

CHAPTER 1

Introduction

1.1 This is the Senate Education and Employment Legislation Committee's (the committee) second report on annual reports for 2014.¹ 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.²

1 See Education and Employment Legislation Committee, Annual reports (No. 1 of 2014).

2 *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, 29 September 2010, 8 February 2012, 13 November 2013.*

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 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 November 2013 and 30 April 2014. The committee examined the following reports:

Departmental Reports

- Department of Education, Employment and Workplace Relations — Annual Report for 2012–13.³

Statutory authorities/bodies

- Fair Work Commission – Report for 2012–13
- Safe Work Australia – Report for 2012–13
- Road Safety Remuneration Tribunal – Report for 2012–13
- Workplace Gender Equality Agency – Report for 2012–13

Commonwealth companies under the Commonwealth Authorities Companies Act 1997 (CAC Act)

- Australian National University – Report for 2013
- Coal Mining Industry (Long Service Leave Funding) Corporation – Report for 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:

- *Schools Assistance Act 2008*—Report on financial assistance granted to each state in respect of 2011;
- Education and Care Services Ombudsman, National Education and Care Services Freedom of Information and Privacy Commissioners—Report for 2012–13.

3 Under the Administrative Arrangement Order on 18 September 2013, the Department of Education, Employment and Workplace Relations became two separate departments, the Department of Education and the Department of Employment.

Method of assessment

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.

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 Financial Management and Accountability Act 1997 (FMA Act) Bodies*, Department of Prime Minister and Cabinet, revised May 2014;
- 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.⁴

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.⁵ Those agencies reporting under the CAC Act 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.⁶

1.11 The committee recognises that some agencies are required to comply with other timeframes stipulated in their enabling legislation, for example 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.

4 *Senate Hansard*, 8 December 1987, pp 2643–45.

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

6 *Commonwealth Authorities and Companies Act 1997*, s9.

General comments on reports

1.12 The committee has found, under the terms of Standing Order 25(20), that the reports described in chapter 2 are apparently satisfactory except for timeliness in some cases.