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PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into Effective Decision Making for the Successful Delivery of Significant Infrastructure Projects

Melbourne — 21 March 2012

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Witnesses

Mr M. Ratcliffe, Victorian President,

Mr L. Simonelli, National Director, and

Ms M. O'Tarpey, Chief Executive Officer, Australian Institute of Project Management.

**Necessary corrections to be notified to
executive officer of committee**

The CHAIR — I declare open the Public Accounts and Estimates Committee hearing on the inquiry into effective decision making for the successful delivery of significant infrastructure projects. On behalf of the committee, I welcome from the Australian Institute of Project Management Mr Michael Ratcliffe, Victorian Chapter president; Mr Leh Simonelli, national director; and Ms Margie O'Tarpey, CEO.

Members of Parliament, departmental officers, members of the public and the media are also welcome, but limited. In accordance with the guidelines for public hearings I remind members of the public gallery that they cannot participate in any of the committee's proceedings. Only officers of the PAEC secretariat are to approach PAEC members. Written communication to the witnesses can only be provided via officers of the PAEC secretariat. Members of the media are also requested to observe the guidelines for filming or recording proceedings in the Legislative Council Committee Room, and no more than two TV camera operators are allowed at any one time in the allocated spaces. I remind TV camera operators to remain focused only on the persons speaking and that panning of the public gallery, committee members and witnesses is strictly prohibited. As previously advised to witnesses here today, I am pleased to announce that these hearings are being webcast live on the Parliament's website.

All evidence taken by this committee is taken under the provisions of the Parliamentary Committees Act, attracts parliamentary privilege and is protected from judicial review. However, any comments made outside the precincts of the hearing are not protected by parliamentary privilege. This committee has determined that there is no need for evidence to be sworn; however, witnesses are reminded that all questions must be answered in full and with accuracy and truthfulness. Any persons found to be giving false or misleading evidence may be in contempt of Parliament and subject to penalty.

All evidence given today is being recorded. Witnesses will be provided with proof versions of the transcript to be verified and returned within two working days of this hearing. Verified transcripts and PowerPoint presentations will be placed on the committee's website within two weeks of this hearing. Following a presentation by AIPM, committee members will ask questions relating to the inquiry. Generally the procedure followed will be that relating to questions in the Legislative Assembly. I ask that all mobile telephones be turned off. I now call on Mr Ratcliffe to give a brief presentation of no more than four minutes, if desired.

Mr RATCLIFFE — Thank you for the opportunity to be present with you to discuss these important matters today. In a couple of minutes I would like to introduce the AIPM and summarise the essence of our submission to you. AIPM is a professional not-for-profit association. Nationally it has some 10 000 members. Nearly 2000 of those members are Victorian based, and the institute has both corporate and individual membership. The institute is affiliated with the International Project Management Association and is the current secretariat for the Asia Pacific Federation of Project Management.

The general aim of the institute is to promote professionalism in the management of projects, programs and project portfolios. One of its key contributions is the framework for competency-based certification of project management professionals as the most effective means of providing industry and government confidence in the particular practitioner having the ability to deliver the project to be undertaken. Competency-based frameworks are widely recognised as superior to knowledge-based or credential-based systems as they are grounded in demonstrable performance. My colleague Leh Simonelli will elaborate on this shortly.

AIPM has pioneered one of the leading competency-based certification standards in the world for individuals and for organisations. The competency of an organisation to effectively deal with the management of projects, programs, portfolios and so on is just as important as the competency of the individual. Indeed it must be emphasised that good project management by itself cannot yield success. The project selection processes, the business case, the benefit expectations, the corporate processes and so on all contribute to, or erode, the prospects of success of any given project.

AIPM has also developed standards against which organisational maturity for project management can be assessed, though more is needed in this area. Standards for project management are now well established. Standards for practitioners in project portfolio management are currently being finalised. Program management is seen as an area warranting much further attention and development, particularly as this closely relates to the nature of many government undertakings and links with policy pursuits.

In summary, our submission is, firstly, that the competency of project management professionals and the competency of the delivery organisations will enhance project success or the chances of project success; secondly, that that competency can be formally assessed and demonstrated through accreditation; thirdly, that the purchasers of project management services should look for such accreditation to help them select contractors and recruit staff as one measure of risk to project success; further, that the Victorian government should request evidence of project management competency for project managers engaged to work on projects through formal AIPM certification and membership of a professional body, which does not necessarily have to be AIPM; and finally that the AIPM is willing to work with industry, academia and government through any special entity arrangement, such as an industry council model which has been used elsewhere, that is tasked with defining a strategy to address skill and competency gaps in the delivery of Victorian government projects.

The CHAIR — Thank you, Mr Ratcliffe. I am interested in your submission and commentary. I actually have a whole lot of questions, and I know my colleagues will as well, so I will jump straight into that. One of the commentaries we have received over the last two days — it has all become a bit of blur, so I cannot quote the actual witness — was advice that one of the progressive changes that has occurred in terms of professional standards or professional recognition is that we have an increasing proportion of project managers who are generalists and come from a finance discipline, in effect, rather than probably a couple of decades ago, when ‘project management’ by definition predominantly meant engineering qualifications. In fact it is estimated by the evidence — —

Mr O’BRIEN — Professor Chandler. I have the note.

The CHAIR — Thank you. Professor Chandler made that observation, and I think the figure was 80/20 — that is, 80 per cent are now generalists versus 20 per cent with what I describe as the ‘hard engineering’ views.

I make the analogy that we do not have a lot of people who know how to use the tools anymore. Not many people have the tools on their belt, as it were, and know how to actually build something. They might know how to write a tender specification or write a contract or oversee a contract, but they cannot actually oversee the building, which is a whole different discipline. What is of concern to me around this issue of accreditation and your professional association is that it is a cycle that grows on itself, because you need to be accredited to be in the space to work in the industry, but at the same time the accreditation and certification is not about what I described as the hard-edge discipline that is required for the successful achievement of a project outcome on time, on budget and according to the specifications of the task rather than the specifications of the contract, which are two different elements. Would you like to comment?

Mr RATCLIFFE — Yes, and I might get my colleague to add 10 cents worth or more as well. You have gotten into a very good area, a very complex area and a very relevant area to the debate. I have a couple of comments, perhaps — just straight reactions. One is that it depends a bit on project complexity, and certainly once you get to very large scale projects you need a whole raft of different roles and skills that will range from finance people or straight cost analysts through to legal and the technical and design professionals — engineers, architects and so on. There are also, we would argue, specialist project management skills — I will not call them generic skills — that are somewhat independent of the technical task.

The first thing I would ask is to distinguish those things that are sophisticated management competencies that can be applied routinely to different project situations. Then when you come at it from the perspective of the individual project, there might be a requirement for particular technical skills to be augmented to that, and, secondly, there might be industry-specific knowledge that if you were recruiting somebody to run the project — say it was hypothetically a one-person-managed project, which they never are, and that person or that particular project might be in the IT industry or the construction industry, for example, to pick two extremes — you look for somebody who has that industry-based knowledge. So it then becomes three components of knowledge, not either/or. It becomes the generalised, albeit specialist, management skills, the technical underpinning of the subject matter of the project, and, thirdly, industry-specific familiarity and experience, like special rules for procurement or something that is the industry-type dimension of the thing. I do not think it is as simple as just ‘generic’ or ‘specialist’. Certainly the problem you describe is absolutely central to the entire debate, but I think it needs a bit more unpacking. Can I ask my colleague if he wants to add something to that?

Mr SIMONELLI — I suppose, more from an observational perspective, the institute has deliberately gone down a track where we are noticing, at least historically, that there has been accidental project management.

People with a discipline — IT, engineering or whatever — would fall into this role now called a ‘project manager’. Industry was definitely saying to us that we needed something more — some sort of assurance that they could get a tick of approval from a peak industry body, so we deliberately set up standards that moved away from accidental and more into aspirational project management.

I have a behavioural sciences background. I fell into project management by accident, but I now preach the concept that project management can be a career, not just an accident. Our standards, when we refer to competency standards, refer to the fact that it is generic and not industry specific. That is deliberate, because that is what our members are saying to us.

In terms of infrastructure projects, Mike’s point is absolutely apt. We are finding that you need specialists, technical and industry, and our competencies are based on contextual, technical PM and behavioural. Again, statistically and historically, a lot of the projects are falling down not because of the lack of technical prowess; it is about leadership communication and all these clichés that people constantly throw around. That has been shown benchmarked against international peak bodies; the American body and the UK body are finding exactly the same sort of thing there, hence the proliferation of a variety of models there. Unfortunately it is not as simple as ‘you need this’ or ‘you need that’; you really do need that cocktail, and that is what both our clients and our members are saying.

Mr RATCLIFFE — I might add one more comment. There is this sectoral carve-up of skills and competencies, but a stratification of complexity comes into it as well. The certification standards and credentialing that is offered under AIPM in fact recognises currently three and in time up to five levels of sophistication and hence relevance to the particular project or its setting. They range from a lower order level of somebody who is a project associate, who might be a specialist like a cost engineer, a scheduler or something quite specific, through to a generic project manager, up through an upcoming credential — a much more senior project manager — to somebody dealing with broader programs and portfolios, right up to the high-order executive function dealing with whole organisations and the delivery of the entire program of projects that organisation may be pursuing in pursuit of its corporate and policy objectives.

Mr PAKULA — I would like you to take me through the process of being competency assessed by the AIPM: how long it takes, how much it costs, how many project managers in the private sector might already be and might not have been. The reason I ask — and just follow my train of thought — is that we have heard a lot of evidence about the reasons infrastructure projects might either cost more or take longer than they should. I do not think I have heard anyone else so far suggest that the primary or even a significant reason for it is a lack of project management expertise in the private sector. A few reasons have been posited, but that is not one of them. I am also wondering whether anyone other than the AIPM provides that competency accreditation that you talk about, because you would have to acknowledge that one of the beneficiaries of your recommendation being adopted would be the AIPM. Given those circumstances, I am interested in you walking us through it.

Mr RATCLIFFE — I will ask my colleague Leh to do it. The short answer is that we only pursue things in the public interest.

Mr SIMONELLI — We will perhaps underline that, just in case. Obviously we do have a vested interest to talk about that. Perhaps I will start with your last question and work backwards. Does anybody else in Australia do competency-based certification as a peak body? Not to my knowledge. There is another body called the PMI, which is an American-based organisation, which you have no doubt heard about. It has international branches and affiliations, and it does more of an exam-based thing. The entire purpose of a competency-based model is exactly that — to make it competency based. In simple terms, it is about showing the underpinning knowledge that a professional needs; but show me how you apply that knowledge. It is about the technical and skills application and the behavioural competencies required there.

Australia’s peak body, the AIPM, has 10 000 members, so technically we are the second largest in the IPM world. That must say something about where it is heading and why; we are second only to the APM in the UK. When last I looked we were the second largest member of the International Project Management Association, so we are called upon to make commentary on a lot of these areas. How long does it take? Without being simplistic, how long is a piece of string? As Mike suggested, you can enter the competency-based process at certain levels — at associate level, project manager level, project director level and higher. It is all about showing a body of knowledge and how you apply that body of knowledge. Hence that is why our industry

clients are saying to us, 'In days gone by a qualification was absolute, it was a given, but the qualification on its own was not proving to be sufficient'. People were not industry ready, and I think that is a critical point; so the certification is about showing us you can do it and not just talk about it or write about it in an essay. We have a body of knowledge that it is based against. By way of example, there are nine critical functions you need to be able to show us, both in terms of theory as well as application. On the whole it takes somebody a couple of months to put together a body of evidence, so it is about showing us currency, validity and that you can actually do it. In days gone by the primary candidate for that was an engineer, but over the last decade and a half a lot of other specialists have moved into the area. They are called specialists. They could be from financial services, behavioural science, education and the like. Most infrastructure projects are starting to see that they need that sort of cross-industry specialisation, rather than just one particular candidate. What we are looking for is showing us you can run a project — its people, processes, its systems — across industry, across enterprises, across projects, and not just infrastructure. Having said that, with the greater the complexity of the project, clearly the greater the emphasis on application. I am not entirely sure if that was one of the questions you were asking, but in terms of how long it takes?

Mr PAKULA — I think you have covered it.

Mr SIMONELLI — I think there was a question of cost as well, from memory. We do not set an upper or lower benchmark, but the industry average is anywhere between \$900 and about \$1200. It is assessed by a qualified competent project manager who has to jump a few hoops to be classified as an assessor; so there is a fair benchmark they have got to jump across.

Mr ANGUS — My question follows on from that, particularly in relation to what are the ongoing training requirements for your members, and is there any review of a member's performance — for example, if it were deficient, are there any sanctions or disciplinary measures that can be imposed, or rather is it something that you keep for life?

Mr SIMONELLI — The certifications are valid for three years — and I am glad you asked that question. The candidate needs to re-certify on that three-year anniversary, together with a series of professional development points, or CPD. For a project manager, for example, it is 60 points. Each activity they undertake has a certain category of points attached to that, so at the end of that three-year period they need to recertify. It is their responsibility over the previous three years to undertake a whole variety of professional development activities in a whole variety of areas.

Ms O'TARPEY — And there is a validation and review process that is part of that.

Mr SIMONELLI — It is a quality control process — a validation process — as part of that. If people do not maintain that recertification, we give them a bit of leeway — there is an appeal process and the like — but ultimately they do not get recertified unless they have gone through a formal recertification process at the end of that three-year period.

Mr ANGUS — So their membership would essentially lapse?

Mr SIMONELLI — Membership is an annual thing. You have to be a member to be certified under our standards, our system. They cannot be certified if they are not a member.

Mr ANGUS — My other question was in relation to discipline or sanctions and so on.

Mr SIMONELLI — There is a whole variety of processes we go through. If somebody chooses not to be recertified but still wants to claim the postnominals, they cannot; it is as simple as that. They have to go through a process of reassessment with a certified and practising assessor at that period.

Mr ANGUS — If I can just ask a supplementary, in relation to some of the competencies that have in fact been tested during the course of the process that you have just outlined, can you just expand on some of those?

Mr SIMONELLI — Sure. We use the PMBOK — project management body of knowledge — model; you may have heard the term. It is a very pretentious term, but it is seen as the bible of project management and project managers.

Mr RATCLIFFE — Tailored to the Australian context.

Mr SIMONELLI — That is an important thing. It is an international body of knowledge, but we have tailored it to the Australian context. That is the foundation of a lot of our qualifications as well as our certification system. In short it looks at nine primary areas of a project — everything from scope, cost, risk and communication to quality control et cetera. There are nine primary areas. We are happy to supply some background data if it would be of use there.

The CHAIR — It would be helpful.

Mr SIMONELLI — Sure. As I say, it is the basis of qualifications as well as certifications. The difference between the two is that, as the name suggests, a qualification is a base-level theory and it focuses purely on that, whereas a certification under our system says, ‘All right, that’s nice. You’ve got the theory, now show us you can apply it in any context, any industry, any project’. That is the crux of what we look for.

Our new standards, if I can quaintly call them that, that we are introducing have a lot more of a leadership-interpersonal focus. We are finding again that our industry clients are saying to us that there are a lot of very competent, very skilled project managers who do not want to move to a higher level but who perform a very significant role in the industry and in their projects. Essentially we would call them senior project managers. No qualification exists — there is no equivalent — so we have introduced some new standards. We are just benchmarking those at the moment. We will have a lot more emphasis on the leadership issues. I say that deliberately because of the fact that a lot of our research, both academic and anecdotal, is showing that it is those classic interpersonal-leadership issues that are breaking down in a lot of projects. It may sound simplistic, but it has been shown over and over again that poor communication, poor governance, poor decision making — hence the inquiry — et cetera is breaking down because of the poor skill sets. It may be equated to the technical project management skill sets but not to the more interpersonal sorts of areas. It is a significant breakthrough that we are starting to get some strong data on that sort of area.

Ms HENNESSY — I am not quite sure who is best placed to answer my questions, but I am interested in hearing about how other peak bodies essentially view your proposition, particularly Engineers Australia. I would be interested in whether or not they say, ‘Listen, we are qualified and experienced, and we do not require certification’. I was also interested to read in your submission your comments about the federal government funding that has been allocated in respect of the Productivity Places Program — that is what I think it is called — in regard to the certificate IV and the diploma. What does the federal government say the policy justification was for that? Was that about economic stimulus, or was that about increasing the professionalisation of project management as a profession?

Mr SIMONELLI — I will deal with the latter first, then we will go back to the first one. The primary recognition authorities in every state and territory, as you are probably aware, do a fairly thorough analysis of where skill sets and skill gaps lie in the industry sectors. Project management has been seen over and over again as an enabler and as a primary tool to actually get things done. It is seen as the primary skill set. Has it been found wanting? Yes — hence the reason they started to recognise it and it is starting to show up in formal qualifications. The certificate IV and the diploma are probably the entry level for most people undertaking project management training. That experience is absolute in that respect. So I think federally they are starting to recognise, and indeed it is being seen at state levels as well, that that is a major gap existing in the marketplace, if I can call it that. Does that help?

Ms HENNESSY — Yes.

Mr RATCLIFFE — To add to that, and it might be a segue into the first question as well, in the commonwealth context there is a growing recognition in some of the government departments, in particular Prime Minister and Cabinet, another organisation — I will not say the public service commission, but, sorry, I just cannot recall its exact title — but also the Institute of Public Administration, as well as ourselves, that there are some decided skill gaps in the delivery of public sector projects. It is about everything from the skills related to the actual delivery of the project as defined, and it is about the context of those projects, meaning the business cases, the initiation phase, the project selection and so on.

That gets into that whole argument about program, meaning all of the projects that add up do mount up into something that is a total program — for example, putting a man on moon requires the design of a spaceship, design of a suit, design of a rocket and so on. Any one of them, by itself, is important and must succeed, but

really what is more important is the whole of them all acting together to achieve some greater objective, and you can readily see the parallels with government policy.

The federal government is recognising, apart from and beyond simply putting more funding into skills training, that within their own operational context there are some inadequacies and gaps that they want to see filled, and we have been working with them in the Canberra context to try and put together a cross-industry, cross-academia, cross-other professional organisations to work in a partnership to try and come up with strategies to address that skill gap, and then how it flows through to training regimes supplementing the existing training institutions and so on will come next. It is that growing recognition right across the board that there are some significant gaps in the line-up.

To the question of what do other professional organisations think — —

Ms HENNESSY — Is there any kind of turf war in a sense?

Mr RATCLIFFE — No. At times. I would like to think no. There is always a little bit of occasional professional rivalry, but between the major bodies that may well be presenting to you there is nothing but complementarity. Indeed take Engineers Australia. I have had discussions with them, and they recognise the role of project management professionals as adjunct to engineering professionalism, so they are seen as complementary skill sets, and they are not looking to encroach into the area. There are famous jokes around about the arguments between engineers and architects — and lawyers and everybody else — about professional differences and who can manage to do things better, but reality is different.

Mr SIMONELLI — We think the turf wars are between those over there and not for us.

Mr RATCLIFFE — In some of those major allied professional bodies there is not a professional difference of views or contestability. As was mentioned earlier, there is one other project management organisation that would compete for membership with us but, as we are trying to point out, the fundamental distinction between the certification coming out of those two organisations is that one is a knowledge base, meaning credentials, and the other is competency based, and that is the way the rest of the world is going. There are major movements internationally to further go down the path of competency-based standards for professions, and even Engineers Australia is now looking to formalise its practice standards as opposed to simply the credentials.

Mr O'BRIEN — We received evidence from Dr Chandler earlier today about some issues that he had identified in relation to the BER programs, and particularly in relation to project management competencies. He identified a number of matters within government, and that has been talked about, but the one that interested me, particularly in terms of your evidence, was criticism he made of — and we all need to be careful; there might be ongoing matters — particular project management firms that had expertise, but perhaps given the speed of the program down the line within their organisation they did not have that. I will read you his quote. He says:

In Victoria under the externalised program and project manager delivery model used for BER school projects many shortcomings were identified. Apart from unresolved precommitment client design, projects were committed with poor resolution of site-related scope issues, a lack of coordination of design by the contracted project manager and a lack of effective quality or compliance auditing by the program manager was evident.

Also involvements with the schools were technically outside it — that had a big say as the ultimate user.

If you are heading down your model, given that there is in a sense no particular route to become a project manager, as you say — although there is the qualification with certification, but we know particularly in Australia very successful property developers and project managers have come from very different fields, and that applies not just to project managers, but other property-related professions, like valuation and maybe a slight difference between, say, the accountants and the lawyers who have had a traditional right or wrong — how do we deal with that, particularly for accountability? If project management goes wrong, there is a big cost to the community and to government — for example, solicitors have a defalcating fund that they all contribute to, and I am not saying you necessarily want to contribute to that. If we are accepting this greater role for project managers and it seems to be in the industry anyway, how are we going to make sure that the accountability of being certified or accredited as an important trading tool actually rings home within the industry?

Mr RATCLIFFE — Excellent point. There are a number of dimensions there, and I will try and tick a few of them. Firstly, I cannot or will not comment on the BER or its failings or successes or otherwise other than to make again the point that failings that might be seen as the project manager's failings can also be systemic failures of the delivery organisation or the way the program is established in the first instance. I say that generically and not against BER, or any other project for that matter. For example, if a project was set up with a quite unreasonable time frame for delivery, resource allocation or all of the extra dimensions that are part of the responsibility of the sponsoring organisation to put in place as a framework around the actual management of a project, and they fail or are not properly structured or considered in the first place, the project can fail in spite of the best individual project manager on the case on the day. Any examination of performance needs also to have an understanding of where the failure points were.

The second point was the increasing — —

Mr O'BRIEN — The nature of how you can get your competency from different means.

Mr RATCLIFFE — Yes. I suppose I will give you a personal view here as much as, an institute view, but not necessarily at odds with one. I think it will always be the case that different industries will look for a degree of competency or experience within the ambit of where the project sits. There is the example of an IT person trying to run a construction project, for example. We do say that they are generic skills that can cross boundaries. It is not saying that you can exclusively operate with that. Running a BER program, if that was the example, may well need somebody who is familiar with construction competencies and capabilities in addition to the project management-type skills, and then to come back to that stratification point I made earlier, there are people who will be dealing with site-level delivery and there will be other people who are back doing coordination of multiple school sites or major procurement chain activities and so on, so it is that whole team of people, not just individual project managers per se.

Mr O'BRIEN — The last part was accountability. How do we have accountability? I could ask a specific supplementary question. For example, do you have professional indemnity insurance, and would you require professional indemnity? Would you require that of your members?

Mr RATCLIFFE — On the specifics of professional indemnity, it is usually the firm that employs the practitioner that needs to take out PI. The flip side is usually that the purchaser, the department of public works or whoever it is, would write into the contract the level of PI insurance that was acceptable, and from my experiences in times past much of the debate about the terms of contract for obtaining professional services is about the boiler plate stuff to do with the insurances and liabilities and so on. That is normal commercial give and take, and any competent project organisation and any competent procuring organisation would normally agree on a professional indemnity regime that should be put in place. That is oftentimes independent of the individual practitioner.

What is their accountability as a professional? I suppose you could flip it over and say that for the individual this competency certification is the first risk reduction task to show that that person has got enough wherewithal to run a project and that you are falling back on that competency assessment as part of the accountability. The institute itself then has these reviews, validation processes, renewal processes and so on, and over time — like elections, I suppose — you would say that a day of reckoning comes. On a day-by-day basis there are checks and balances within the system for picking that up, or your project controls are another tool of a well-run project that should be able to pick up where things are coming off the rails. And project governance structures, sitting over the top of all that, should be in place to operate to say what the mitigating actions are that need to be taken to get the thing back on the rails.

Mr O'BRIEN — I suppose the theory is that when a project goes well everyone is there to get it finished on time and when they go wrong, all of those structures and everything, everyone runs for cover, and chasing the dollar can be pretty difficult.

Mr RATCLIFFE — It is the great adage that success has many fathers but failure is an orphan.

The CHAIR — Thank you. In the limited time available I would like to touch on the Victorian jurisdiction specifically in relation to the Victorian government bodies, departments and agencies in relation to the competency certification we discussed earlier. It may not be possible to pull this information out, but if you have it I would be interested. What is the approximate level of the AIPM's competency certification that is

attained by Victorian government bodies and individuals who are employed by them? Would you have any data on that?

Mr SIMONELLI — We do not, per se. But we pose the same question of ourselves across the country. If you could bear with us, we are keen to find that out as well, so we can easily pass that on.

The CHAIR — So you are actually undertaking some specific membership assessment.

Mr SIMONELLI — Analysis, yes. We are trying to get a sense of the breakdown, if you wish, across industry — private or public sector.

Mr RATCLIFFE — But the outcome of that, I would add, perhaps does not go to the question that I suspect you may be asking, which is drilling down to look at skill gaps or knowledge base or the profile of competency within the government sector. I think the sort of information to which Leh is referring will be much more high-order membership detail about who has credentials and what industry they are in. There may be perhaps some extra dimensions, but it is not at a level — —

Mr SIMONELLI — Yes, we have to be relatively careful obviously about making too many general assumptions about that, but we are keen to get some sort of greater than anecdotal breakdown of that.

The CHAIR — We are asking a lot of questions about the relevant skill sets that we have available, and there are various mechanisms within the government agencies where those skill assessments are done. My deputy has a follow-up.

Mr PAKULA — It is related. While you are gathering that information you might also be able to find this out, or you might already have it. In terms of government, you have 23.5 per cent of your membership in government; do you know whether there is any preponderance in particular states or particular departments? Do they cluster?

Mr SIMONELLI — Yes. Margie will have some data there. We tend to have a cluster around the eastern seaboard — New South Wales, Victoria and Brisbane — and probably more recently the Department of Defence would probably constitute a greater proportion of that. But it is changing; it has been shifting even as recently as the last two to three years. We are in the process of breaking down and analysing those figures now, so we are quite comfortable forwarding some of that information if that helps.

Mr PAKULA — That would be useful; thank you.

Mr RATCLIFFE — Defence and construction tend to be the two biggest membership areas, and to the extent that the government would take a representative portion of each of those, defence is probably more government than private — even though, for example, a lot of the major private defence contractors would be members as well. But that is probably going to be reflected in the government figures as well.

The CHAIR — Very good. Regrettably that brings us to the conclusion of today's hearings. I would like to thank the AIPM for its participation, particularly Mr Ratcliffe, Mr Simonelli and Ms O'Tarpey. I think that you will note by the questions you have been asked that the members of the committee have been interested in your contribution and look forward to any other data which you are able to provide subsequently.

We may follow up with some further questions in writing in due course, in which case the committee requests responses to be provided within 21 days. There are some issues on which you will be coming back to us of your own volition as well. It may be that you would like to provide a supplementary submission on any relevant factors that come out of this inquiry at a later date, and we would be pleased to receive it. Thank you very much for your participation. This closes the hearing.

Committee adjourned.