

The Senate

Rural and Regional Affairs
and Transport
Legislation Committee

Annual reports (No. 2 of 2012)

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List of Abbreviations

AFMA	Australian Fisheries Management Authority
ATSB	Australian Transport Safety Bureau
CAC Act	<i>Commonwealth Authorities and Companies Act 1997</i>
CAC Orders	Commonwealth Authorities and Companies (Report of Operations) Orders 2008
CRDC	Cotton Research and Development Corporation
EPBC Act	<i>Environmental Protection and Biodiversity Conservation Act 1999</i>
FMA Act	<i>Financial Management and Accountability Act 1997</i>
FOI Act	<i>Freedom of Information Act 1982</i>
FRDC	Fisheries Research and Development Corporation
GRDC	Grains Research and Development Corporation
GWRDC	Grape and Wine Research and Development Corporation
KPIs	Key Performance Indicators
NCA	National Capital Authority
OH&S Act	<i>Occupational Health and Safety Act 1991</i>
PIERD Act	<i>Primary Industries and Energy Research and Development Act 1989</i>
PM&C	Department of the Prime Minister and Cabinet
R&D	Research and Development
Requirements for Annual Reports	<i>Requirements for Annual Reports for Departments, Executive Agencies and FMA Act Bodies</i>
RIRDC	Rural Industries Research and Development Corporation
SRDC	Sugar Research and Development Corporation

TSPZJA	Torres Strait Protected Zone Joint Authority
WEA	Wheat Exports Australia

Chapter 1

Overview

1.1 The Senate Rural and Regional Affairs and Transport Legislation Committee (the committee) is responsible for examining the annual reports of departments and agencies within three portfolios:

- Agriculture, Fisheries and Forestry;
- Infrastructure and Transport; and
- Regional Australia, Local Government, Arts and Sport.¹

Terms of reference

1.2 Under Senate Standing Order 25(20), annual reports of departments and agencies stand referred to the legislation 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; and
- (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 *Journals of the Senate*, No. 74, 8 February 2012, pp 2043–2044.

Purpose of annual reports

1.3 The tabling and scrutiny of annual reports by Senate committees, under Standing Order 25(20), is an important element in the process of government accountability to Parliament. The information provided in annual reports is placed on the public record and assists Parliament in its examination of the performance of government departments and agencies and the administration of government programs.

Requirements

1.4 Annual reports are examined by the committee to determine whether they are timely and 'apparently satisfactory'. In forming its assessment, the committee considers whether the reports comply with the relevant legislation and guidelines for the preparation of annual reports.

1.5 For departments of state and executive agencies the requirements are contained in the:

- *Public Service Act 1999*, subsections 63(2) and 70(2); and
- *Requirements for Annual Reports for Departments, Executive Agencies and FMA Act Bodies* (Requirements for Annual Reports), Department of the Prime Minister and Cabinet (PM&C), approved by the Joint Committee of Public Accounts and Audit on 6 July 2011 and updated by PM&C on 8 July 2011.

1.6 For Commonwealth authorities and companies the requirements are contained in the:

- *Commonwealth Authorities and Companies Act 1997* (the CAC Act), sections 9, 36 and 48; and
- Commonwealth Authorities and Companies (Report of Operations) Orders 2008 (CAC Orders).

1.7 For non-statutory bodies the requirements are contained in the Government response to the report of the Senate Standing Committee on Finance and Government Operations on Non-statutory bodies.²

1.8 As mentioned in the committee's Report on Annual Reports (No. 1 of 2012), on 22 September 2011 the Finance Minister signed the Commonwealth Authorities (Annual Reporting) Orders 2011. These Orders commenced on 14 October 2011, the day after registration, and replace the Commonwealth Authorities and Companies (Annual Reporting) Orders 2008.

1.9 The committee notes that the Finance Minister also signed the Commonwealth Companies (Annual Reporting) Orders 2011 on 22 September 2011. These Orders commenced on 13 October 2011, the day after registration. The committee notes that, prior to these Orders, 'no reporting Orders have been issued for

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

wholly-owned Commonwealth companies'³ and that these Orders require Commonwealth companies to report specific public sector issues in their annual reports, in addition to the requirements of the *Corporations Act 2001*.

1.10 Annual reports for Commonwealth authorities and companies for the 2012-13 financial year should be prepared in accordance with the Commonwealth Authorities (Annual Reporting) Orders 2011, and the Commonwealth Companies (Annual Reporting) Orders 2011, respectively.

Reports referred to the committee

1.11 Standing Order 25(20)(f) requires the committee to report on annual reports tabled by 30 April each year by the tenth sitting day after 30 June of that year. This year, that date is 12 September 2012. The committee is also required to report on annual reports tabled by 31 October each year by the tenth sitting day of the following year.

1.12 This report considers annual reports which were tabled in the Senate or presented to the President of the Senate between 1 November 2011 and 30 April 2012.⁴ It includes annual reports submitted to the Minister before 30 October 2011, but tabled after that date and therefore not considered as part of the committee's report *Annual Reports (No. 1 of 2012)*.

1.13 The committee examined eight annual reports of agencies within the Agriculture, Fisheries and Forestry portfolio, one annual report of an agency within the Infrastructure and Transport portfolio, and one annual report of an agency within the Regional Australia, Local Government, Arts and Sport portfolio, as follows:

- Australian Fisheries Management Authority—Report for 2010-11;
- Australian Transport Safety Bureau—Report for 2010-11;
- Cotton Research and Development Corporation—Report for 2010-11;
- Fisheries Research and Development Corporation—Report for 2010-11;
- Grains Research and Development Corporation—Report for 2010-11;
- Grape and Wine Research and Development Corporation—Report for 2010-11;
- National Capital Authority—Report for 2010-11;
- Rural Industries Research and Development Corporation—Report for 2010-11;
- Sugar Research and Development Corporation—Report for 2010-11; and
- Wheat Exports Australia—Report for 2010-11.

3 *Commonwealth Authorities (Annual Reporting) Orders 2011*, Explanatory Statement, p. 2.

4 As noted in *Annual Reports (No. 1) of 2012*, a number of reports were tabled on 1 November 2011 and examined in the committee's *Annual Reports (No. 1) of 2012*.

1.14 A complete list of reports referred to the committee (including those not examined) appears at Appendix 1.

Reports not examined

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

- Australia Business Arts Foundation Ltd—Financial Statements for the year ended 30 June 2011;
- *Australian Meat and Live-stock Industry Act 1997*—Livestock mortalities during exports by sea—report for the period 1 July to 31 December 2011;
- Australian Sports Commission—Strategic Plan 2011-12 to 2014-15;
- *Dairy Produce Act 1986*—Report for 2010-11 in relation to the compliance with the statutory funding agreement between the Commonwealth of Australia and Dairy Australia Limited;
- *Sydney Airport Demand Management Act 1997*—quarterly report on the maximum movement limit for the period 1 July to 30 September 2011; and
- *Sydney Airport Demand Management Act 1997*—quarterly report on the maximum movement limit for the period 1 October to 31 December 2011.

Timeliness

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

1.17 As stated in the Requirements for Annual Reports, 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 Commonwealth authorities and companies 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.⁶ Where the authorities and companies' financial year ends on 30 June, this deadline translates to 15 October.

1.18 The committee notes that all Commonwealth authorities' annual reports examined in this report were not sent to the Minister by the 15 October. Section 28 of the *Primary Industries and Energy Research and Development Act 1989* (PIERD Act) states that a Research and Development (R&D) Council must, 'as soon as practicable

5 Department of the Prime Minister and Cabinet, *Requirements for Annual Reports for Departments, Executive Agencies and FMA Act Bodies*, July 2011, p. 2.

6 *Commonwealth Authorities and Companies Act 1997*, s. 9.

after 30 June each year', prepare and give to the Minister a report of its operations during the financial year that ended on that day.

1.19 Where an agency's own legislation provides a timeframe for its annual report, an alternative timeframe applies. However, the committee reminds such bodies that it is the Government's policy that all annual reports should be tabled in Parliament by 31 October.⁷

1.20 As noted in the committee's report *Annual reports (No. 1 of 2012)*, a number of annual reports were tabled in the Senate after the appropriate deadlines and will be examined in this report.⁸

1.21 Although not subject to the timeframes in the CAC Act or *Financial Management and Accountability Act 1997* (FMA Act), the committee notes a significant delay in the tabling of the Torres Strait Protected Zone Joint Authority (TSPZJA) *Annual Report 2009-10*. The TSPZJA has not tabled an annual report since its 2008-09 Annual Report (tabled in the Senate on 21 June 2011). The committee encourages the TSPZJA to produce its annual report in a more timely manner.

Comments on reports

1.22 Under Standing Order 25(20)(a) the committee is required to scrutinise annual reports and inform the Senate as to whether they are 'apparently satisfactory'. To make this assessment the committee examines whether annual reports comply with the statutory reporting guidelines relevant to each particular report.

1.23 The committee considers that the reports examined are generally 'apparently satisfactory', although some do not comprehensively address all of their legislative requirements. While any divergence from these requirements is mostly minor in nature, the committee encourages agencies to pay particular attention to the matters discussed below.

Aids to Access: Indexes

Compliance indexes

1.24 As mentioned in previous reports, compliance indexes greatly facilitate the committee's task of ensuring adherence to reporting requirements, and also assist agencies to demonstrate that all legislative obligations have been met.

1.25 The committee finds it especially helpful when wording or phrases contained in legislation are used in the compliance index. If a variation of the wording is used, items listed in the compliance index can be too broad to be considered useful.

1.26 This is especially relevant to bodies reporting under the PIERD Act. The committee finds that while most agencies listed the PIERD Act reporting requirements separately to the compliance index, the list of PIERD Act reporting requirements

7 Department of the Prime Minister and Cabinet, *Requirements for Annual Reports for Departments, Executive Agencies and FMA Act Bodies*, July 2011, p. 2.

8 Senate Rural and Regional Affairs and Transport Legislation Committee, *Annual reports (No. 1 of 2012)*, March 2012, p. 5.

rarely appeared to be complete. The committee recommends creating this list directly from the reporting requirements listed in the PIERD Act for a more comprehensive compliance index.

1.27 The committee considers that where items are not applicable, the compliance index would benefit from the inclusion of these items, with an 'N/A' where appropriate.

1.28 The committee considers that while it has not used identical wording from the legislation, the Fisheries Research and Development Corporation has provided a thorough compliance index for its reporting under the PIERD Act.⁹

Changes to legislative requirements for Commonwealth authorities

1.29 The committee notes that the Information Publication Scheme, introduced in May 2011, has replaced the former annual report publication requirements in section 8 of the *Freedom of Information Act 1982* (FOI Act). For the period 1 July 2010 to 30 April 2011, annual reports should contain a section 8 statement, explaining these changes.

1.30 The committee considers the Fisheries Research and Development Corporation and the Grains Research and Development Corporation have fulfilled this reporting requirement to a high standard.¹⁰ Further discussion on reporting under the FOI Act is included in chapter 2.

Report on performance

1.31 The Requirements for Annual Reports states that the annual report must include a review of performance during the year, in relation to deliverables and Key Performance Indicators of programs, and their 'effectiveness in achieving the planned outcomes'. Specifically, it states:

Descriptions of processes and activities should be avoided. Rather, reporting should be aimed at providing an assessment of how far the agency has progressed towards outcomes.¹¹

1.32 For agencies reporting under the CAC Act, the CAC Orders state that the assessment of performance should address both the efficiency and effectiveness of the operations of the authority, and 'make clear links between outcomes, strategies for achieving those outcomes and the principal outputs'.¹²

1.33 For bodies required to report under the PIERD Act, section 28(b)(i) states that the directors must include 'an assessment of the extent to which its operations during the period have achieved its objectives as stated in its R&D plan'.

9 Fisheries Research and Development Corporation, *Annual Report 2010-11*, p. 173.

10 Fisheries Research and Development Corporation, *Annual Report 2010-11*, pp 90 and 165–166; Grains Research and Development Corporation, *Annual Report 2010-11*, p. 101.

11 Department of the Prime Minister and Cabinet, *Requirements for Annual Reports for Departments, Executive Agencies and FMA Act Bodies*, July 2011, p. 6.

12 *Commonwealth Authorities and Companies (Report of Operations) 2008*, p. 6.

1.34 The committee considers that while the reporting on performance was presented clearly, and used helpful tables, a number of annual reports did not provide a thorough assessment of the effectiveness of performance. Rather, an 'achievements' column was provided, with a description of activities that have taken place.¹³ Displaying the information in this way provides no direct correlation between the targets and their achievements, and the committee finds it difficult to assess whether targets were achieved or not.

1.35 The committee considers that the Sugar Research and Development Corporation, the Cotton Research and Development Corporation, and the Australian Fisheries Management Authority all fulfilled this reporting requirement to a high standard.

Reviews by outside bodies

1.36 The committee notes that on 15 June 2011, the Australian Government released the final report of the Productivity Commission inquiry into the rural research and development corporations, as well as the preliminary government response to the Productivity Commission's report, and the National Strategic Rural R&D Investment Plan.

1.37 On 23 July 2012, the Minister for Agriculture, Fisheries and Forestry released a Rural Research and Development Policy Statement, which incorporated the response to the two reports.¹⁴ The committee expects that any changes to the R&D bodies as a result of these reports will be included in future annual reports where appropriate.

Senate remarks on annual reports

1.38 In accordance with Senate Standing Order 25(20)(d), the committee is required to take into account remarks made in the Senate which are relevant to the annual reports under consideration. No substantive debate on annual reports within the committee's portfolios took place in the Senate. However, the committee notes that the Australian Fisheries Management Authority—Report for 2010-11 is listed for future debate on the Senate Notice Paper.¹⁵

13 See, for example, Fisheries Research and Development Corporation, *Annual Report 2010-11*, pp 27–28, 39–40, 48, 53 and 59; Grape and Wine Research and Development Corporation, *Annual Report 2010-11*, pp 20–41; and Grains Research and Development Corporation, *Annual Report 2010-11*, pp 77, 91, 95, 96–97.

14 www.daff.gov.au/agriculture-food/innovation/productivity-commission-review-of-the-research-and-development-corporation (accessed 6 September 2012).

15 *Senate Notice Paper*, No. 106, 10 September 2012, Proof Copy, p. 12.

Chapter 2

Annual reports of agencies

2.1 The committee considered all of the following reports to be 'apparently satisfactory'.

Agriculture, Fisheries and Forestry portfolio

Commonwealth authorities

Cotton Research and Development Corporation (CRDC)

2.2 The CRDC has again provided a clear, concise and well-constructed annual report. The committee considers the CRDC's report on its performance against the Annual Operating Plan to be of a high standard.¹ Key performance indicators are clearly listed in a table that identifies whether indicators were achieved, partially achieved, or not achieved. The committee finds it especially helpful that where indicators were partially achieved, or not achieved, the CRDC has provided an explanation as to why.²

2.3 The committee is pleased to note that, following comments made in its previous reports, the CRDC has improved its reporting under the *Occupational Health and Safety Act 1991*³ (OH&S Act), *Environmental Protection and Biodiversity Conservation Act 1999* (EPBC Act) and FOI Acts.⁴ Reporting under the OH&S Act contains information provided in a helpful table, however, the committee reminds the CRDC that reporting under the FOI Act should also contain contact details where enquiries can be made.⁵

2.4 The CRDC reported that in April 2011 the Minister notified the Corporation that achieving diversity in Board appointments is to be a priority.⁶ The committee looks forward to seeing progress on this matter reported in future annual reports.

2.5 The CRDC has provided a helpful summary of factors, events and trends influencing its performance over the financial year. The committee notes that, following a decade-long drought, the 2010-11 cotton harvest produced an Australian record of four million bales. The CRDC reported that cotton prices also rose during

1 Cotton Research and Development Corporation, *Annual Report 2010-11*, pp 30–58.

2 Cotton Research and Development Corporation, *Annual Report 2010-11*, pp 121–129.

3 As of 1 January 2012 the OH&S Act has been replaced by the *Work Health and Safety Act 2011*.

4 Cotton Research and Development Corporation, *Annual Report 2010-11*, pp 73–74 and 130.

5 Cotton Research and Development Corporation, *Annual Report 2010-11*, p. 74.

6 Cotton Research and Development Corporation, *Annual Report 2010-11*, p. 69.

this time, which allowed growers to recover from some of the financial damage of previous years.⁷

Fisheries Research and Development Corporation (FRDC)

2.6 The committee notes that, overall, the FRDC has provided a clear and concise annual report. The committee is disappointed to note, however, that its reporting on key performance indicators is not as clear as its previous annual report. Where previously the table of key performance indicators contained a column that clearly stated 'achieved' where relevant, the table now contains a column titled 'achievements', which provides a description of the activities involved. The committee reminds the FRDC that an assessment on the effectiveness of operations should also be included.⁸

2.7 The FRDC has provided a helpful compliance index that includes a separate section for reporting under the PIERD Act. The committee notes, however, that some items listed under the compliance index for the PIERD Act do not use the same wording as section 28 of the PIERD Act, making it difficult for the committee to assess whether or not reporting requirements were met. The committee expects this matter to be addressed in future annual reports.

2.8 The committee is pleased to note that, following comments made in its previous report, the FRDC has improved its reporting under the EPBC, FOI and OH&S Acts. Each section provides the information required to a high standard, and in a clear and easy to understand format.⁹

Grains Research and Development Corporation (GRDC)

2.9 The GRDC has again provided a well presented and informative report. Throughout the report, the use of tables helps fulfil the reporting requirements, such as organisation structure, significant events, and expenditure on government research priorities, in an easily accessible manner.¹⁰

2.10 The committee commends the GRDC for its reporting under the FOI Act, which clearly lays out all reporting requirements, provides a section 8 statement for the period 1 July 2010 to 30 April 2011, as well as a statement detailing the new arrangements as part of the Information Publication Scheme.¹¹ The committee also notes that the GRDC's reporting under the OH&S Act has improved substantially.¹²

7 Cotton Research and Development Corporation, *Annual Report 2010-11*, p. 2.

8 Fisheries Research and Development Corporation, *Annual Report 2010-11*, pp 27–28, 39–40, 48, 53 and 59.

9 Fisheries Research and Development Corporation, *Annual Report 2010-11*, pp 26–27, 85–86, 90, 157 and 165–166.

10 Grains Research and Development Corporation, *Annual Report 2010-11*, pp 3–4, 15 and 146–147.

11 Grains Research and Development Corporation, *Annual Report 2010-11*, p. 101.

12 Grains Research and Development Corporation, *Annual Report 2010-11*, pp 103–104.

2.11 The compliance index provided separates the CAC Act and PIERD Act requirements, which the committee finds helpful. The committee notes, however, that items listed under the PIERD Act requirements appear to be incomplete. The committee considers that for items required to be reported on, but are not applicable, the inclusion of these items, marked as 'N/A', would be beneficial.

Grape and Wine Research and Development Corporation (GWRDC)

2.12 The committee again commends the GWRDC for providing a clear and specific compliance index. This greatly assists the committee's ability to ensure adherence to reporting requirements.

2.13 The committee is pleased to note that, following comments made in its previous reports, several improvements have been made to the GWRDC's annual report. The GWRDC has provided an alphabetical index, and has substantially improved its reporting on legislative requirements. Reporting under the FOI and OH&S Acts were fulfilled to a high standard, with all reporting requirements covered in a clear and comprehensive manner.¹³

2.14 The committee notes that the GWRDC's reporting on operations, as mentioned in paragraphs 1.31–1.35, has an 'achievements' column rather than an assessment of effectiveness. The committee finds that, while the information is presented more clearly than previous annual reports, the GWRDC would benefit from including a clearer assessment of both the efficiency and effectiveness of its operations.¹⁴

2.15 The GWRDC has fulfilled its reporting on corporate governance to a high standard, however, the committee reminds GWRDC that attendance at board committee meetings should also be included in the corporate governance statement.¹⁵

Rural Industries Research and Development Corporation (RIRDC)

2.16 The committee again commends the RIRDC for providing a comprehensive review of its functions, activities, and outcomes in its annual report for 2010-11. The compliance index provided was clear, with separate sections for reporting requirements under the PIERD Act. However, the committee notes that the separate section provided for 'other legislative requirements' did not contain page numbers. The committee did not find this too problematic, as items such as reporting under the FOI and EPBC Acts were located within the CAC and PIERD Acts compliance indexes.¹⁶

2.17 The committee is pleased to note that, following comments made in its previous reports, the RIRDC's reporting under the FOI Act has improved. However,

13 Grape and Wine Research and Development Corporation, *Annual Report 2010-11*, pp 51–52, 53 and 99.

14 Grape and Wine Research and Development Corporation, *Annual Report 2010-11*, pp 20–33.

15 Grape and Wine Research and Development Corporation, *Annual Report 2010-11*, pp 42–43.

16 Rural Industries Research and Development Corporation, *Annual Report 2010-11*, pp 241–242.

the committee notes that it would benefit from including further information on the categories of documents maintained. The RIRDC's statement on the National Disability Strategy is also of a high standard.¹⁷

Sugar Research and Development Corporation (SRDC)

2.18 The committee is disappointed to find that, following comments made in its previous reports, the SRDC has again provided an incomplete compliance index.

2.19 Without a complete compliance index, the committee finds it difficult to assess whether or not all reporting requirements have been met. The committee is especially concerned at the number of items that appear to be missing from the SRDC's reporting under the PIERD Act.¹⁸

2.20 The committee does note however, that while most reporting requirements were not included in the compliance index, they appear to have been covered throughout the report in a clear and thorough manner.

2.21 The committee notes that while the SRDC's report on performance also appeared not to be included in the compliance index, it has provided a clear assessment of key performance indicators and deliverables, with all results listed as 'achieved', excluding one item which is listed as 'partly achieved', and provides an explanation as to why. The committee considers this to be a high standard of reporting on performance.

2.22 The SRDC's reporting under the FOI Act did not contain a section 8 statement covering the period 1 July 2010 to 30 April 2011 inclusive, nor did it contain a statement explaining the newly established Information Publication Scheme. The committee encourages the SRDC to look carefully at the reporting requirements under this legislation when compiling upcoming reports.¹⁹

Prescribed agencies

Australian Fisheries Management Authority (AFMA)

2.23 The committee commends AFMA on consistently providing a high standard of reporting. The report is well written, comprehensive, and provides a detailed compliance index. The committee is also pleased to note that, following comments made in the committee's previous reports, AFMA has included a separate section for compliance under the *Fisheries Administration Act 1991* (AFMA's enabling legislation).²⁰

2.24 AFMA has improved its reporting on performance, and reporting against deliverables and key performance indicators. An assessment of the effectiveness of

17 Rural Industries Research and Development Corporation, *Annual Report 2010-11*, pp 13 and 159.

18 Sugar Research and Development Corporation, *Annual Report 2010-11*, p. 130.

19 Department of the Prime Minister and Cabinet, *Requirements for Annual Reports for Departments, Executive Agencies and FMA Act Bodies*, July 2011, p. 21.

20 Australian Fisheries Management Authority, *Annual Report 2010-11*, p. 191.

performance is provided, with results listed in a clear manner, and explanations given when targets have been classified as 'partially met', rather than 'met'.²¹

2.25 AFMA's reporting on its management of human resources is of a high standard. An assessment of its effectiveness in managing and developing human resources to achieve departmental objectives is provided in a clear and easy to read format, with helpful tables used where appropriate. However, the committee reminds AFMA that its reporting on consultancies should clearly state whether the consultancies listed are for the reporting year, for previous years, or both. If there are no ongoing consultancies from previous years, the committee considers that a statement to this effect should be included.²²

2.26 Once again, the committee commends AFMA for its high standard of reporting under the FOI, EPBC and OH&S Acts, as well as its reporting on the Advertising and Market Research section required by the *Commonwealth Electoral Act 1918*, and the National Disability Strategy.²³

Wheat Exports Australia (WEA)

2.27 The committee notes that the Wheat Export Accreditation Scheme, under which the WEA operates, may be abolished on 30 September 2012. While access test requirements will remain, staffing numbers will be reduced, and if the Export Marketing Amendment Bill 2012 is passed, the WEA will cease on 31 December 2012.²⁴

2.28 In its financial statements, the WEA states that it has become aware that there is an increased risk of non-compliance with section 83 of the Constitution where payments are made from special appropriations and special accounts in circumstances where the payments do not accord with conditions included in the relevant legislation.²⁵ This is also mentioned in the Auditor-General's Independent Audit Report, under its report on other legal and regulatory requirements.²⁶

2.29 The committee understands that the WEA intends to investigate the circumstances, and any impact on its special account.²⁷

2.30 The WEA's reporting on performance has been fulfilled to a high standard, especially its reporting on program deliverables and key performance indicators (KPIs). The committee is pleased to note that, following comments made in previous

21 Australian Fisheries Management Authority, *Annual Report 2010-11*, pp 14–33.

22 Australian Fisheries Management Authority, *Annual Report 2010-11*, pp 182–184.

23 Australian Fisheries Management Authority, *Annual Report 2010-11*, pp 53, 62–63, 175–177, 178 and 179–181.

24 Wheat Exports Australia, *Annual Report 2010-11*, pp 2, 4, 6 and 9.

25 Wheat Exports Australia, *Annual Report 2010-11*, pp 70–71.

26 Wheat Exports Australia, *Annual Report 2010-11*, p. 38.

27 Wheat Exports Australia, *Annual Report 2010-11*, pp 70–71.

reports, the WEA has provided a statement indicating if KPIs have been historically met for the last three years.²⁸

Infrastructure and Transport portfolio

Prescribed agency

Australian Transport Safety Bureau (ATSB)

2.31 The committee is pleased to note that the ATSB has again fulfilled its reporting requirements under the FMA Act and its own governing legislation to a high standard. The report is clear, well structured, and easy to read.

2.32 The ATSB lists the national transport reforms as a significant change in the nature of its principal functions/services. The committee notes that in the 2010-11 Budget, the ATSB was allocated \$0.8 million to enable it to prepare for a national role as Australia's no-blame rail and maritime safety investigator, with a further \$2.4 million in 2011-12 and \$8 million in 2012-13 announced for this purpose.²⁹

2.33 The committee finds that the ATSB's reporting on performance is displayed in a clear and easy to read format. The tables do not contain a clear 'achieved' or 'not achieved' column. Instead, they contain a target, with results of those actions relating to that target. The committee considers that this is an effective way to report on the performance of the specific nature of the ATSB's work. However, its report on performance could benefit from the inclusion of descriptors such as 'achieved', 'partially achieved' or 'not achieved' alongside its targets and results.³⁰

Regional Australia, Local Government, Arts and Sport portfolio

Prescribed agency

National Capital Authority (NCA)

2.34 This is the first opportunity that the committee has had to examine the annual report of the NCA, as a result of the change of allocations which occurred when the Senate amended the order relating to the allocation of departments and agencies to committees.

2.35 The committee notes that the *National Capital Authority Annual Report 2009-10* was examined in the Senate Finance and Public Administration Committee's *Annual Report (No. 2 of 2011)*. In this report, the Senate Finance and Public Administration Committee encouraged the National Capital Authority to focus its next

28 Wheat Exports Australia, *Annual Report 2010-11*, pp 12–22 and 89–101.

29 Australian Transport Safety Bureau, *Annual Report 2010-11*, p. 32.

30 Australian Transport Safety Bureau, *Annual Report 2010-11*, pp 22–32.

annual report on an assessment of its performance, rather than providing a description of its activities.³¹

2.36 The committee is disappointed to note that the NCA has not included a clear assessment of its performance, and encourages the NCA to include this in its next annual report.³²

Senator Glenn Sterle
Chair

31 Senate Finance and Public Administration Committee, *Annual Reports (No. 2 of 2011)*, pp 23–24.

32 National Capital Authority, *Annual Report 2010-11*, pp 16–109.

Appendix 1

List of annual reports referred to the committee during the period 1 November 2011 to 30 April 2012

Agriculture, Fisheries and Forestry portfolio

	Legislation	Letter of transmittal date	Date sent to Minister	Date received by Minister	Tabling date*
<i>Commonwealth authorities</i>					
Cotton Research and Development Corporation—Report for 2010-11	<i>PIERD Act 1989</i> <i>CAC Act 1997</i>	4/10/11	3/11/11	9/11/11	7/02/12* (received 2/12/11)
Fisheries Research and Development Corporation—Report for 2010-11	<i>PIERD Act 1989</i> <i>CAC Act 1997</i>	25/08/11	2/11/11	8/11/11	7/02/12* (received 19/12/11)
Grains Research and Development Corporation—Report for 2010-11	<i>PIERD Act 1989</i> <i>CAC Act 1997</i>	6/10/11	24/10/11	8/11/11	22/11/11
Grape and Wine Research and Development Corporation—Report for 2010-11	<i>PIERD Act 1989</i> <i>CAC Act 1997</i>	23/08/11	24/10/11	8/11/11	7/02/12* (received 2/12/11)
Rural Industries Research and Development Corporation—Report for 2010-11	<i>PIERD Act 1989</i> <i>CAC Act 1997</i>	30/09/11	24/10/11	8/11/11	22/11/11
Sugar Research and Development Corporation—Report for 2010-11	<i>PIERD Act 1989</i> <i>CAC Act 1997</i>	30/09/11	24/10/11	9/11/11	7/02/11* (received 13/12/11)
<i>Prescribed agencies</i>					
Australian Fisheries Management Authority—Report for 2010-11	<i>Fisheries Administration Act 1991</i> <i>FMA Act 1997</i>	7/10/11	20/10/11	29/10/11	9/11/11
Wheat Exports Australia—Report for 2010-11	<i>Wheat Export Marketing Act 2008</i> <i>FMA Act 1997</i>	27/09/11	27/09/11	14/10/11	7/11/11

Other					
Australian Landcare Council—Report for 2010-11	<i>Natural Resources Management (Financial Assistance) Act 1992</i>	26/10/11	15/12/11	15/12/11	28/02/12
Australian Livestock Export Corporation (LiveCorp)—Report for 2010-11	<i>Australian Meat and Live-stock Industry Act 1997</i> <i>Corporations Act 2001</i>	n/a	16/11/11	18/11/11	7/02/12* (received 19/12/12)
<i>Australian Meat and Live-stock Industry Act 1997</i> —Live-stock mortalities during exports by sea—Report for the period 1 July to 31 December 2011	<i>Australian Meat and Live-stock Industry Act 1997</i>	n/a	31/01/12	31/01/12	20/03/12
Dairy Australia Limited—Report for 2010-11	<i>Dairy Produce Act 1986</i> <i>Corporations Act 2001</i>	n/a	8/11/11	9/11/11	7/02/12* (received 19/12/11)
<i>Dairy Produce Act 1986</i> —Report for 2010-11 in relation to compliance with the statutory funding agreement between the Commonwealth of Australia and Dairy Australia Limited	<i>Dairy Produce Act 1986</i>	2/04/12	27/03/12	27/03/12	10/05/12* (received 12/04/12)
National Residue Survey—Report for 2010-11	<i>National Residue Survey Administration Act 1992</i>	n/a	30/11/11	15/12/11	27/02/12* (received 17/02/12)
National Rural Advisory Council—Report for 2010-11	<i>Rural Adjustment Act 1992</i>	8/11/11	8/12/11	8/12/11	27/02/12* (received 21/02/12)

* An asterisk denotes reports presented to the President out-of-session.

Infrastructure and Transport portfolio

	Legislation	Letter of transmittal date	Date sent to Minister	Date received by Minister	Tabling date*
<i>Prescribed agencies</i>					
Australian Transport Safety Bureau—Report for 2010-11	<i>Transport Safety Investigation Act 2003</i> <i>FMA Act 1997</i>	28/10/11	1/12/11	5/12/11	7/02/12* (received 20/12/11)
<i>Other</i>					
<i>Sydney Airport Demand Management Act 1997</i> —quarterly report on the maximum movement limit for the period 1 July to 30 September 2011	<i>Sydney Airport Demand Management Act 1997</i>	n/a	20/10/11	24/10/11	9/11/11
<i>Sydney Airport Demand Management Act 1997</i> —quarterly report on the maximum movement limit for the period 1 October to 31 December 2011	<i>Sydney Airport Demand Management Act 1997</i>	n/a	27/01/12	30/01/12	28/02/12

* An asterisk denotes reports presented to the President out-of-session.

Regional Australia, Local Government, Arts and Sport portfolio

	Legislation	Letter of transmittal date	Date Sent to Minister	Date received by Minister	Tabling date*
<i>Prescribed agency</i>					
National Capital Authority—Report for 2010-11	<i>Australian Capital Territory (Planning and Land Management) Act 1988</i>	28/10/11	12/12/11	12/12/11	7/02/12* (received 25/01/12)
<i>Other</i>					
Australia Business Arts Foundation Ltd—Financial Statements for the year ended 30 June 2011	<i>Corporations Act 2001</i>	n/a	19/10/11	24/11/11	7/02/12* (received 14/12/11)
Australian Sports Commission—Strategic plan 2011-12 to 2014-15	<i>Australian Sports Commission Act 1989</i>	n/a	20/12/11	20/12/11	8/02/12

* An asterisk denotes reports presented to the President out-of-session.