by which Australian audiences can find, see and hear quality Australian content, and the connection between the creators or Australian content and a mass audience, as well as a diverse range of content genres.

Australian arts and culture will continue to compete for audiences in an increasingly global marketplace over the next 4 years. New access pathways are opening up through technological innovation and Australia's cultural institutions continue to adapt in order to take advantage of new technology, while preserving their important collections for future generations.

Australia's creative sector will make a major and growing contribution to the economy in coming years. Data from the Australian Bureau of Statistics show that in 2014–15 cultural and creative activity contributed approximately \$106 billion (equivalent to over 6%) to Australia's Gross Domestic Product (GDP). There has been substantial employment growth in the creative sector – nearly twice the rate of the total Australian workforce.

Over the life of this 4 year corporate plan, the NBN rollout will be completed, 5G mobile technology introduced and high levels of investment in communications infrastructure will continue. Together these will provide a powerful platform to allow more data to be transferred more widely, quickly and reliably than ever before. This has opened up the potential for wider-scale process automation, always-on interconnection between millions of devices, and complex interactions being handled through technology alone.

Our role in this complex environment is to develop the policy, regulatory and support structures to ensure that sectors can invest confidently, operate effectively, consumers can connect and are appropriately protected, and cultural objectives are achieved.



Collaboration

We recognise that the achievement of our purpose is not solely our responsibility. Industry, consumer bodies and other government entities, including our portfolio entities, all have important contributions to make.

We collaborate across all levels of government, and with industry and the community. We engage proactively with our stakeholders, and demonstrate a clear understanding of their issues and challenges. We understand and value diverse perspectives and ideas.

We engage extensively across other jurisdictions given the global nature of the portfolio's remit. An important part of our work is delivering policy and programs which address the needs of regional and remote Australia.

Through effective engagement with our stakeholders we leverage the opportunities of connectivity, creativity and culture for the benefit of all Australians.

Sustainable development goals

The 17 Sustainable Development Goals (SDGs) of the 2030 Agenda for Sustainable Development apply to all nations. Under these, governments are expected to take ownership and establish national frameworks for the achievement of the 17 Goals and mobilise their efforts to end all forms of poverty, fight inequalities and tackle climate change, while ensuring that no one is left behind.

We have been identified as a supporting agency for:

- ▶ **SDG 9** Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation
- ▶ **SDG 11** Make cities and human settlements inclusive, safe, resilient and sustainable

In terms of these goals, Australia has long standing arrangements to provide universal access to telephony, and has encouraged the development and uptake of the internet and high speed broadband. The NBN will provide all Australian premises with access to affordable, high-speed next-generation broadband by 2020, enhancing connectivity and with particular benefits for regional, rural and remote regions. In light of the NBN's rollout, the government is developing options for a new universal service guarantee to provide all Australian premises, regardless of location, with access to both voice and broadband services, better reflecting consumer needs. Our Mobile Black Spot Program, in partnership with mobile network operators, state and territory and local governments, is improving mobile coverage and competition in telecommunications across Australia in areas where commercial investment alone is not sustainable.

Both private and public sectors are investing in mobile and fixed telecommunications infrastructure in Australian cities and communities, providing a platform for the Internet of Things and smarter, more sustainable cities, which could also be supported by 5G and other emerging technologies.

Australia is home to diverse creative arts and cultures. Our vibrant creative and cultural sector contributes to fostering inclusive, safe, resilient and sustainable and innovative cities and human settlements. Creativity is key to innovation, driving sustainability and prosperity. We support a broad range of activities that encourage a sustainable, innovative creative sector and the protection, preservation and promotion of Australian culture.



Performance

Our purpose is to create an environment in which all Australians benefit from access to diverse communications services and artistic and cultural experiences.

We will achieve our purpose through delivering:

- › **strategic advice and policy development** – providing government with the best policy advice on issues relating to communications and the arts, including on the delivery of services to regional Australia. Our advice is evidence-based and is informed by research and critical analysis of sectoral developments and market trends
- › **effective program and grants management** – delivering efficient and effective programs, grants and services to achieve the government's policy outcomes. We adhere to the highest standards of public administration
- › **regulatory management** – administering portfolio legislation efficiently and effectively. The department reviews and shapes regulatory frameworks. We assist the Minister for Communications and the Arts, and the Minister for Regional Services, Sport, Local Government and Decentralisation to fulfil their parliamentary obligations
- › **collaborative stakeholder engagement** – working with portfolio entities, government stakeholders, international organisations, industry, research institutions and the community to generate innovative advice and ensure that the advice and services the department delivers are effective and meet the needs of the community

Over the next 4 years, we will have a particular focus on:

- › continuing our support of the NBN rollout, including managing the ongoing public investment in the NBN, so that it is sustainable and delivers a high quality broadband experience
- › ensuring the right policy and regulatory settings are in place to support ongoing investment and a good ongoing consumer experience in order to support Australia's economic growth and international competitiveness
- › the introduction of 5G mobile technology and the delivery of other communications infrastructure, as well as the continuation and delivery of the Mobile Black Spot Program
- › delivering and implementing the government's reform agenda, including for classification, copyright, spectrum, and the establishment of the Universal Service Guarantee, to create a contemporary policy framework that supports creativity, international competitiveness and delivers in the national interest
- › ensuring regulation is efficient, promotes investment and meets community expectations of consumer experience, public interest protections and public safety
- › contributing to the broader government agenda of encouraging productivity, growth and innovation, including supporting the links between innovation, arts and creativity
- › building the sustainability, diversity and recognition of Australia's creative sectors, including supporting Indigenous arts and culture, Australian literature, the performing and visual arts and Australian screen production and the growth of Australia's creative industries
- › promoting Australian content, and a diversity of perspectives, in a vibrant and competitive media sector



Performance information

The way we will measure our performance against our intended results and our progress in achieving our purpose, over the next 4 years, is outlined in the tables below.

Intended result: All Australians have access to communications services and can rely on them in their everyday activities

| PERFORMANCE MEASURES | | | | |
|--|--|---------|---------|---------|
| | 2018–19 | 2019–20 | 2020–21 | 2021–22 |
| Facilitate consumer access to affordable, competitive and reliable communications services | <ul style="list-style-type: none"> › Delivery of the Mobile Black Spot Program › Establishment of a Universal Service Guarantee | | | |
| | <ul style="list-style-type: none"> › Minister's shareholder oversight of NBN Co Limited's delivery of the NBN › Consumer experiences using public data and research › Stakeholder engagement to support improved consumer experience of communications services, including migration to the NBN | | | |

Intended result: Australians are informed and protected in pursuing their interests, not taken advantage of, and can benefit from the opportunities that the online environment offers

| PERFORMANCE MEASURES | | | | |
|---|--|---------|---------|---------|
| | 2018–19 | 2019–20 | 2020–21 | 2021–22 |
| Enable the effective operation of consumer protections and safeguards, so that Australians can interact safely in a trusted digital environment | <ul style="list-style-type: none"> › Review of framework for consumer safeguards and implementation of safeguards reform | | | |
| | <ul style="list-style-type: none"> › Engagement across government and industry to support effective consumer protections and safeguards › Information published on consumer protections › A modern regime for copyright, esafety and classification | | | |



Intended result: Policy settings maximise the ability of sector participants to remain financially viable and sustainable and internationally competitive and industry is encouraged and able to innovate and meet the needs of Australian consumers

| PERFORMANCE MEASURES | | | | |
|---|--|---------|---|---------|
| | 2018–19 | 2019–20 | 2020–21 | 2021–22 |
| Work with the sectors so that policy and regulatory frameworks support domestic and international competitiveness and the national interest | <ul style="list-style-type: none"> › Progress of reforms, including media, spectrum and copyright | | | |
| | | | <ul style="list-style-type: none"> › Telecommunications competitiveness and pricing › Post-implementation review of reforms | |

Intended result: Portfolio entities are delivering the government’s agenda effectively and working to the benefit of the sectors and the nation

| PERFORMANCE MEASURES | | | | |
|---|---|---------|---------|---------|
| | 2018–19 | 2019–20 | 2020–21 | 2021–22 |
| Engage with portfolio entities and sectoral institutions to support their governance, sustainability and achievement of government objectives | <ul style="list-style-type: none"> › Oversight of portfolio entities’ annual Corporate Plan compliance, financials and achievements › Information on Commonwealth, state and territory, and philanthropic funding to the arts › Elite training institutions’ development of the next generation of professional performing artists | | | |



Intended result: Australia’s arts sector is sustainable, innovative and strong

| PERFORMANCE MEASURES | | | | |
|--|---|---------|---------|---------|
| | 2018–19 | 2019–20 | 2020–21 | 2021–22 |
| Assist the arts in building sustainability and resilience and identifying opportunities for innovation | <ul style="list-style-type: none"> ▶ Analysis of contribution of arts and cultural education to employment outcomes ▶ Analysis of contribution of arts and culture to the economy | | | |

Intended result: Australians are able to access uniquely Australian content; and content creators are informed, capable and have the skills and expertise to develop Australian content

| PERFORMANCE MEASURES | | | | |
|--|--|---------|---------|---------|
| | 2018–19 | 2019–20 | 2020–21 | 2021–22 |
| Work with the sectors to create and promote content that reflects Australia’s identity, character and cultural diversity | <ul style="list-style-type: none"> ▶ Support for the production of content through the Australia Council, Screen Australia, Australian Film, Television and Radio School, the Australian Broadcasting Corporation, the Special Broadcasting Service Corporation and departmental grant programs | | | |
| | <ul style="list-style-type: none"> ▶ Progress of the Australian and Children’s Screen Content Review | | | |



Intended result: Australians have the opportunity to enjoy and participate in diverse cultural experiences

| PERFORMANCE MEASURES | | | | |
|---|---|---------|---------|---------|
| | 2018–19 | 2019–20 | 2020–21 | 2021–22 |
| Facilitate access to Australian arts, cultural experiences and related skills development opportunities | | | | |
| | <ul style="list-style-type: none">› Information on consumer engagement with National Cultural Institutions and artistic and cultural activities› Information on access to the objects in the national collections (on display, on tour and online)› Access to cultural experiences and skills development opportunities in regional and remote areas including by, and for, Aboriginal and Torres Strait Islander peoples | | | |

Intended result: Australia’s culture, including Indigenous voices, is preserved, protected and commemorated for generations to come; and Australia’s culture is showcased and celebrated throughout the world

| PERFORMANCE MEASURES | | | | |
|---|---|---------|---------|---------|
| | 2018–19 | 2019–20 | 2020–21 | 2021–22 |
| Collaborate with the sectors to protect, preserve and promote Australian arts and culture, including Indigenous arts, language and repatriation | | | | |
| | <ul style="list-style-type: none">› Information from the Indigenous Languages and Arts programs on Indigenous languages revived or maintained› Information on Indigenous repatriation› Information on international cultural activities and exchanges | | | |



Capability

Over the 4 years covered by this Corporate Plan, we will focus on building employee understanding of our new overarching strategic vision and develop a workforce plan to build on our capabilities under our vision:

to be the pre-eminent national entity for communications policy, planning, investment and research

to be an effective and accountable leader on telecommunications, broadcasting and digital regulation

to foster and promote Australian content and creativity domestically and abroad on a variety of platforms

to have a view on the right outcome

to foster an inclusive, high-performing workplace

Workforce planning

In 2018–19, we will develop a department-wide strategic workforce plan which will inform high level recruitment, capability development and talent management strategies, and ensure we have the optimal workforce in place to respond to rapidly changing operating conditions.

Our workforce plan will be developed in 4 phases to help us identify our:

1. future operating environment and organisational priorities
2. current workforce profile and forecast supply of labour
3. gaps between current and future workforce and risks
4. mitigation strategies and accountabilities

We will also develop operational workforce plans that include actionable strategies for each division to address workforce gaps. Our plans aim to ensure we are able to deliver against environmental pressures and have a workforce with the right mix of people, knowledge, skills and behaviours.

A Skills and Experience Register will be implemented in 2018 to capture and report capabilities and development for each employee, in a central, easily accessible system (Learnhub). Information from the register will help to inform our assessment of our internal workforce supply and will give greater visibility of employee skills, knowledge, experience and interest in mobility.



While we develop our plan around our vision, we will continue to focus on:

› **leadership**

We demonstrate leadership and corporate citizenship across government, the portfolio and within the department. At all levels, we seek evidence-based and proactive thought leadership, underpinned by genuine curiosity, and an appetite to engage intelligently with risk. We also seek clear communication skills and shared vision, and a pragmatic approach to implementing decisions that are free from bias.

Change is communicated and managed effectively, informed by business planning processes and priorities.

Our leaders provide feedback and engage in ongoing quality conversations with employees so that performance expectations are clear and development opportunities are acted upon. Leaders actively support and promote capability development with a focus on building core skills, strengthening governance and operational management practices. Capability development is aligned with current and future workforce needs.

› **policy and program skills**

We continue to:

- build skills and best practice public administration capabilities in policy development, the development of quality measures for programs, and risk management
- build a strong and integrated evidence-based research capability
- focus on economic analysis of communication technologies and their impact on markets and the role of arts in supporting cultural and broader outcomes
- enhance our understanding of markets, competition and commercial performance ensuring we provide authoritative policy advice
- strengthen our ability to identify, analyse and report on the arts, digital technologies, communications services and market trends to inform policy priorities

› **stakeholder engagement**

We are building on our capabilities which support our engagement and contribution across the department, the APS, all levels of government, industry and the community.

We value our alliances and professional relationships within the communications and arts sectors, the broader Commonwealth and our international as well as state and territory counterparts. Working closely with stakeholders ensures our policy advice is strategic, innovative, connected and achievable, and our programs deliver quality outcomes for all Australians.



Information and communications technology (ICT)

Our 4 year strategic ICT plan will align with this Corporate Plan, our internal business plans, and whole of government directions while leveraging advances within the wider technology environment. The ICT strategic plan is built on 5 core strategic directions.

1. Focus on business value

IT will focus on creating, building and maintaining business value for the department by the prioritisation, definition and selection of technology services

2. Leverage data and information

Making information, regardless of source, easy to discover and accessible

3. Prepare for disruption

Selecting and designing IT with the understanding that the business functions they support could be re-engineered, removed or relocated at any time

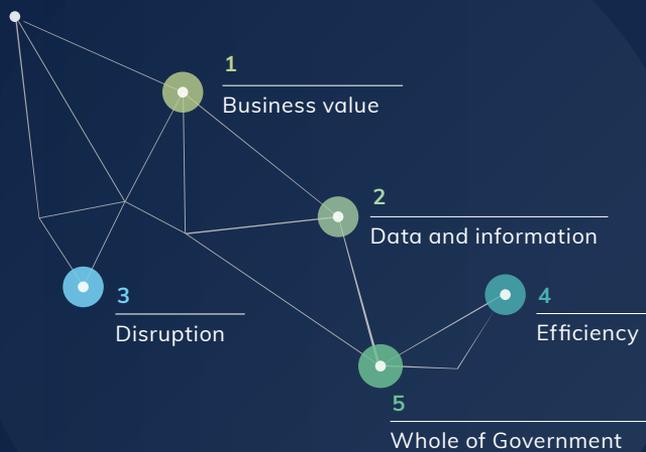
4. Deliver efficiently

Delivering better, more innovative and intuitive technology faster and cheaper than ever before

5. Align to Whole of Government strategies

Aligning to WoG strategies that exist across a range of IT functions and services

ICT STRATEGIC PLAN





Risk oversight and management

We have established systems of risk oversight, management and internal controls in accordance with section 16 of the Public Governance, Performance and Accountability Act 2013 and the Commonwealth Risk Management Policy. This includes regular monitoring and reporting on the risk environment to both the Audit Committee and during the business planning and review process. The Executive, through our whole of department business planning process, are active in identifying emerging risks and provide support to the Secretary in the strategic management of the department’s risks. Our strategic risks are matters which are fundamental to the function of the communications and arts sectors, material in delivering government agendas, and important in supporting the wellbeing of the Australian community.

We actively identify emerging risks and have identified 5 enterprise risks which we face over the next 4 years. These are closely linked to our ability to achieve our purpose.

Enterprise risks

| ENTERPRISE RISK | MITIGATING STRATEGIES |
|---|---|
| <p>1. Failing to fulfil the government’s strategic priority to enhance telecommunications infrastructure and consumers’ access to reliable communications services.</p> | <p>We provide the government with advice about short, medium and long-term options to reduce telecommunications market and technology risks. In addition, we engage closely with, and leverage processes and expertise of, other bodies such as portfolio entities, the Australian Communications and Media Authority and the Australian Competition and Consumer Commission. Regulatory and market interventions are designed to be technology neutral so that they do not differentiate between the underlying network or device used to deliver or receive the communications service. We are considering options to ensure that, as the Australian telecommunications sector evolves, Australian premises continue to have access to adequate voice services as well as high quality broadband services. We monitor relevant market developments, and provide early advice to government on major risks, opportunities and relevant policy options in response.</p> |
| <p>2. Our interaction with stakeholders and consumers is inadequate to enable us to provide authoritative advice to the government on portfolio issues.</p> | <p>We have a stakeholder engagement framework which, as part of normal business processes, actively seeks stakeholder views and reports on these views as required. In addition, we actively seek stakeholder views about the level of engagement through existing relationships and forums and other mechanisms.</p> |



| ENTERPRISE RISK | MITIGATING STRATEGIES |
|--|--|
| <p>3. Our focus and resources are not aligned appropriately to deliver on policy, program, regulation or corporate outcomes.</p> | <p>Our strategic and business planning processes provide oversight of the delivery of departmental and portfolio activities and align with our budgeting process. Our risk management processes align with our activities. Capital projects are considered by our IT Governance and Finance and HR committees and are approved by the Secretary. IT and finance projects follow set governance guidelines and are actively monitored and reported on a monthly basis. We utilise agile work practices and deploy taskforces and short-term project teams to bring necessary expertise and resourcing to urgent and strategic work priorities. In addition, we:</p> <ul style="list-style-type: none"> ▶ undertake reviews of our program delivery ▶ utilise an internal audit capacity ▶ research economic drivers and international approaches which inform improved policy and program delivery |
| <p>4. Our policy advice is sub-optimal as it is not forward looking and strategic.</p> | <p>Our business plans reflect the government's agenda and emphasise expectations around strategic advice. Emerging strategic issues are collectively progressed in Executive forums including the business planning and review process. We review plans regularly to ensure ongoing strategic relevance.</p> |
| <p>5. We do not have the capability or capacity to achieve our purpose.</p> | <p>We work with peak bodies and other stakeholders to encourage consumer and sector participation in the delivery of our purpose. We also work with other portfolio, and state and territory governments to leverage government investment and capability to achieve our outcomes. We have implemented performance and capability strategies including talent management and a secondment program. We have completed enabling programs in policy essentials and public policy. We utilise agile work practices and deploy taskforces and short-term project teams to bring necessary expertise and resourcing to urgent and strategic work priorities.</p> |



Our Chief Risk Officer role is now at First Assistant Secretary level giving increased oversight in implementing measures to:

- › develop and maintain the capacity and capability of risk management
- › effectively and efficiently manage risk
- › encourage and build a positive risk culture
- › oversee the department's enterprise risk management system
- › coordinate overall enterprise risk management activities

Risk management has been integrated into our new business planning processes so that:

- › our purpose and strategic priorities set the context for risk management
- › high priority risks influence business planning, and their treatments are integrated into business plans
- › risk treatments which require resources are considered and provided for in branch, operational and/or project plans and budgets
- › all major change activities include structured risk management
- › business processes and capabilities which function as risk controls and treatments are maintained as required by a relevant risk assessment

The enhanced risk framework facilitates a culture that promotes an open and proactive approach to managing risk. It encourages risk assessment, informed risk-taking and the anticipation and treatment of risk in delivering our priorities.

We are committed to achieving our strategic priorities and encourage prudent risk-taking based on sound judgement and the best available information to facilitate innovation leading to the provision of better processes and services.

Our risk appetite is defined through the business planning reporting and review process, and conveys:

- › an explanation of the concept of risk appetite and the importance of effective engagement with risk
- › an expression of our relative tolerance for different natures or categories of risk
- › examples of areas of high and low tolerance to enable employees to better interpret the guidance
- › areas where risk is to be minimised wherever possible



Compliance with the Public Governance, Performance and Accountability Rule 2014

| Item | Topic | Matters to be included | Included in |
|------|-------------------------------|---|-------------------------------|
| 1 | Introduction | <p>The following:</p> <p>a statement that the plan is prepared for section 35(1) (b) of the Act</p> <p>the reporting period for which the plan is prepared</p> <p>the reporting periods covered by the plan</p> | Secretary's statement |
| 2 | Purposes | The purposes of the entity | Purpose |
| 3 | Environment | The environment in which the entity will operate for each reporting period covered by the plan | Operating environment |
| 4 | Performance | <p>For each reporting period covered by the plan, a summary of:</p> <p>how the entity will achieve the entity's purposes</p> <p>how any subsidiary of the entity will contribute to achieving the entity's purposes</p> <p>how the entity's performance will be measured and assessed in achieving the entity's purposes, including any measures, targets and assessments that will be used to measure and assess the entity's performance for the purposes of preparing the entity's annual performance statements</p> | Performance |
| 5 | Capability | The key strategies and plans that the entity will implement in each reporting period covered by the plan to achieve the entity's purposes | Capability |
| 6 | Risk oversight and management | A summary of the risk oversight and management systems of the entity for each reporting period covered by the plan (including any measures that will be implemented to ensure compliance with the finance law) | Risk oversight and management |