

Chapter 3

Annual reports of statutory authorities

3.1 A list of statutory authorities' annual reports referred to the committee is contained in Appendix 1.

3.2 The committee notes that several annual reports that would normally be examined in this report were received and tabled after 31 October 2005. These will be examined in the committee's Report on Annual Reports No. 2 of 2006. Of the reports received, the committee undertook closer inspection of the following two:

- Airservices Australia
- Australian Maritime Safety Authority.

Airservices Australia

3.3 Airservices Australia is a government-owned body corporate. It is the organisation with responsibility for providing air traffic management and related services, including fire and rescue services, to the aviation industry in the Australian Flight Information Region (FIR). It was established on 6 July 1995 under the Air Services Act and prepares its report in accordance with the requirements of this Act and the CAC Act. It is funded through charges levied on users of its services. Total revenue in 2004-05 was \$690.7 million, and the organisation paid an interim dividend of \$13.4 million in June 2005.

3.4 The reporting period was one of substantial change at the senior levels of the organisation. A new Chairman, Nick Burton Taylor AM, was appointed, as were five new board members following the expiry of terms or resignations of former members. A new chief executive officer was also appointed.

3.5 The organisation was voted the world's best air traffic control provider for 2005 by the International Air Transport Association, the second time it has received such an award.

3.6 Major priorities for the year included further changes to the National Airspace System, finalising long-term pricing arrangements for air traffic control and aviation fire-fighting and rescue services, and the rollout of a new upper airspace aircraft tracking system known as Automatic Dependant Surveillance – Broadcast (ADS-B). ADS-B will allow quality surveillance of suitably equipped aircraft travelling at above 30 000 feet over the entire continent.

3.7 Compared to other Australian Government agencies, it is an organisation in which senior executives appear to be particularly well remunerated, one officer receiving a package of in excess of \$1 million per year.

3.8 The committee was particularly impressed with the organisation's approach to reviewing performance against objectives, which contained a good mix of discussion and useful graphics. In relation to safety, a key area against which the organisation's performance is assessed, most targets were met or exceeded, with the exception of tower air traffic service incidents, which fell below the target and also showed an increase over previous years.

3.9 Airservices Australia's annual report has been prepared to a high standard and meets all reporting requirements. It is prepared in plain English, is well presented and informative. The committee commends the organisation on the quality of the report.

Australian Maritime Safety Authority

3.10 The Australian Maritime Safety Authority (AMSA) is the national safety agency with a primary role in maritime safety, protection of the marine environment and maritime and aviation search and rescue. Established under the *Australian Maritime Safety Authority Act 1990* as an Australian Government authority, AMSA is largely self-funded through levies on the commercial shipping industry.

3.11 Highlights of the 2004-05 year included AMSA's participation in the International Maritime Organization's (IMO) development and implementation of ship safety and environment protection measures relevant to Australia. A three-year intensive campaign by Australia and Papua New Guinea came to fruition with the IMO approving in July 2005 the extension of the Particular Sensitive Sea Area applicable in the Great Barrier Reef to the Torres Strait. This included the associated protective measures in relation to pilotage and implementation of a two-way shipping route, which is intended to lead to unprecedented improvement in ship navigational safety in the environmentally sensitive region.

3.12 During the period AMSA completed the relevant recommendations from the 2001 *Review of Great Barrier Reef Ship Safety and Pollution Prevention Measures*. It also continued to pursue initiatives to improve the quality of foreign flag ships operating in Australian waters.

3.13 In relation to search and rescue operations, AMSA received \$54.7 million additional funding over four years from the federal budget for contracting four turbine engine aircraft. Three aircraft are to be positioned at strategic locations around Australia and the fourth is to be held in reserve, with any spare capacity being available for use by other government agencies.

3.14 AMSA commenced a dedicated search and rescue service in Darwin for the benefit of northern Australia and upgraded its Rescue Coordination Centre to an Emergency Response Centre by adopting advanced communication and coordination systems. The aim is to strengthen AMSA's interaction with aircraft and other search and rescue agencies and provide a multi-disciplinary response to shipping incidents covering search and rescue, pollution response and monitoring of industry operational standards.

3.15 During the period, AMSA also promoted ship and boating safety awareness, in particular the adoption and effective use of 406MHz distress beacons.

3.16 AMSA jointly held the biennial International Oil Spill Conference, Spillcon 2004, in August 2004. It also planned to hold AMSA shipping workshops in Perth, Sydney and Darwin in July, September and October 2005, respectively.

3.17 The committee considers that AMSA's report is apparently satisfactory in meeting the reporting requirements under the Commonwealth Authorities and Companies Act. The report is well set-out and easy to use. Graphs and tables are utilised where appropriate. The authority is to be commended on its use of plain English which makes the report readily understandable and easy to read. The report also contains a detailed compliance index that greatly assists the reader.

Senator the Hon. Bill Heffernan

Chair

