



14 November 2017

PGPA Act Review
Department of Finance
PGPAActReview@finance.gov.au

Dear Ms Balmaks

***Public Governance, Performance and Accountability (PGPA) Act 2013 and Rule
Independent Review***

Thank you for the opportunity to provide feedback to the Review.

The FRDC was established under the PIRD Act 1989 as a statutory authority with independent accountability to a board of directors. The PGPA Act, combined with other Australian Government obligations, has reduced the FRDC's agility, reduced the board's authority for decision making, and reduced the capacity of directors to fulfil their responsibilities.

The compliance and reporting burdens have consistently increased since the implementation of the Act; some of which is made up of duplicative reporting requirements. For example, the excellent recommendations of the Belcher report included electronic tabling of Annual Reports – a recommendation that has not been implemented.

The FRDC has some 20 staff members. As a small organisation, the costs, both in terms of time and money, imposed by the change from the CAC Act to the PGPA Act have been substantial; and put ever increasing pressure on staffing numbers.

Although the PGPA Act was not supposed to be a "one-size fits all" solution, I believe that it has worked out that way; and to the detriment of small agencies such as the FRDC. In the lead up to the introduction of the PGPA Act there was a lot of discussion around "earned autonomy". The FRDC thought that earned autonomy would lead to a 'horses for courses' approach. That has not eventuated.

Another area of some concern to the FRDC is the non-use of Government Policy Orders (GPOs) as required under section 22 of the PGPA Act. The PGPA Act mandates the use of the GPO process when government is making an "order", but central agencies (including Finance) are not using GPOs to make orders. And although technically no order has therefore been made, agencies such as mine often feel the need to comply.

Yours sincerely



Dr Patrick Hone
Managing Director

