

Chapter 1

Introduction

1.1 Under Senate Standing Order 25(20), the annual reports of departments and agencies under the Senate Foreign Affairs, Defence and Trade Legislation Committee's (the Committee) allocated portfolios stand referred to the Committee for examination and report. Under the Standing Order, in the year's first report, the committee is required to examine those annual reports presented to the Parliament between 1 May and 31 October 2019. On this occasion, the Committee has chosen to also include reports tabled after 31 October 2019 that were available at the time of preparing this report.¹

1.2 Copies of this and other Committee reports can be obtained from the Senate Table Office or online at the Committee's webpage.

Terms of reference

1.3 Under Standing Order 25(20) the committee is required to:

- (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 the attention of the Senate to 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.

1 See Appendix 1.

Allocated portfolios

1.4 In accordance with the resolution of the Senate on 4 July 2019, the Committee has oversight of the following portfolios:

- Defence, including Veterans' Affairs; and
- Foreign Affairs and Trade.²

Role of annual report

1.5 Annual reports inform the Parliament, stakeholders and other interested parties of the operations and performance of public sector departments, agencies, companies and statutory office holders. Annual reports are a key publication under the Commonwealth performance framework and remain 'the primary document through which responsible Ministers report to the Parliament.'³ Additionally, they are an important reference document and form a critical part of the historical record.⁴

Reports examined

1.6 During the period 1 May 2019 to 14 February 2020, 25 annual reports of bodies were presented to the Parliament and referred to the Committee for examination. Reports examined included those from the following categories of bodies under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and those which are prepared by statutory offices or office holders:

Non-corporate Commonwealth entities

- Australian Signals Directorate—Report for 2018-19
- Department of Defence—Report for 2018-19
- Repatriation Commission, Military Rehabilitation and Compensation Commission and the Department of Veterans' Affairs—Reports for 2018-19
- Department of Foreign Affairs and Trade—Report for 2018-19
- Australian Trade and Investment Commission – Report for 2018-19
- Australian Centre for International Agricultural Research – 2018-19

2 *Journals of the Senate*, No. 3, 4 July 2019, pp 83-84. This resolution was subsequently amended on 13 February 2020; however, the amendments did not relate to these portfolios. See *Journals of the Senate*, No. 42, 13 February 2020, pp. 1268-69.

3 Department of Finance, *Resource Management Guide No. 130 – Overview of the enhanced Commonwealth performance framework*, July 2016, p. 7.

4 Department of Finance, *Resource Management Guide No. 135: Annual report for non-corporate Commonwealth entities*, May 2019, p. 7; *Resource Management Guide No. 136: Annual reports for corporate Commonwealth entities*, May 2019, p. 5; *Resource Management Guide No. 137: Annual reports for Commonwealth companies*, May 2019, p. 5.

Corporate Commonwealth entities

- Australian War Memorial – Report for 2018-19
- Defence Housing Australia—Report for 2018-19
- Royal Australian Air Force Veterans’ Residences Trust—Report for 2018-19
- Royal Australian Navy Central Canteens Board (Navy Canteens)—Report for 2018-19
- Services Trust Funds—Report for 2018-19, includes:
 - Royal Australian Navy Relief Trust Fund
 - Australian Military Forces Relief Trust Fund
 - Royal Australian Air Force Welfare Trust Fund
- Army and Air Force Canteen Service (AAFCANS)—Report for 2018-19
- Export Finance Australia—Report for 2018-19
- Tourism Australia – Report for 2018-19

Commonwealth companies

- Australian Strategic Policy Institute – Report for 2018-19
- AAF Company – Report for 2018-19
- Royal Australian Air Force (RAAF) Welfare Recreational Company—Report for 2018-19

Statutory offices/office holders

- Inspector-General of the Australian Defence Force – Report for 2017-18
- Judge Advocate General – Report for 2018
- Director of Military Prosecutions – Report for 2018
- Repatriation Medical Authority—Report for 2018-19
- Veterans' Review Board—Report for 2018-19
- Australian Safeguards and Non-Proliferation Office – Report for 2018-19

Reports not examined

1.7 The Committee is not obliged to examine reports on the operation of Acts, policy papers, budget documents, corporate plans or periodical reports required under guidelines. Accordingly, the following documents were also referred to the Committee but not examined:

- Department of Defence – Special Purpose Flights – Schedule for the period 1 July 2018 to 31 December 2018
- Final Budget Outcome 2018-19

- Tax Benchmarks and Variations Statement 2019
- Consolidated Financial Statement for the year ended 30 June 2019
- Mid-year Economic and Fiscal Outlook 2019-20
- Report on Advances Provided Under the Annual Appropriation Acts for the Year Ended 30 June 2019

1.8 Where a report is referred to two standing committees, the Committee has deferred examination of those reports to the Committee which has primary oversight of the portfolio where that agency sits. Accordingly, the following reports were not examined:

- Australian Naval Infrastructure Pty Ltd—Report for 2018-19 (*Also referred to the Finance and Public Administration Legislation Committee*)
- ASC Pty Ltd—Report for 2018-19 (*Also referred to the Finance and Public Administration Legislation Committee*)

Assessment of annual reports

1.9 Senate Standing Order 25(20) requires the Committee to examine reports referred to it to determine whether they are timely and 'apparently satisfactory'. The Committee must consider whether the reports comply with the relevant legislation or requirements for the preparation of annual reports in forming its assessment.

Annual reporting requirements

Public Governance, Performance and Accountability Act 2013

1.10 The PGPA Act is the legislative basis of the Commonwealth performance framework which governs how the Commonwealth public sector uses and manages public resources. It sets out the key requirements for governance, performance reporting and accountability required of Commonwealth entities and companies. A description of different governance structures of these bodies for the purposes of the PGPA Act is set out below:

- Non-corporate Commonwealth entity – legally and financially part of the Commonwealth, including departments of state, parliamentary departments or listed entities (a body, person, group of persons or organisation that is prescribed by rules made under the PGPA Act).
- Corporate Commonwealth entity – a body corporate, that is, a separate legal personality from the Commonwealth. It can act in its own right exercising certain legal rights such as entering into contracts and owning properties.

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- Commonwealth company – a company established by the Commonwealth under the *Corporations Act 2001* that is wholly controlled by the Commonwealth.⁵

Annual reports

1.11 Section 46 of the PGPA Act sets out the annual reporting requirements in relation to Commonwealth entities, which states that annual reports must comply with any requirements prescribed by rules. Section 97 sets out the annual reporting requirements for Commonwealth companies, including those of the *Corporations Act 2001* and any additional information prescribed by the rules.

Corporate plans and annual performance statements

1.12 The Commonwealth performance framework also includes the requirement for Commonwealth entities and companies to prepare and publish corporate plans each year, pursuant to sections 35 and 95 of the PGPA Act. Under section 39 of the PGPA Act, Commonwealth entities must prepare an annual performance statement and include this statement in the annual report. Entities use the annual performance statement to report on results achieved against the targets, goals and measures established at the beginning of a reporting year in its corporate plan, in addition to key performance indicators set out in portfolio budget/additional estimates statements.

1.13 It is noted that Commonwealth companies are not required to prepare annual performance statements. However, under section 27A of the Public Governance, Performance and Accountability Rule 2014 (PGPA Rule), companies are required to include in their annual report a report on the actual performance results achieved against the performance information published in their corporate plan.⁶

Public Governance, Performance and Accountability Rule 2014

1.14 The PGPA Rule sets out the detailed mandatory requirements for the preparation of corporate plans, annual performance statements and annual reports for Commonwealth entities and, where relevant, Commonwealth companies.

1.15 The Department of Finance publishes resource management guides (RMGs) for Commonwealth entities on a wide range of topics, including on the annual reporting obligations under the PGPA Act and mandatory requirements for the content of annual reports as prescribed by the PGPA Rule.

5 See <https://www.finance.gov.au/resource-management/governance/overview/> (accessed 4 June 2019).

6 Department of Finance, *Resource Management Guide No. 134 – Annual performance statements for entities*, July 2017, p. 7.

Changes to the PGPA Rule for 2018-19 annual reports

Executive remuneration

1.16 New executive remuneration reporting requirements came into effect for the 2018-19 annual reports of Commonwealth entities and companies.⁷ The Public Governance, Performance and Accountability Amendment (Reporting Executive Remuneration) Rules 2019, dated 4 April 2019, amended the PGPA Rule to require Commonwealth entities and companies to include details of the remuneration of each of their key management personnel and the policies and practices that underpin remuneration in their annual reports. Commonwealth entities are now also required to disclose details of aggregated remuneration of their senior executives and other highly paid staff.⁸

1.17 Schedule 3 of the PGPA Rule provides templates for the presentation of the required information about the remuneration for key management personnel and senior executives.

Publication in the digital reporting tool

1.18 The Public Governance, Performance and Accountability Amendment (Annual Reporting) Rules 2019 (Amending Rule), dated 4 April 2019, amended the PGPA Rule to require annual reports of Commonwealth entities and companies to be published using the digital reporting tool administered by the Finance Minister as soon as practicable after presentation to the Parliament. The Transparency Portal at transparency.gov.au was launched by the Government on 13 March 2019 as part of its initiative to provide for the full digitisation of the Commonwealth's annual plans and reports. In launching the pilot of the website the Minister for Finance outlined the planned benefits of the initiative:

People can use this single website to search for data and to make instant comparisons of data between government bodies, using viewer-generated tables and graphs.⁹

This is a new website where the public and the Parliament can more easily find information about what Government is doing, and how public money is being spent.

7 Department of Finance, *Public Governance, Performance and Accountability Newsletter 55*, 2 August 2019, [p. 1].

8 Public Governance, Performance and Accountability Amendment (Reporting Executive Remuneration) Rules 2019 Explanatory Statement, p. 1.

9 Senator the Hon Mathias Cormann and Senator the Hon Zed Seselja, Joint Media Release, Launch of Government transparency website, 13 March 2019, <https://www.financeminister.gov.au/media-release/2019/03/13/launch-government-transparency-website> (accessed 4 February 2020).

The website will help give the community confidence that the public sector is adding value and achieving results.¹⁰

1.19 Finance's RMGs elaborated on this new requirement:

The digital reporting tool enables entities to draft content and publish annual reports to the Transparency Portal at transparency.gov.au. Commencing from the 2018-19 reporting period all Commonwealth entities' and companies' annual reports will be published on and accessible from transparency.gov.au following the presentation of these reports to the Parliament.¹¹

1.20 The Amending Rule also included some additional reporting requirements, including details of the accountable authority for non-corporate Commonwealth entities; and statistics on ongoing and non-ongoing employees across the three types of bodies. Finance's resource management guides for the preparation of annual reports for each type of body, numbers 135, 136 and 137, provide templates for the presentation of this information in a standard format in annual reports.

Statutory office holders and statutory bodies

1.21 Statutory office holders are engaged or employed under an Act which may prescribe annual reporting requirements pursuant to the office. It is also noted that there may be reporting requirements in the enabling legislation for statutory bodies (which may also be a Commonwealth entity).

Non-Statutory bodies

1.22 Non-statutory bodies (NSBs) are established by a Minister and are not pursuant to a statute. Annual reporting requirements for NSBs are contained in the government response to the Senate Standing Committee on Finance and Public Administration Report on Non-Statutory Bodies, dated 8 December 1987.¹²

Summary of annual reporting requirements

1.23 Below is a summary of the legislative authority and requirements under which annual reports are prepared for different types of bodies:

10 Senator the Hon Mathias Cormann, Minister for Finance, Speech at *Modernising the Public Sector Expo*, 13 March 2019, p. 4.

11 Department of Finance, *Resource Management Guide 135, Annual reports for non-corporate Commonwealth entities*, p. 12; *Resource Management Guide 136, Annual report for corporate Commonwealth entities*, p. 12; *Resource Management Guide 137, Annual report for Commonwealth companies*, p. 9.

12 Government response to the Senate Standing Committee on Finance and Public Administration Report on Non-Statutory bodies, *Senate Hansard*, 8 December 1987, pp. 2632–45.

Non-corporate Commonwealth entities

- PGPA Act, section 46 and the PGPA Rule 2014, Division 3A(A);
- for parliamentary departments, the *Parliamentary Service Act 1999*, section 65; and
- for statutory bodies: relevant enabling legislation.

Corporate Commonwealth entities

- PGPA Act, section 46 and the PGPA Rule 2014, Division 3A(B); and
- for statutory bodies: relevant enabling legislation.

Commonwealth companies

- PGPA Act, section 97, which also refers to requirements under the *Corporations Act 2001* and the PGPA Rule 2014, Part 3-3; and
- for statutory bodies: relevant enabling legislation.

Non-statutory bodies

- annual reporting requirements 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 1987.¹³

Statutory offices or office holders

- any requirements in the enabling legislation.

Review of the PGPA Act

1.24 In its last report, the Committee noted the Government response to the report of the *Independent review into the operation of the Public Governance, Performance and Accountability Act 2013 and Rule*, tabled on 5 April 2019, where the Government accepted in principle 48 out of 52 recommendations that were directed to the Government.¹⁴ The Committee notes that as at 19 December 2019, 20 recommendations have been implemented or actioned.¹⁵ In particular, it welcomes the progress on Recommendation 31 regarding the digital reporting platform; and Recommendations 35 and 36 regarding more transparent reporting of executive remuneration, which applied to the 2018-19 annual reports.

13 Government response to the Senate Standing Committee on Finance and Public Administration Report on Non-Statutory bodies, *Senate Hansard*, 8 December 1987, pp. 2632–45.

14 Senator the Hon Mathias Cormann, Minister for Finance and the Public Service, *Australian Government Response to the Independent Review into the PGPA Act and Rule*, dated 2 April 2019.

15 Senate Finance and Public Administration Legislation Committee, Supplementary Budget Estimates 2019-20, Department of Finance, Answer to Question on Notice No. F248, p. 2.

Timeliness

1.25 Under Standing Order 25(20)(c), the Committee must report to the Senate any lateness in the presentation of annual reports. The Committee notes the different reporting timeframes for different categories of bodies.

Commonwealth entities

1.26 Section 46(2) of the PGPA Act requires the accountable authority for a Commonwealth entity to prepare an annual report and provide it to the responsible minister by the fifteenth day of the fourth month after the end of the reporting period for the entity. This section of the Act does not currently prescribe a timeframe for the Minister to present the report to the Parliament, neither does the PGPA Rule.

1.27 The PGPA Rule states that annual reports for corporate Commonwealth entities, non-corporate Commonwealth entities and Commonwealth companies must comply with the 'the guidelines for presenting documents to the Parliament'.¹⁶

1.28 The Department of Prime Minister and Cabinet [Tabling Guidelines](#) advise that in relation to the tabling of annual reports:

Enquiries about the preparation, content and reporting timeframes should be directed to the Department of Finance...Relevant guidance for Commonwealth entities and companies annual reporting requirements can be located at <https://www.finance.gov.au/resource-management/performance/>.¹⁷

1.29 Finance's RMGs include advice about the timetable for tabling annual reports. For Commonwealth entities, the guides advise that:

It has been practice for the responsible Minister to present the report to each house of the Parliament on or before 31 October. If Senate Supplementary Budget Estimates hearings are scheduled to occur before 31 October, Ministers have sought to table annual reports prior to those hearings.¹⁸

1.30 The *Tabling Guidelines* also refer to periodic advice issued by PM&C through Tabling Circulars which supplement the Guidelines from time to time and may include arrangements for the tabling of annual reports. Tabling Circular No. 2 of 2019 advised agencies that in relation to the tabling timetable for 2018-19 annual reports:

Normally Annual Reports are tabled on or before 31 October, however this year the 2019 Supplementary Budget Estimates hearings commence on

16 See PGPA Rule, sections 17BC, 17AB and 28C.

17 Department of the Prime Minister and Cabinet, *Tabling Guidelines*, June 2019, pp. 4-5.

18 Department of Finance, *Resource Management Guide No. 135 – Annual report for non-corporate Commonwealth entities*, May 2019, p. 11; and *Resource Management Guide No. 136 – Annual report for corporate Commonwealth entities*, p. 9.

21 October 2019. Please note it is expected Annual Reports are tabled **prior** to those hearings. This ensures Annual Reports are available for scrutiny by the relevant Senate Standing committee.¹⁹

Commonwealth companies

1.31 Under section 97(2) of the PGPA Act, Commonwealth companies are required to prepare an annual report and provide it to the responsible Minister:

(a) if the company is required by the *Corporations Act 2001* to hold an annual general meeting—the earlier of the following:

(i) 21 days before the next annual general meeting after the end of the reporting period for the company;

(ii) 4 months after the end of the reporting period for the company; and

(b) in any other case—4 months after the end of the reporting period for the company; or the end of such further period granted under subsection 34C(5) of the *Acts Interpretation Act 1901*.

1.32 In relation to the tabling of the annual report in the Parliament, section 97(5) of the PGPA Act states that:

(5) If the Commonwealth company is a wholly-owned Commonwealth company, or is not required to hold an annual general meeting, the responsible Minister must table the documents in each House of the Parliament as soon as practicable after receiving them. In all other cases, the responsible Minister must table the documents in each House of the Parliament as soon as practicable after the annual general meeting of the company.

1.33 The advice contained in Finance's *Resource Management Guide No. 137 – Annual reports for Commonwealth companies* aligns with the requirements under section 97(5) of the PGPA Act set out above.²⁰ Consistent with Commonwealth entities, Resource Guide No. 137 notes the provision for an application for an extension of the reporting period for Commonwealth companies:

There is scope for a company to apply in writing to their responsible Minister for an extension where it is not reasonably possible to meet the timeframes outlined in subsection 97(2). Subsection 34C(5) of the *Acts*

19 Department of the Prime Minister and Cabinet, Tabling Circular No. 2 of 2019, Tabling of Departmental Annual Reports 2018-19, p. 1.

20 Department of Finance, *Resource Management Guide No. 137 – Annual reports for Commonwealth companies*, May 2019, p. 8.

Interpretation Act 1901 allows a Minister to grant an extension where he or she considers it reasonable in the circumstances.²¹

Provisions of the Acts Interpretation Act 1901

1.34 In the absence of specific provisions, the *Acts Interpretation Act 1901* (Acts Interpretation Act) requires bodies to present annual reports to ministers within six months after the end of the period reported upon (subsection 34C(2)), and ministers to table reports within 15 sitting days of receipt (subsection 34C(3)).

Reporting timeframes for statutory offices/office holders

Judge Advocate General

1.35 Under section 196A(1) of the *Defence Force Discipline Act 1982* (DFD Act) the Judge Advocate General shall, as soon as practicable after each 31 December, prepare and furnish to the Minister a report relating to the operation of the Act, the regulations, the rules of procedure; and the operation of any other law of the Commonwealth or of the Australian Capital Territory in so far as it relates to the discipline of the Defence Force during the year ending on that 31 December.

1.36 Section 196A(2) of the DFD Act requires the Minister to present the report to each House of the Parliament within 15 sitting days of that House after the day on which the Minister receives the report.

Director of Military Prosecutions

1.37 Under Section 196B(1) of the DFD Act, the Director of Military Prosecutions must, as soon as practicable after each 31 December, prepare and give to the Minister, for presentation to the Parliament, a report relating to the operations of the Director of Military Prosecutions during the year ending on that 31 December.

1.38 The Act does not prescribe a timeframe for the Minister to present the report to the Parliament. It appears that section 34C(3) of the Acts Interpretation Act would apply, therefore requiring the Minister to lay a copy of the report before each House of Parliament within 15 sitting days of receipt of that report.

Inspector-General of the Australian Defence Force

1.39 Section 110R(1) of the *Defence Act 1903* (Defence Act) states that as soon as practicable after the end of each financial year, the Inspector-General of the Australian Defence Force (ADF) must prepare and give to the Minister, for presentation to the Parliament, a report on the operations of the Inspector-General during the financial year. This section also notes that reference should also be made to section 34C of the

21 Department of Finance, *Resource Management Guide No. 137 – Annual reports for Commonwealth companies*, May 2019, p. 8.

Acts Interpretation Act, which requires the Minister to lay a copy of the report before each House of Parliament within 15 sitting days of receipt of that report.

Repatriation Medical Authority

1.40 The Repatriation Medical Authority is established under the *Veterans' Entitlement Act 1986* and there does not appear to be a statutory requirement to table an annual report under the Act but the Authority has done so since its inception.

1.41 In the committee's report *Annual reports (No.1 and No. 2 of 2019)*, it recommended that unless there was a strong public policy reasons to the contrary, on the occasion of any amendment to the *Veterans' Entitlement Act 1986*, the Government consider including a clause requiring the Repatriation Medical Authority to table an annual report.²² The committee welcomed the Government response to the report on 28 October 2019 agreeing to the recommendation:

The Government agrees that, at an opportune time, a clause requiring the Repatriation Medical Authority to table an annual report be included in a future amendment to the *Veterans' Entitlement Act 1986*.

The Department of Veterans' Affairs will prepare this clause for consideration in due course.²³

Veterans' Review Board

1.42 Section 215(4) of the *Veterans' Entitlements Act 1986* states that the Principal Board Member shall, as soon as practicable after 30 June in each year, prepare and furnish to the Minister a report on the operations of the Board during the year that ended on that 30 June. Section 215(5) states that the Minister shall cause a copy of a report furnished to the Minister under subsection (4) to be laid before each House of the Parliament within 15 sitting days of that House after the day on which the Minister receives the report.

Repatriation Commission

1.43 Section 215 of the *Veterans' Entitlements Act 1986* requires the Repatriation Commission, as soon as practicable after 30 June in each year, to prepare and furnish to the Minister a report on the operation of the Act during the year; with the Minister required to present report to the Parliament within 15 sitting days after receipt.

22 Senate Foreign Affairs, Defence and Trade Legislation Committee, *Report on Annual Report (No.1 and 2 of 2019)*, p. 10.

23 *Australian Government response to the Senate Foreign Affairs, Defence and Trade Legislation Committee Report – Annual reports (No.1 and No. 2 of 2019)*.

Military Rehabilitation and Compensation Commission

1.44 Under section 385 of the *Military Rehabilitation and Compensation Commission Act 2004*, the Chair of the commission must, as soon as possible after 30 June each year, give the Minister for presentation to the Parliament, a report of the Commission's activities for the financial year ended on that day.

Australian Safeguards and Non-proliferation Office

1.45 Under section 51 of the *Nuclear Non-Proliferation (Safeguards) Act 1987*, section 96 of the *Chemical Weapons (Prohibition) Act 1994* and section 71 of the *Comprehensive Nuclear Test-Ban Treaty Act 1998*, the Director of the Australian Safeguards and Non-Proliferation Office must, as soon as practicable after 30 June in each year, prepare a report of operations and furnish it to Minister. The above legislative sections require the Minister to cause a copy of the report to be laid before each House within 15 sitting days.

Review of timeliness of reports examined

1.46 Standing Order 25(20)(c) requires the Committee to investigate and report to the Senate on any lateness in the presentation of annual reports. The Committee considers the timely presentation of annual reports to the Parliament an important element of accountability.

1.47 Appendix 1 lists the annual reports tabled between 1 May 2019 and 14 February 2020 and referred to the committee for examination. This table includes the dates the reports were tabled in the Senate (or received by the President out of session) and the House of Representatives. For the purposes of the Committee's examination of timeliness, the earlier date is taken as the presentation date to the Parliament. The table also includes the dates the reports were submitted to, and received by, the Minister, if available.

1.48 As noted above, there are two elements regarding the timeframe for the preparation and presentation of annual reports: the provision of the report to the Minister and the presentation of the report to the Parliament. Both of these elements were examined by the Committee in investigating any lateness in presentation of the annual reports.

Commonwealth entities and companies

1.49 All of the 2018-19 annual reports of agencies within the Defence Portfolio and Foreign Affairs and Trade Portfolio met the required date for the provision of the report to the Minister. All but two annual reports were presented to the Parliament prior to the commencement of the committee's Supplementary Budget Estimates hearings which commenced on 23 October 2019, with most presented a week before, on 16 October 2019. The annual report of Australian Centre for International Agricultural Research was presented on 23 October 2019, and Tourism Australia's on 30 October 2019.

1.50 The Committee appreciates the prompt tabling of the 2018-19 annual reports and the availability of most reports well before the commencement of the estimates hearings in accordance with the PGPA Act and relevant guidance documents as outlined earlier in this chapter.

Statutory office/office holders

1.51 As noted above, the annual reports of statutory office/office holders follow less prescriptive tabling requirements. While the Minister, upon receipt of the annual report, must present the report to the Parliament within 15 sitting days, the preparation and furnishing of the report to the Minister is 'as soon as practicable' or 'as soon as possible' after the end of the reporting period. The tabling timeframe for reports falling into this category were considered to have generally met the legislative requirements.

1.52 However, it was noted that the Inspector-General of the Australian Defence Force (IGADF) Annual Report 2017-18 was received by the President of the Senate out of sitting on 28 August 2019. The report was submitted to, and received by the Minister, on 28 June 2019 and 28 August 2019 respectively. As noted earlier, under the Defence Act, the IGADF is required to prepare the annual report and provide it to the Minister 'as soon as practicable after the end of each financial year'. On this occasion, this period was approximately a year after the financial year it reported on. This is considerably longer than the time period for the provision of the report to the Minister for the previous three reports which was approximately nine months after the end of the financial year for the 2015-16 annual report; and just over five months for the 2014-15 and 2016-17 annual reports. The Committee was pleased to note that the Minister presented the report promptly, on the day of receipt, meeting the legislative requirements of within 15 sitting days of receipt.

1.53 While the 2017-18 report does not specifically address the time period for the provision of the annual report to the Minister, the Inspector-General did note that 'the operating tempo in the Office...was higher in 2017-18 than in previous reporting periods'²⁴ which may have been a contributing factor.

Senate debate

1.54 In accordance with Standing Order 25(20)(d) the Committee is required to take into account any relevant remarks about the reports made in debate in the Senate. The committee notes that none of the annual reports examined in this report have been the subject of comments or debate in the Senate at the time of preparing this report.

Non-reporting bodies

1.55 Standing Order 25(20)(h) requires that the Committee inquire into, and report on, any bodies which do not present annual reports to the Senate but should present

24 *Inspector-General of the Australian Defence Force – Annual Report 2017-18*, p. 3.

such reports. The Committee makes no recommendation for any bodies not presenting an annual report to do so.

Assessment of reports

1.56 Under Standing Order 25(20)(a), the Committee is required to examine the annual reports of departments and agencies and report to the Senate on whether they are 'apparently satisfactory'. In its examination of the annual reports referred, the committee found them to be of a satisfactory standard and largely adhere to relevant requirements. The Committee considers the reports examined to be 'apparently satisfactory'.

