

CHAPTER 2

Review of annual reports

2.1 This chapter examines the following annual reports in greater detail, and provides the Senate with information that may be of particular interest:

- Department of Education, Employment and Workplace Relations;
- Fair Work Commission;
- Coal Mining Industry (Long Service Leave Funding) Corporation;
- Safe Work Australia;
- Road Safety Remuneration Tribunal;
- Australian National University; and
- Workplace Gender Equality Agency.

Department of Education, Employment and Workplace Relations

2.2 The Department of Education, Employment and Workplace Relations (DEEWR) was the Australian Government department responsible for supporting the Commonwealth's policies and programs in the education, employment and workplace relations portfolio. Under the Administrative Arrangement Order on 18 September 2013, DEEWR became two separate departments, the Department of Education and the Department of Employment.¹

2.3 The DEEWR Secretary, Ms Lisa Paul AO, noted that 2012–13 was one of the most significant years for achievements for DEEWR across the department's four areas of responsibility — early childhood, school education and youth, employment and workplace relations.² Ms Paul highlighted the delivery of reforms to provide quality early childhood education and creating greater opportunities of sustained employment for job seekers with a disability. The Secretary noted that DEEWR recorded an operating budget surplus of \$1.4 million for 2012–13.³

2.4 With an increasing number of families relying on early childhood education and care services to support workforce participation and to help balance their work and family responsibilities, the department facilitated more than 40 Early Childhood Education and Care Regional Roundtables across Australia.⁴ The roundtables were an

1 Administrative Arrangement Order, 18 September 2013, (viewed 10 July 2014), http://www.dpmc.gov.au/parliamentary/docs/ao_20130918.pdf

2 Department of Education, Employment and Workplace Relations, *Annual Report 2012–13*, p. 2.

3 Department of Education, Employment and Workplace Relations, *Annual Report 2012–13*, pp. 2–3.

4 Department of Education, Employment and Workplace Relations, *Annual Report 2012–13*, p. 15.

initiative to bring together early childhood service providers, educators and other community and training stakeholders to develop local solutions to workforce challenges.⁵

2.5 DEEWR worked to close the gap for Aboriginal and Torres Strait Islander Australians in educational outcomes. This included supporting 526 participants in the Youth Mobility Program which supports young people from remote communities with post-school pathways.⁶ DEEWR also initiated 70 new projects in 2012 through the Parental and Community Engagement Program to support Aboriginal and Torres Strait Islanders parents to be involved in their children's education and schooling.⁷

2.6 Through the Disability Employment Broker program DEEWR aimed to create employment outcomes for Disability Employment Services participants in small to medium sized businesses in a regional location and industry sector. The program aimed to foster awareness of the advantages of employing people with a disability and focusing on ability rather than disability. The program started on 1 July 2012 and was completed by 30 June 2013. The program found jobs for 68 people with a disability, placements for work experience for 37 people and training for 20 people.⁸

2.7 DEEWR represented the Australian Government at the 102nd session of the International Labour Conference in Geneva in June 2013 as well as representing Australia at three International Labour Organization (ILO) governing body meetings. Departmental delegates discussed measures to improve social dialogue and the role of jobs in achieving environment sustainability. The delegates were also influential in the conference's decision to adopt a resolution to discontinue ILO sanctions in Myanmar.⁹

2.8 The committee notes that on 11 October 2013 DEEWR wrote to the Ministers for Education and Employment advising that the department's report would be tabled on 28 November 2013 and that the delay was a result of administrative adjustments due to machinery of government changes. Both Ministers agreed to the extension.

2.9 The committee considers the DEEWR 2012-13 annual report to be well presented and easy to navigate and in compliance with reporting requirements.

5 Department of Education, Employment and Workplace Relations, *Annual Report 2012–13*, p. 15.

6 Department of Education, Employment and Workplace Relations, *Annual Report 2012–13*, p. 26.

7 Department of Education, Employment and Workplace Relations, *Annual Report 2012–13*, p. 26.

8 Department of Education, Employment and Workplace Relations, *Annual Report 2012–13*, p. 70.

9 Department of Education, Employment and Workplace Relations, *Annual Report 2012–13*, p. 91.

Fair Work Commission

2.10 The Fair Work Commission (the Commission) is Australia's national workplace relations tribunal. Under section 577 of the Fair Work Act, the Commission exercises its power in a way that is fair and just, open and transparent and promotes harmonious and cooperative workplace relations. The Commission has the power under the Fair Work Act to resolve unfair dismissal claims, set the minimum wage and approve enterprise agreements.¹⁰

2.11 The annual report for 2012-13 outlined the Commission's launch of *Future Directions* in October 2012. *Future Directions* contains 25 initiatives aimed at improving quality and performance of the services provided by the Commission and in the eight months since its release, 20 of the 25 initiatives have been implemented. Justice Iain Ross AO, President, highlights that as with any justice institution, the Commission is accountable to the community it serves and as a part of providing accountability, the Commission is committed to providing regular reports on the progress of implementing *Future Directions*.¹¹

2.12 Ms Bernadette O'Neill, General Manager of the Commission, discussed the Commission's role as the regulator of registered organisations and the completion of the investigations into the Health Services Union (HSU). The investigations and subsequent litigation in relation to the HSU brought the role of the Commission in relation to registered organisations to the forefront. It also demonstrated the complexity and importance of their regulatory work.¹² Over the reporting year, substantial cultural change has taken place for the Commission to become a more proactive and effective regulatory. The Regulatory Compliance branch has taken into account the challenges and issues from the HSU matter, initiating a large number of inquiries and investigations into registered organisations.¹³

2.13 During the annual reporting period, the Commission implemented a new organisational structure, with four branches instead of six. The Commission maintained a very high settlement rate of 81 per cent in unfair dismissal conciliations while achieving high client satisfaction levels.¹⁴ The workload of the Commission was much the same as the previous year with the number of applications decreasing slightly but the number of hearings and conferences conducted by the Members increased slightly.¹⁵

2.14 The committee notes that the Commission sought an extension to table the annual report prior to 8 November 2013, which was granted by the Minister for Employment, Senator the Hon. Eric Abetz.

10 Fair Work Commission, *Annual Report 2012–2013*, pp. 10–11.

11 Fair Work Commission, *Annual Report 2012–2013*, p. 3.

12 Fair Work Commission, *Annual Report 2012–2013*, p. 4.

13 Fair Work Commission, *Annual Report 2012–2013*, p. 4.

14 Fair Work Commission, *Annual Report 2012–2013*, p. 5.

15 Fair Work Commission, *Annual Report 2012–2013*, p. 2.

Coal Mining Industry (Long Service Leave Funding) Corporation

2.15 The Coal Mining Industry (Long Service Leave Funding) Corporation, established in 1992, provides reimbursement payments to employers providing long service leave to workers in the black coal mining industry in New South Wales, Queensland, Western Australia and Tasmania.

2.16 The Corporation's investment objective is to obtain a net return from investment that exceeds inflation by at least four per cent per annum over rolling five year periods, as measured against the Consumer Price Index.¹⁶ Another Corporation's investment objective is that the Corporation's assets be invested such that there is a less than a 1/3 probability of the employer levy recommended by the actuary rising above 2.7 per cent per annum. The Coal Mining Industry reported that the annual average return of the last five years is 7.48 per cent with an average real rate of 5.12 percent, after adjustment for movement in inflation.¹⁷

2.17 The committee notes there is no information on the Corporation's environmental performance, disability strategy or its occupational health and safety strategy. The annual report does not include a glossary or an alphabetical or compliance index. The committee also notes the page numbers were hard to follow, starting again from Financial Statements. The committee suggests that the Corporation should take action to address these shortcomings in the next report. The committee also notes the annual report was received by the Minister outside the reporting requirements on 2 December 2013, but is aware that the timing of the federal election may have affected timeliness.

Safe Work Australia

2.18 Safe Work Australia is a statutory agency that was established on 1 November 2009 under the *Safe Work Australia Act 2008*. Safe Work Australia is the principal body leading the development of national policy to improve health and safety and workers compensation but does not undertake any regulatory functions.¹⁸

2.19 The Chief Executive Officer, Mr Rex Hoy outlined that 2012–13 was a great year for Safe Work Australia and for work health and safety in Australia. For the fourth consecutive year, Safe Work Australia has met all of its key performance indicators against their three outcome areas in the Portfolio Budget Statements.¹⁹ In June 2013 a final review of the *National Occupational Health and Safety Strategy 2002–2012* was published, recognising the significant reduction in the number of work related fatalities and injuries over the last 10 years. Mr Hoy notes that there was a 47 per cent decrease in the number of work related fatalities in Australia, more than twice the strategy's target of 20 per cent over the ten years.²⁰

16 Coal Mining Industry (Long Service Leave Funding) Corporation, *Annual Report 2013*, p. 9.

17 Coal Mining Industry (Long Service Leave Funding) Corporation, *Annual Report 2013*, p. 10.

18 Safe Work Australia, *Annual Report 2012–13*, p. 8.

19 Safe Work Australia, *Annual Report 2012–13*, p. 9.

20 Safe Work Australia, *Annual Report 2012–13*, p. 9.

2.20 In 2012–13, Safe Work Australia focused on two major work health and safety issues in the community, quad bike safety and workplace bullying. In July 2013 after an Australian Government roundtable on quad bike safety, Safe Work Australia launched the QuadWatch initiative.²¹ With more than 150 Australians dying from quad bike incidents since 2001, the online QuadWatch initiative hosts information on quad bike safety and design and engineering controls to generate community and industry engagement.²² Safe Work Australia has been asked to action 10 of the 23 recommendations listed in the Parliamentary Inquiry into Workplace Bullying *'We Just Want it to Stop'*, including to urgently progress the draft model Code of Practice: *Managing the Risk of Workplace Bullying*.²³

2.21 The committee finds the Safe Work Australia annual report to be well presented, informative and easy to navigate. The committee encourages timeliness in the presentation of annual reports and notes that this annual report was tabled on 18 November 2013.

Road Safety Remuneration Tribunal

2.22 The Road Safety Remuneration Tribunal (the Tribunal) was established by the *Road Safety Remuneration Act 2012* and commenced operation on 1 July 2012. The Tribunal is an independent national tribunal with the objective of promoting safety and fairness in the road transport industry.²⁴

2.23 The Tribunal has four specific functions: making road safety remuneration orders (RSROs); approving road transport collective agreements; dealing with certain disputes relating to road transport drivers; and conducting research into road remuneration-related matters that may affect safety. The Tribunal consulted and published its 1st Annual Work Program, identifying the retail, livestock, bulk grain, interstate long distance and intrastate long distance sectors of the road transport industry as those proposed by the Tribunal to have priority, with a view of making a RSRO.²⁵

2.24 The Tribunal is funded through an appropriation to the Fair Work Commission (the Commission) while remaining a separate entity. From the outset, it was decided that an integrated model of support for the Tribunal and the Commission would be the most efficient, drawing on experience and knowledge from the Commission staff and avoids duplication on staff functions and other resources. Administrative support is shared across information technology, communications, website design and support, human resources and research.²⁶

21 Safe Work Australia, *Annual Report 2012–13*, p.10.

22 Safe Work Australia, *Annual Report 2012–13*, p.10.

23 Safe Work Australia, *Annual Report 2012–13*, p.10.

24 Road Safety Remuneration Tribunal, *Annual Report 2012–13*, p. 2.

25 Road Safety Remuneration Tribunal, *Annual Report 2012–13*, p. 2.

26 Road Safety Remuneration Tribunal, *Annual Report 2012–13*, p. 4.

2.25 The committee congratulates the Tribunal on the presentation of its inaugural annual report. The committee notes that the annual report meets the requirements of the *Financial Management and Accountability Act 1997* and is well presented. The committee notes that the Tribunal sought an extension to table the annual report prior to 8 November 2013, which was granted by the Minister for Employment, Senator the Hon. Eric Abetz.

Australian National University

2.26 Under the Administrative Arrangement Order on 18 September 2013, the Australian National University (ANU) became a part of the Education Portfolio, moving from the Industry, Innovation, Science, Research and Tertiary Education Portfolio.

2.27 Professor Ian Young AO, Vice-Chancellor and President, said in his introduction that responding to the financial situation resulting from the Commonwealth reduction in funding was the biggest issue the ANU faced in 2013. The budget challenges were addressed by engaging directly with staff and students, seeking their suggestions on how to address the issues.²⁷ This led to the Budget Solutions package which will see a reduction in professional staff numbers and a program to reinvest in academic staff. ANU has identified a need to make changes to administrative functions, with their priority remaining to ensure that the challenges do no impact the quality of ANU's research and education.²⁸

2.28 In 2013, it was announced that ANU would be the first Australian university to join edX, the Massive Online Open Course provider set up by MIT and Harvard. Two ANUx courses are being developed, the first on Astronomy and Astrophysics led by Nobel Laureate Professor Brian Schmidt AC, and the second on India, which will be the first edX course delivered in multiple languages.²⁹

2.29 The committee is pleased to see that the annual report covers areas such as work health and safety, the environment and access for people with a disability in great detail. The committee recommends the inclusion of a compliance index to enhance the report's accessibility.

Workplace Gender Equality Agency

2.30 On 6 December 2012 the passage of the *Workplace Gender Equality Act 2012* received Royal Assent, replacing the *Equal Opportunity for Women in the Workplace Act 1999* and resulting in a name change, the Workplace Gender Equality Agency (the Agency).³⁰ Under the new legislation, focus has moved from equal opportunity for women to gender equality in the workforce, recognising equal remuneration between

27 Australian National University, *Annual Report 2013*, p. 8.

28 Australian National University, *Annual Report 2013*, p. 8.

29 Australian National University, *Annual Report 2013*, p. 9.

30 Workplace Gender Equality Agency, *Annual Report 2012–13*, p. 6.

women and men and family and caring responsibilities of women and men as central to achieving gender equality.³¹

2.31 The Agency noted that the number of employers who registered with the Agency for the purpose of reporting in 2012–13 has significantly increased from 2011–12, up from approximately 70 per cent to 94 per cent. To help relevant organisations prepare for reporting under the *Workplace Gender Equality Act 2012*, the Agency developed and published educational materials, including videos and podcasts. The Agency also launched a new website in March 2013, making it more informative, easier for users to navigate and compliant with accessibility requirements.³²

2.32 The committee congratulates the Agency on its first annual report under its new name. The committee finds the report to be well presented and informative.

Comments made in the Senate

2.33 The committee is obliged, under Senate Standing Order 25(20)(d), to consider any remarks made about these reports in the Senate. The committee is satisfied that there were no such comments to include.

Bodies not presenting annual reports to the Senate

2.34 The committee is required to report to the Senate each year on whether there are any bodies not presenting annual reports to the Senate which should. The committee is satisfied that there are no such bodies at this time.

**Senator Bridget McKenzie
Chair**

31 Workplace Gender Equality Agency, *Annual Report 2012–13*, p. 6.

32 Workplace Gender Equality Agency, *Annual Report 2012–13*, p.8.