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The GRDC is accountable to its two key customer groups—Australian grain growers and the Australian Government—for its performance in addressing their identified priorities. The GRDC also meets its responsibilities under its governing legislation and the broader legal framework for Commonwealth statutory authorities.

Accountability to the Australian Government

Responsible Minister

Under the *Primary Industries and Energy Research and Development Act 1989* (PIERD Act), the GRDC is accountable to the Australian Parliament through the Minister for Agriculture, Fisheries and Forestry, the Hon. Peter McGauran, MP. The Hon. Sussan Ley, MP, Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry, is responsible for R&D corporations, including the GRDC.

Australian Government priorities

The GRDC continues to proactively address the Australian Government's National Research Priorities and ministerial research priorities for rural R&D corporations. These priorities and the GRDC's achievements in meeting them during 2006–07 are discussed in more detail in Part 2.

Statement of Expectations and Statement of Intent

As a result of the Review of the Corporate Governance of Statutory Authorities and Office Holders (known as the Uhrig Review), Ministers are required to outline their expectations of agencies in a public Statement of Expectations. Each agency must then respond with a Statement of Intent which details how they will achieve the Minister's expectations.

The Parliamentary Secretary, provided the GRDC with an initial Statement of Expectations on 1 March 2007. The GRDC responded with its Statement of Intent on 30 March 2007. The GRDC is acting in accordance with these statements.

The Statement of Expectations and Statement of Intent are likely to be renewed in late 2007 and annually thereafter. The current statements are available on the GRDC website.

Ministerial directions

The PIERD Act and *Commonwealth Authorities and Companies Act 1997* (CAC Act) provide that the responsible Minister (the Minister for Agriculture, Fisheries and Forestry) or the Finance Minister may direct the GRDC with respect to the performance of its functions and the exercise of its powers, or require it to provide information.

In July 1998, the responsible Minister, the Minister for Primary industries and Energy issued a direction requiring the GRDC to comply with the reporting requirements of the *Guidelines on Funding of Consultation Costs by Primary Industry and Energy Portfolio Statutory Authorities*.

On 1 December 2004, the Finance Minister issued the Finance Minister's (CAC Act Procurement) Directions 2004, requiring the GRDC to comply with the *Commonwealth Procurement Guidelines*.

On 18 December 2006, the Finance Minister required the GRDC to provide an annual report on compliance and financial sustainability, under section 16(1)(c) of the CAC Act. The requirements are detailed in Finance Circular 2006/11 Compliance Reporting—CAC Act bodies.

The GRDC is complying with the directions.

General policies of the government

Under section 28 of the CAC Act, the Minister may notify the GRDC Board of any general Australian Government policies that apply to the GRDC.

The GRDC had been notified of the following policies as at 30 June 2007:

- Commonwealth Fraud Control Guidelines 2002
- Finance Circular No 2006/06 Foreign Exchange (FOREX) Risk Management (replacing Finance Circular 2002/01)
- Finance Circular 2005/09 Cost recovery policy (replacing Finance Circular 2002/02)
- National Code of Practice for the Construction Industry and the associated Implementation Guidelines
- Protective Security Manual 2005.

The GRDC is complying with the notified policies.

Accountability to the grains industry

Industry representative

Under the PIERD Act, the GRDC is made accountable to Australian grain growers through the industry's representative organisation, the Grains Council of Australia (GCA).

Grains industry priorities

In setting directions for 2006–07 (the last year of *Driving Innovation*), the GRDC identified industry priorities through consultation with the GCA and through grain grower workshops. The key industry priorities were incorporated into the GRDC Annual Operational Plan 2006–07 and included:

- sustainability and resource management
- new and innovative product development
- development of new alliances and links to market
- bringing biotechnology to bear on sustainability and consumer benefit outcomes, to support profitable farming systems and access to premium markets
- effective and targeted transfer and adoption of technology and knowledge for Australian growers
- integrated pest management to minimise the total cost of pests, diseases and weeds, and to maintain options and control strategies
- genetic improvement and regional adaptation of new grain varieties for improved resistance to biotic and abiotic stress, and quality standards for specific end uses.

Information on how the GRDC is addressing these priorities is provided in Part 2.

The GRDC also consulted extensively with the GCA and its affiliate organisations to identify industry priorities when preparing the GRDC's Strategic R&D Plan 2007–12, *Prosperity through Innovation*.

Stakeholder report

Each year the GRDC prepares a stakeholder report to assist the GCA to formulate advice to the Minister on setting the research levy rates which provide the basis for the corporation's income each year.

In 2006–07, for the first time, the GRDC also prepared a Growers' Report. This 20-page report was a shortened form of the 2005–06 Annual Report, providing a reader-friendly summary of how the GRDC operates, the corporation's financial situation and highlights of research investments. It was circulated to growers and other *Ground Cover* subscribers in November 2006.

Industry levy rates

In 2006–07, a levy rate of 0.99 percent applied to all leviable crops covered by the GRDC, with the exception of maize, which was levied at 0.693 percent.

The levies were imposed and collected as stipulated by the following legislation:

- *Primary Industries (Excise) Levies Act 1999*, supported by the Primary Industries (Excise) Levies Regulations 1999, Schedules 4, 12, 20 and 25
- *Primary Industries Levies and Charges Collection Act 1991*, supported by the Primary Industries Levies and Charges Collection Regulations 1991, Schedules 8, 19, 29 and 34.

Proceeds from levies in 2006–07 are recorded in Note 4C of the Notes to the Financial Statements.

The GRDC paid the Australian Government Department of Agriculture, Fisheries and Forestry \$554, 028 for the collection and management of levies in 2006–07.

Consultation arrangements

The GRDC paid the GCA \$66, 873 for its participation in consultations with the corporation during 2006–07. The GCA used these funds to meet its costs of preparing for and attending consultative meetings with the GRDC, to consider grains industry strategic directions and concerns and to assess the corporation's performance against industry expectations.

The payments for consultation were made under the *Guidelines on Funding of Consultation Costs by Primary Industries and Energy Portfolio Statutory Authorities*, issued by the Minister for Primary Industries and Energy in July 1998. The guidelines also require that when a representative organisation conducts a project or consultancy on behalf of a statutory authority, details are to be included in the authority's annual report.

Table 8 lists the project funds and conference support that the GRDC provided to the GCA in 2006–07.

Table 8 GRDC funding for Grains Council of Australia participation in projects and events, 2006–07

	Contribution \$
Australian Quarantine and Inspection Service Grains Industry Consultative Committee	10,500
Market Access Biosecurity Grains Industry Consultative Committee	12,210
Travel for Cairns Group Meeting	7,865
National Agricultural Commodity Marketing Association Market Standards and Trade Committee	4,026
Grain Industry Leaders Summit	28,297
Seed Industry Consultation and Seed Industry Reference Group	8,800

Obligations under the Commonwealth Authorities and Companies Act

Accountability

A system of accountability and reporting obligations for the GRDC, reflecting its obligations under the PIERD Act, is set out under the CAC Act. Under the CAC Act, the GRDC is obliged to:

- prepare an annual report (in the prescribed form, including a report of operations), and to give it to the responsible minister by 15 October each year (section 9)
- ensure that any subsidiary's financial statements are audited by the Auditor-General (section 12(1))
- prepare and provide to the responsible minister interim reports during a financial year, if required by the Finance Minister by notice in the Gazette (section 13)
- prepare and provide budget estimates (section 14)
- provide the responsible minister (in writing) with particulars of any proposal of the GRDC to undertake any one of a number of significant events (section 15)
- keep the responsible minister informed of the operations of the GRDC and its subsidiaries and provide such reports, documents and information as that minister or the Finance Minister requires (section 16)
- ensure that the general policies of the Australian Government as notified to the corporation are carried out (section 28).

Conduct of officers

The CAC Act imposes specific standards of general conduct for directors and other officers. Sections 22–27P ensure that officers of Commonwealth authorities are subject to standards of conduct comparable to those required of officers of companies under the *Corporations Act 2001*. Subsection 22(1), which is a civil penalty provision, states:

An officer of a Commonwealth authority must exercise his or her powers and discharge his or her duties with the degree of care and diligence that a reasonable person would exercise if he or she:

- were an officer of a Commonwealth authority in the Commonwealth authority's circumstances; and**
- occupied the office held by, and had the same responsibilities within the Commonwealth authority as, the officer.**

The Act also obliges an officer to:

- exercise his or her powers and discharge his or her duties in good faith in the best interests of the corporation (section 23)
- not make improper use of his or her position or information to gain an advantage for anyone or cause detriment to the corporation or anyone else (section 24 and section 25).

A director must disclose to a meeting of the Board the nature of any material personal interest in a matter to be considered by the Board and, unless otherwise determined by the Board or the Minister, ensure that he or she is not present at deliberations and does not take part in any decision on the relevant subject matter (section 27F to section 27K).

Sanctions

A civil penalty regime is contained in the CAC Act (Schedule 2), to deal with any breach by directors of:

- annual reporting rules (section 11)
- their general duty to exercise care and diligence (section 22)
- their general duty to act in good faith (section 23)
- their duty to not make improper use of the position of director to gain an advantage or cause detriment (sections 24 and 25).

Independent audits

The Auditor-General, under the CAC Act, is required to audit each Commonwealth authority's financial statements. In addition, the *Auditor-General Act 1997* confirms the power of the Auditor-General's staff to carry out performance audits of Commonwealth authorities and, in this role, to obtain documents and information.

The Auditor-General's Independent Audit Report on the GRDC for 2006–07 is presented on pages 98 and 99.

Judicial decisions and reviews by outside bodies

In 2006–07 the GRDC was not affected by judicial decisions, nor was its conduct the subject of any reviews by outside bodies.



Roberto Busi, Research Associate, spraying weed seedlings with herbicide at WAHRI. Photo: Evan Collis

The GRDC places high value on continuously improving the organisation's corporate governance. Key activities in this area during 2006–07 included:

- detailed review of most policies and procedures
- the design and implementation of new business and fraud risk reports
- monthly reviews of business and fraud risks
- an external review of Board performance.

Policies and procedures

In continuously improving the GRDC's corporate governance, the corporation is guided by the Australian National Audit Office's *Better Practice Guide: Public Sector Governance*.

The GRDC Operating Manual, which is available to the Board and all staff members, describes the corporation's:

- policies and procedures
- roles and responsibilities (including those of the Board and board committees)
- Code of Business Conduct and Ethical Behaviour
- approval authority schedule, which includes delegations
- general guidelines
- management manual.

Risk management and fraud

Risk management has been embraced throughout the GRDC as a tool to assess risks at the strategic, operational and project levels.

The GRDC prepares a regular business environment report to the Board. This report is used to update the GRDC's situation analysis and identify developing risks.

The Executive Management Team, in consultation with managers, updates the business risk assessment report and the fraud control action plan each month. The Board reviews these documents at each meeting.

Acumen Alliance, the GRDC's internal auditors, conducted a business risk assessment of the GRDC, and prepared a fraud control plan, in the first half of 2006. During 2006–07 the outcomes were incorporated in new templates for the GRDC's business risk assessment report and fraud control action plan, and progressively communicated through staff training.

The significant work undertaken by the GRDC to continuously improve risk management was recognised at the Comcover Awards for Excellence in Risk Management 2006. On 29 November 2006, the GRDC received a Highly Commended award in the Enterprise-wide Risk Management (small agency) category—the only award presented in that category. The GRDC is pleased with Comcover's recognition and useful suggestions for further improvement.

The GRDC will strive to continue improving its risk management framework in 2007–08.

Quality assurance

The GRDC's Quality Management System has ISO 9001:2000 quality assurance accreditation from SGS International Certification Services Pty Ltd. In 2007–08, the GRDC will use quality assurance for continued business improvement.

In 2006–07, regular internal audits were conducted by a contracted certified auditor. In December 2006, the GRDC also had a very successful external surveillance audit conducted by SGS International Certification Services Pty Ltd.

These audits demonstrate that the Quality Management System based on ISO9001:2000 is robust, is being used correctly and is a useful tool for business improvement.

Indemnities and insurance premiums for officers

GRDC officers, including members of the Board, are insured by the GRDC against various liabilities that they may incur in their capacity as officers of the corporation. Since 31 January 1999, Comcover, the Australian Government's self-managed fund for insurance risks, has provided the necessary insurance cover. The Comcover insurance contract prohibits the GRDC from disclosing the nature or limit of the liabilities covered or the amount of premiums payable.

Environmental objectives

The GRDC is required to report annually on its performance in relation to ecologically sustainable development and other environmental issues discussed in section 516A of the *Environmental Protection and Biodiversity Conservation Act 1999* (EPBC Act).

The principles of ecologically sustainable development have been incorporated into the decision-making systems and processes of the GRDC, as required under the EPBC Act.

At the strategic level, *Driving Innovation* articulates the GRDC's vision for an Australian grains industry that is both profitable and environmentally sustainable. The GRDC strategic business plan, *The Way Forward*, outlines how the GRDC is implementing that vision.

At its February 2007 meeting, the GRDC Board adopted a new environment policy. This policy relates to the way GRDC engages its research, development and extension (RD&E) partners.

The policy states that:

The GRDC will invest in RD&E that addresses the environmental priorities of its stakeholders and underpins the sustainable development of an internationally competitive Australian grains industry.

It was also agreed that the Environmental Policy relating to the corporate office would be revised. The corporation currently has in place paper-recycling arrangements and, where operationally viable, purchases energy-efficient equipment. Energy-efficient practices are encouraged within the corporation's premises, to reduce energy consumption wherever possible.

Part 2 of this annual report includes a discussion of how GRDC investments helped to achieve environmental objectives in 2006–07.

Privacy Commissioner

The corporation's privacy policy and procedures form part of the GRDC Operating Manual.

The GRDC's annual *Personal Information Digest* entry as at 30 June 2007 has been lodged with the Privacy Commissioner. The online digest may be viewed at the commissioner's website, www.privacy.gov.au.

Freedom of information

The GRDC is required to comply with the *Freedom of Information Act 1982* (FOI Act).

No requests under the FOI Act were received during 2006–07.

For more information about the GRDC's information product line, see Appendix 6 and www.grdc.com.au.

Enquiries about access to documents and other matters relating to freedom of information should be directed during normal working hours to:

Freedom of Information Officer

Grains Research and Development Corporation
PO Box 5367
KINGSTON ACT 2604

Telephone: 02 6272 5525

Facsimile: 02 6271 6430

Service Charter

The GRDC provides a wide range of publications for government and grower stakeholders as well as the wider community. The GRDC Service Charter, available through www.grdc.com.au, outlines the corporation's commitment to delivering these important resources.

The GRDC Board is responsible for the stewardship of the corporation, and oversees corporate governance within the GRDC. Its other functions include setting strategic direction, and monitoring the ongoing performance of the business and of the Managing Director.

Board members

As illustrated in Figure 10, the Board has combined expertise in business management; corporate governance; commodity production; processing and marketing; finance; risk management; management and conservation of natural resources and the environment; R&D administration; science, technology and technology transfer; intellectual property management; and sociology.

Figure 10 Members of the GRDC Board in 2006–07

Members as at 30 June 2007		
	<p>Terry J Enright Chair (Non-executive) Reappointed: 3 August 2004, commencing 1 October 2004 for three years Member: Remuneration Committee</p>	<p>Terry runs a grain and livestock business at Mt Barker in Western Australia. He is a member and former grains councillor of the Western Australian Farmers Federation. He was Deputy Chair of the GRDC from 1999 to 2002 and, prior to that, Chair of the GRDC Western Regional Panel for three years. He has over 15 years experience in directing research investment within the grains industry.</p> <p>From 1993 to 2003 Terry was Chair of the Albany Port Authority in Western Australia. He is currently an independent board member of Agricultural Research Western Australia. He is also Chair of the Council of Rural R&D Corporation Chairs and a member of the Department of Education, Science and Training standing committee on National Research Priorities.</p>
	<p>Peter F Reading BScAg (Hons), FAICD Managing Director (Executive) Appointed: February 2004</p>	<p>Peter has been Managing Director of the GRDC since February 2004. He is a Director of the Export Grains Centre, Enterprise Grains Australia and GrainGene III. He is also the inaugural Chair of Pulse Breeding Australia. Peter was previously the Managing Director of the Grain Pool Pty Ltd.</p> <p>Peter graduated from the University of Sydney with an honours degree in agricultural science. He commenced postgraduate studies in agronomy before leaving university to work for American Cyanamid in Australia, Asia and the United States. In Australia he subsequently worked for Incitec, British Oxygen Group Asia and the Grain Pool in Western Australia.</p>
	<p>Nicole Birrell M.Sc (LSE), FAICD, FFin Director (Non-executive) Appointed: 1 October 2005 for three years Chair: Finance, Risk and Audit Committee</p>	<p>Nicole runs a risk management consulting business, and a mixed farming enterprise at Corowa, New South Wales. Nicole has more than 27 years' experience in corporate and investment banking, most recently as Head of Operational Risk and Compliance for the ANZ's Institutional Financial Services division.</p> <p>Previously a Director of AusBulk Ltd and of the Australian Practice Nurses Association Inc., Nicole is currently a Director and member of the Audit, Compliance and Risk Committee of SMS Management and Technology Ltd; a Director of and Chair of the Risk & Compliance Committee of Superpartners Pty Ltd; and a member of the Programs Advisory Committee for the School of Applied Economics at Victoria University, Melbourne.</p>

Figure 10 Members of the GRDC Board in 2006–07 (continued)







Members as at 30 June 2007		
	<p>Ross Johns AdDipBusMgt, FAICD Deputy Chair (Non-executive) Reappointed: 1 October 2005 for three years Member: Remuneration Committee and Finance, Risk and Audit Committee</p>	<p>Ross lives and works in rural Victoria, and has been a grain grower for many years. He is an active member of the Victorian Farmers Federation and a Director of ABB Grain Ltd.</p> <p>He takes a keen interest in regional affairs, and has participated in many overseas marketing missions.</p> <p>He brings to the GRDC experience in grain production and marketing, business management, sociology, technology transfer and natural resource management.</p>
	<p>Steve Marshall BSc(Hons1), M.AppSc, FAIFST Director (Non-executive) Appointed: 1 October 2005 for three years Member: Remuneration Committee</p>	<p>Steve has a background in food science and technology management. He was Managing Director of Goodman Fielder Ingredients Ltd from 1993 to 1998 and Technology Director of Goodman Fielder Ltd from 1999 to 2001.</p> <p>He is currently Deputy Chair of the Rural Industries R&D Corporation (RDC) and a Director of the Australian Rural Leadership Foundation.</p>
	<p>Don Plowman BScAg, MScAg, PhD Director (Non-executive) Reappointed: 1 October 2005 for three years</p>	<p>Don is the Executive Director Agriculture and Wine at the South Australian Department of Primary Industries and Resources.</p> <p>He has more than 25 years experience in managing research, including as a director with the Horticultural RDC and the Dried Fruits R&D Council, and as a board member for numerous cooperative research centres (CRCs).</p> <p>His particular areas of expertise are in administration, R&D, the environment and ecology, natural resource management and technology transfer.</p>
	<p>Timothy Reeves B.Sc(Hons) FTSE Director (Non-executive) Appointed: 1 October 2005 for three years</p>	<p>Timothy Reeves is a consultant specialising in national and international agricultural R&D. He has worked for 39 years in agricultural research, development and extension, mostly focused on sustainable agriculture.</p> <p>His recent roles include: Member, United Nations Millennium Project Task Force on Hunger; Chair, New South Wales Agricultural Advisory Council on Gene Technology; Member, European Commission Expert Group for Evaluation of Framework Projects; Chair, Academic Advisory Board on International Community and Development Studies, Deakin University; and Professorial Fellow, Melbourne University.</p> <p>His professional career includes positions in the Department of Agriculture, Victoria; Foundation Professor of Sustainable Agricultural Production, Adelaide University; and Director General of the International Maize and Wheat Improvement Center (CIMMYT) based in Mexico. He is a former President of the Australian Society of Agronomy, and has received international and national honours.</p>

Figure 10 Members of the GRDC Board in 2006–07 (continued)

Members as at 30 June 2007		
	<p>Philip Young BAgS, MEcon Director (Non-executive) Appointed: 1 October 2005 for three years Member: Finance, Risk and Audit Committee</p>	<p>Philip has been an international agricultural and agribusiness consultant for the past 25 years, with a focus on China.</p> <p>He owns a share-farmed intensive grain production property at Munglinup on the south coast of Western Australia.</p> <p>He was the inaugural Chair of Australian Grain Technologies Pty Ltd from 2003 to 2005, and was appointed to the Interim Board of Single Vision Grains Australia in 2005.</p>
Departing member		
	<p>Russell Phillips BEc, Grad.Dip.Comp, Grad.Dip.AppFin/Inv Government Director (Non-executive) Appointed: 31 August 2005 Position ceased: 28 May 2007 Member: Finance, Risk and Audit Committee</p>	<p>Russell is the General Manager for Wheat, Sugar and Crops in the Australian Government Department of Agriculture, Fisheries and Forestry. His team is responsible for providing policy advice and implementing a number of programs that contribute to the global competitiveness of Australia's food and agriculture industries.</p> <p>He has 25 years experience in public policy and administration covering agriculture, transport and competition issues in a range of Australian Government departments and international agencies.</p>

Change of membership structure

Prior to June 2007, the GRDC Board was composed of nine directors, including the Government Director, Russell Phillips.

The position of Government Director was removed by changes made to the PIERD Act in 2006–07.

The GRDC ceased to have a Government Director from 28 May 2007.

Selection Committee

The Selection Committee, a committee chosen by the Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry on advice from the GCA, nominates between five and seven GRDC directors. Appointment of directors nominated through this mechanism is subject to ministerial approval.

The Parliamentary Secretary selects and appoints the Chair of the Board. The Managing Director is selected by the Board, and holds office at the corporation's pleasure.

GRDC directors are appointed for three-year terms. No board appointments were made during 2006–07.

Board Secretary

Geoff Budd, GRDC General Counsel, is the Board Secretary. The role of the Board Secretary is to:

- ensure the correct recording of Board minutes, resolutions and action plans
- help ensure that action plans are closed out within agreed time frames
- prepare Board agendas
- collate and distribute Board papers and other related documents.

Committees

The Board receives formal reports from its committees, and any decisions the Board makes in relation to the reports are recorded in the minutes of the subsequent Board meeting. Terms of reference are in place for each of the committees described in Table 9.

Table 9 Board committees as at 30 June 2007

Committee	Role	Membership
Finance, Risk and Audit Committee	<p>Assist the Board in fulfilling its corporate governance responsibilities.</p> <p>Review the corporation's financial reporting process, internal control system, risk management strategy and processes, internal and external audits, and process for monitoring compliance with laws and regulations and the Board's code of conduct.</p> <p>Review the corporation's financial statements.</p>	At least three non-executive directors.
Remuneration Committee	<p>Review and make recommendations to the Board on matters relating to the remuneration and performance of the Managing Director.</p> <p>Review advice from the Managing Director on remuneration and performance policy for the corporation.</p>	The Chair, the Deputy Chair and one other director.

Meetings

The GRDC Board holds seven meetings every 12 months: four full quarterly meetings and three other meetings. The latter meetings are combined with visits to the GRDC regions, so that the Board visits each region at least once every 12 months.

During 2006–07 the Board visited Horsham (Southern Region), Narrabri and Moree (Northern Region) and Perth (Western Region).

Each director's attendance at Board and Board committee meetings during the year is set out in Table 10.

Table 10 Attendance at Board and committee meetings, 2006–07

Members	Board		Finance, Risk and Audit Committee		Remuneration Committee	
	Meetings attended	Meetings held and eligible to attend	Meetings attended	Meetings held and eligible to attend	Meetings attended	Meetings held and eligible to attend
Terry Enright	7	7			2	2
Nicole Birrell	7	7	3	3		
Ross Johns	7	7	3	3	2	2
Steve Marshall	6	7			2	2
Timothy Reeves	7	7				
Russell Philips	5	6	3	3		
Don Plowman	7	7				
Peter Reading	7	7	3	3		
Philip Young	7	7	3	3		

Roles, responsibilities and code of conduct

The roles and responsibilities of members of the Board, and their code of conduct, are documented in the GRDC Operating Manual. To request a copy of the manual, telephone the GRDC on 02 6272 5525 or send an email to grdc@grdc.com.au.

Induction and training

New board members go through a formal induction process, and there is a process of continuous education for all directors.

Disclosure of interests

Directors must comply with the CAC Act's requirements regarding material personal interests and with the GRDC's policy and procedures for conflict of interest. The Board reviews declarations of conflicts of interest at the start of each Board meeting and directors regularly update their conflict of interest declarations.

Independent professional advice

With the Chair's approval, directors may obtain independent professional advice, at the GRDC's expense, on matters arising in the course of their Board and committee duties.



Charlie Boyle during seeding on the family property east of York, WA. Photo: Evan Collis

Relationship with the Executive Management Team

The Executive Management Team (EMT) has seven members: the Managing Director, and the executive managers from each of the six management groups (the four output groups and two enabling functions). The management structure is shown in Figure 7 in Part 1.

The EMT has an advice and implementation role in relation to the Board. The team investigates and recommends matters for the Board to consider. It also implements Board decisions in accordance with approved policies and procedures, including an approval authority schedule that sets out the necessary delegations.

To ensure that the GRDC's operations are monitored and managed efficiently and effectively, the EMT meets regularly, and maintains and updates an annual business schedule.

Performance monitoring and review

At the start of each year the Board sets its annual key performance objectives. At each meeting the Board uses a checklist to review performance against those objectives.

In 2006, the Board engaged Blake Dawson Waldron to conduct a detailed review of the Board's performance, including by testing the Board's performance against the findings and recommendations of the reviews conducted by Blake Dawson Waldron in December 2004 and December 2005 (the earlier reviews are described in the 2003–04 and 2004–05 annual reports).

Blake Dawson Waldron provided its latest report in February 2007. The Board and management are addressing the findings and implementing the recommendations of the review.

Advisory panels and program teams

The panel system is a key strength of the GRDC. The Board makes decisions with the support of a national advisory panel, informed by the knowledge and experience of three regional panels and four program teams. This network helps to ensure that GRDC investments are directed towards the interests of all its stakeholders and the strategic objectives of its programs.

National Panel

The National Panel comprises the three regional panel chairs the GRDC's Managing Director and the GRDC's executive managers. The National Panel addresses national R&D priorities across the GRDC's investment portfolio and advances recommendations to the Board.

In assisting the Board, the panel's key advice functions include reviewing program investment plans; reviewing budget development and allocations; recommending strategic changes in allocations; arbitrating issues of investment allocation and investment strategy; and endorse review recommendations. The National Panel also plays a major role in communicating with research partners and stakeholders.

Regional panels

The GRDC's three regional panels are composed of grain growers, agribusiness representatives, researchers and the GRDC executive managers, with provision for other industry experts to participate as appropriate. Regional panel members also participate as members of GRDC program teams.

The regional panels develop and monitor the strategic direction for the regional elements of the GRDC's R&D investments (details of the regions are provided in Figure 8 in Part 1).

Supported by the GRDC program managers, panel members assess investment proposals based on selection criteria, and undertake risk analysis of the potential investments. The panels are also responsible for ensuring that investment strategy is responding to the regional and national priorities of stakeholders.

The GRDC Operating Manual covers roles, responsibilities, codes of conduct, remuneration and selection guidelines for panel members. Panel members as at 30 June 2007 are listed in Table 11.

Table 11 Regional panel membership as at 30 June 2007

	Chair	Deputy Chair	Members	
Northern Regional Panel	Ian Buss	Di Bentley ^a	James Clark John Harvey Chris Joseph John Sheppard Bill Yates	David Freebairn Richard Heath Iftikhar Mostafa Graeme Wright
Southern Regional Panel	David Shannon	Mark Peoples	Jeffrey Arney Merna Curnow Barbara Howlett Graeme Lukey Andrew Rice	Andrew Barr Vic Dobos Vince Logan Allan Mayfield David Wolfenden
Western Regional Panel	Neil Young ^b	Robert Belford	Ralph Burnett Merrie Carlshausen Greg Fraser Gavin Whiteley	David Capper Ben Curtis Richard Oliver Ruth Young

^a Resigned on 10 June 2007.

^b Replacing Dale Baker, who retired on 31 December 2006.

Program teams

Each of the GRDC's four program teams comprises program managers, panel members from each of the three regions, an executive manager and a panel chair. Depending on the size and complexity of the portfolio, some program teams comprise several subprograms (as shown in Table 12).

Each program team is responsible for developing, implementing and reviewing the investment strategy within its output group. Other activities include evaluating projects, prioritising potential investment opportunities and monitoring project performance.

Table 12 Program teams as at 30 June 2007

Program team	Subprogram teams
Varieties	<ul style="list-style-type: none"> • Pre-breeding • Breeding
Practices	<ul style="list-style-type: none"> • Agronomy, soils and environment • Crop protection • Validation and integration • Extension and grower programs
New Products	<ul style="list-style-type: none"> • New grain products and new farm products
Communication & Customer Services	<ul style="list-style-type: none"> • Capacity building and corporate communications



The GRDC staff assembled at headquarters.

Staff are important to the GRDC, and priority is given to looking after them. The GRDC acknowledges the importance of families, and is committed to helping staff maintain a balance between personal and family responsibilities and work responsibilities. Excellence is valued throughout the organisation, and staff take pride in their achievements as talent and hard work combine, through teamwork, to achieve the required organisational goals.

Staff

As at 30 June 2007, the GRDC had 52 full-time positions and employed 43 full-time staff members, including the Managing Director, as shown in Table 13. These staff were employed under s. 87 of the PIERD Act, which provides that the terms and conditions of employment are to be determined by the GRDC.

The GRDC also engaged four program consultants, under s. 88 of the PIERD Act.

Table 13 Staff as at 30 June 2007

	Position	Occupant
Managing Director's area	Managing Director	Peter Reading
	Manager Communications	vacant
	Executive Assistant	Wynette Neil
	Executive Manager, Communication & Customer Services	Vic Dobos
Corporate Services	Executive Manager	Gavin Whiteley
	General Counsel	Geoff Budd
	Corporate Lawyer	vacant
	Compliance Officer	Noelia Freitas
	Manager Finance	Danielle White
	Accountant—Reporting	Nino Divito
	Contract Payments Officer	Cathy Wells
	Accounts Payable Officer	Kylie McLay
	Manager Human Resources	Wendy Neil
	Records Management Coordinator	Ross Thompson
	Travel Coordinator	Sarah Smith
	Receptionist	Ros Walton
	Administrative Assistant	vacant
	Manager IT Facilities	Tavis Hamer
	Network Administrator	Bhargav Prajapati
	Webmaster	vacant
Network Support Officer	vacant	



Table 13 Staff as at 30 June 2007 (continued)

	Position	Occupant
Corporate Strategy & Program Support	Executive Manager	Iftikhar Mostafa
	Business Analyst	Vincent Fernandes
	Corporate Strategist Evaluation and Reporting	Zoltan Lukacs
	Manager Procurement and Contracting	Cathy Stewart
	Contracts Coordinator	Klaudia Skazlic
	Administrative Assistant	Lauren Kennelly
	Panel Coordinator (National and West)	Julia Polkinghorne
	Panel Support Officer	vacant
	Panel Support Officer (North and South)	Janine Corcoran
Varieties	Executive Manager	John Harvey
	Administrative Coordinator	Merrilyn Baulman
	Administrative Coordinator	vacant
	Administrative Assistant	vacant
	Manager Gene Discovery	Andreas Betzner
	Manager Germplasm Enhancement	Richard Brettell
	Project Manager Breeding	Sara Hely
	Project Manager Pre-Breeding	Jody Higgins
	Manager Wheat and Barley Breeding	Leecia Angus
	Manager Pulse/Oilseed Breeding	Brondwen MacLean
Practices	Executive Manager	Greg Fraser
	Administrative Coordinator	vacant
	Administrative Coordinator	Angela Ditton
	Manager Agronomy Soils and Environment	Martin Blumenthal
	Project Manager Practices	Rohan Rainbow
	Manager Crop Protection	John Sandow
	Manager Validation and Adoption	Stuart Kearns
	Manager Extension and Grower Programs	Tom McCue
	Manager Publications	Maureen Cribb
New Products	Executive Manager	Vince Logan
	Administrative Coordinator	Bettina Garrett
	Manager New Farm Products and Services	Paul Meibusch
	Manager New Grain Products	John de Majnik

Single Vision Grains Australia

In 2006–07, the GRDC funded two full-time positions and a part-time administrative position in Single Vision Grains Australia (as shown in Table 14), as well as an Interim Board consisting of five members.

Table 14 GRDC-funded staff of Single Vision Grains Australia as at 30 June 2007

Position	Occupant
Chief Executive Officer	Selwyn Snell
Business Development Officer	Matt Kealley
Executive Assistant (part-time position)	Michelle Fairbrother

Equal employment opportunity

Staff are employed under terms and conditions consistent with the *Equal Employment Opportunity (Commonwealth Authorities) Act 1987* and the equal

employment policy set out in the GRDC Operating Manual. Table 15 shows the age and gender profile of GRDC staff for the past two reporting periods.

Table 13 Breakdown of staff by age and gender

	20–30 yrs	30–40 yrs	40–50 yrs	50–60 yrs	>60 yrs	Female	Male	Total
2005–06	18 36%	10 20%	7 14%	14 28%	1 2%	28 56%	22 44%	50 100%
2006–07	11 26%	10 23%	11 26%	10 23%	1 2%	21 49%	22 51%	43 100%

Staff location

Six management groups, including the professional staff who manage research contracts and investment opportunities, are housed in offices at the following Canberra address:

Grains Research and Development Corporation
First Floor
40 Blackall Street
BARTON ACT 2600

The GRDC owns one floor of Tourism House at 40 Blackall Street. The GRDC does not own any research facilities.

Until the end of its operations on 30 June 2007 Single Vision Grains Australia operated from a rented office at:

Suite 17
Level 2
2 Loraine Street
CAPALABA QLD 4157

Code of conduct

The GRDC Code of Business Conduct and Ethical Behaviour is published as part of the GRDC Operating Manual, and copies of the code are publicly available upon request.

New staff members are introduced to the code during induction, and presentations on the code are made to staff at regular intervals. All staff have access to the code via the policies section on the GRDC intranet.

Performance management

The GRDC has a structured approach to reviewing, recognising and improving performance. Measures of performance are aligned with the strategic direction of the organisation, and individual performance is rewarded through the annual bonus scheme, in which performance is assessed against agreed key result areas and performance indicators twice each year.

Performance improvement and excellence is encouraged, and individual efforts and behaviour are identified and rewarded.

Recruitment, training, retention and succession management

In a climate of increasing labour shortages the GRDC is faced with strong local competition. Increasingly, the recruitment process looks for the relevant skills and the right people–organisation match. The GRDC aims for an honest and open exchange of information in order to find this.

New staff are given induction training during the first week, and induction information is available in hard copy as well as online for easy reference.

Training is an extra reward benefit which is highly valued by many GRDC staff members. Training and development opportunities are identified to challenge staff and develop their capacity to perform both in their current roles and in future roles in the organisation. Attention is paid to helping staff find career paths that add direction and a sense of achievement to their roles.

The GRDC values its people and seeks opportunities to demonstrate this. A formal succession management process takes place each year, and all staff are rated according to their potential to succeed in certain roles. Excellent performers may show potential to succeed other staff and be developed for that purpose. This allows retention of valuable industry knowledge across the organisation. All vacancies are advertised internally at first, which offers staff a chance to move up in new areas.

Occupational health and safety

The link between good health, enjoyment of work, productivity and excellence means the health and wellbeing of staff continue to be priorities at the GRDC.

Some ways in which health and safety support are provided to staff are:

- promoting good nutrition by providing fresh fruit each week
- preventing injuries by increasing awareness of ways to prevent strains and injuries
- increasing awareness of stress and depression and ways to manage them, including through lectures by employee assistance program counsellors
- providing a free flu immunisation program
- providing a free employee assistance program and counselling service for all staff
- providing and maintaining safe plant, systems of work and access to and egress from the workplace

- improving hazard identification, risk assessment and risk control through health and safety representative training
- providing training on incident reporting and notification
- maintaining information and records relating to health and safety.

During the year there were several instances of staff requiring extended sick leave. The GRDC was able to demonstrate its commitment to staff by an individual approach in each case, allowing in most cases a full and safe return to work. These instances showed a consistent application of policy, while allowing fairness and flexibility in accordance with the circumstances.

Table 16 summarises the key elements of the GRDC's occupational health and safety performance during the year.

Disability strategies

The GRDC implements the requirements of the *Disability Discrimination Act 1992* and the Commonwealth Disability Strategy to an extent which relates to the size and functions of the corporation, and as the need arises.

If documents are presented on the internet, accessibility guidelines are followed and large print is available on request. The principle of 'reasonable adjustment' is recognised and every effort is made to deal with concerns fairly.

Table 16 GRDC occupational health and safety performance

Indicators	Performance
Training and awareness of occupational health and safety (OH&S) requirements	Important activities conducted during the year included: <ul style="list-style-type: none"> • training on emergency procedures for new staff • senior first aid officer training for two staff members • OH&S training for health and safety representatives • the annual emergency building evacuation and fire drill • the annual check and restock of the first aid kit • the establishment of more extensive OH&S policies.
Improved internal security arrangements	Compliance with the Protective Security Manual was reviewed. The reception area was locked on close of business daily.
Workplace facilities maintained to a high standard	Activities to ensure that facilities were well maintained during the year included: <ul style="list-style-type: none"> • the twice-yearly inspection of fire extinguishers • the annual radiation check of microwave ovens • regular inspection of smoke detectors.