

# CHAPTER 1

## Introduction

1.1 This is the Senate Education and Employment Legislation Committee's (the committee) first report on annual reports for 2014. It provides an overview of the committee's examination of annual reports for the 2012–13 financial year.

### Terms of reference

1.2 This report was prepared pursuant to Standing Order 25(20) relating to the consideration of annual reports by committees. The Standing Order states:

Annual reports of departments and agencies shall stand referred to the committees in accordance with an allocation of departments and agencies in a resolution of the Senate. Each committee shall:

- (a) Examine each annual report referred to it and report to the Senate whether the report is apparently satisfactory.
- (b) Consider in more detail, and report to the Senate on, each annual report which is not apparently satisfactory, and on the other annual reports which it selects for more detailed consideration.
- (c) Investigate and report to the Senate on any lateness in the presentation of annual reports.
- (d) In considering an annual report, take into account any relevant remarks about the report made in debate in the Senate.
- (e) If the committee so determines, consider annual reports of departments and budget-related agencies in conjunction with examination of estimates.
- (f) Report on annual reports tabled by 31 October each year by the tenth sitting day of the following year, and on annual reports tabled by 30 April each year by the tenth sitting day after 30 June of that year.
- (g) Draw to the attention of the Senate any significant matters relating to the operations and performance of the bodies furnishing the annual reports.
- (h) Report to the Senate each year whether there are any bodies which do not present annual reports to the Senate and which should present such reports.<sup>1</sup>

### Role of annual reports

1.3 Annual reports place a great deal of information about government departments and agencies on the public record. Accordingly, the tabling of annual reports is an important element of accountability to Parliament, assisting in the

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1 *Amended 24 August 1994, 13 February 1997, 11 November 1998, 3 December 1998, 13 February 2002, 19 November 2002, 14 August 2006: with effect from 11 September 2006, 13 May 2009: with effect on 14 May 2009.*

effective examination of the performance of departments and agencies, and the administration of government programs.

### **Annual reports referred**

1.4 In accordance with Senate Standing Order 25(20)(f) this report examines those annual reports tabled between 1 May 2013 and 1 November 2013. The committee examined the following reports:

#### *Statutory authorities/bodies*

- Tertiary Education Quality and Standards Agency – Annual Report 2012–13
- Safety, Rehabilitation and Compensation Commission – Annual Report 2012–13
- Fair Work Ombudsman – Annual Report 2012–13
- Seafarers Safety, Rehabilitation and Compensation Authority – Annual Report 2012–13
- Australian Research Council – Annual Report 2012–13
- Fair Work Building and Construction – Report for 2012–13

#### *Commonwealth companies under the CAC Act*

- Comcare – Annual Report 2013–13
- Australian Curriculum, Assessment and Reporting Authority – Annual Report 2012–13
- Australian Institute for Teaching and School Leadership – Annual Report 2012–13

1.5 The tabling dates of these reports are listed at Appendix 2. Details of all annual reports referred to the committee are set out at Appendix 1.

### **Reports not examined**

1.6 The committee is not obliged to report on Acts, statements of corporate intent, surveys, corporate plans or errata. The following documents were referred to the committee but not examined:

- Remuneration Tribunal – Annual Report 2012–13
- Education and Care Services Ombudsman, National Education and Care Services FOI & Privacy Commissioners
- Submission Report on ILO Instrument Social Protection Floors Recommendation, 2012 (No. 202)

1.7 Senate Standing Orders require the committee to examine the annual reports referred to it to determine whether they are timely and ‘apparently satisfactory’. In making this assessment, the committee considers whether the reports comply with the relevant requirements for the preparation of annual reports of departments and authorities.

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1.8 The requirements are set down in the following instruments:

- for portfolio departments: the *Public Service Act 1999*, sub sections 63(2) and 70(2), and the *Requirements for Departmental Annual Report, for Departments, Executive Agencies and FMA Act Bodies*, Department of Prime Minister and Cabinet, revised June 2013;
- for Commonwealth authorities and companies: the *Commonwealth Authorities and Companies Act 1997*, in particular sections 9, 36 and 48, the *Commonwealth Companies (Annual Reporting) Orders 2011*, and the *Corporations Act 2001*; and
- for non-statutory bodies: the guidelines are contained in the Government response to the Senate Standing Committee on Finance and Public Administration Report on Non-Statutory bodies, Senate *Hansard*, 8 December 1987, pp 2643–45.

### **Timeliness in tabling annual reports**

1.9 Standing Order 25(20)(c) requires the committee to report to the Senate on the late presentation of annual reports.

1.10 Annual reports must be tabled in Parliament by 31 October each year, except where an agency's own legislation specifies a timeframe for its annual report.<sup>2</sup> Those agencies reporting under the *Commonwealth Authorities and Companies Act 1997* are required to provide their annual reports to the minister by the 15th day of the fourth month after the end of the financial year. Where the financial year ends on 30 June, this deadline translates to 15 October.<sup>3</sup>

1.11 The committee recognises that some agencies are required to comply with other timeframes stipulated in their enabling legislation, such as 'as soon as practicable after 30 June'. Nonetheless, the committee reminds all agencies that the government considers it best practice for annual reports to be tabled by 31 October each year.

### **General comments on reports**

1.12 The committee has found, under the terms of standing order 25(20), that the reports described here are apparently satisfactory. In making this assessment, the committee considers aspects such as the timeliness of presentation and compliance with relevant reporting requirements.

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2 Department of Prime Minister and Cabinet, *Requirements for Annual Reports for Departments, Executive Agencies and FMA Act Bodies*, June 2012, p. 2.

3 *Commonwealth Authorities and Companies Act 1997*, section 9.

