

Additional Comments from the Australian Labor Party and the Australian Greens

Introduction

4.1 We accept evidence that the proposed forest industry services body Forest and Wood Products Australia has the support of industry stakeholders.

4.2 We support forest research and development activities by the proposed industry services body.

4.3 We support the incorporation of marketing and promotion activities into the functions of the proposed industry services body.

4.4 However, we are concerned that the government's bill contains inadequate accountability provisions, discussed below.

Reporting Requirements

4.5 We believe the bill will establish arrangements that do not hold the proposed industry services body, or the Minister, sufficiently accountable to the Parliament for the expenditure of levy and taxpayer funds.

4.6 Accountability provisions in the legislation establishing the dairy industry services Dairy Australia provide a benchmark for provisions of this kind.

4.7 In relation to the dairy industry services body:

The body must, within 14 days of lodging an annual report, give the Minister a copy of the report and the Minister must, within 14 days of its receipt, cause a copy of the report to be tabled in each House of Parliament.

In addition to the matters mentioned in section 295 of the *Corporations Act 2001*, the annual report must include details of the following in relation to the financial year to which the report relates:

- (a) the amount of industry service payments and matching payments made to the industry services body;
- (b) the amount of those payments that were spent;
- (c) outcomes as measured against objectives that apply in relation to the industry services body.

The Minister must, as soon as practicable after the holding of each annual general meeting of the body, cause to be tabled in each House of the Parliament a report in relation to the year ending on 30 June before the

holding of that meeting. The report must include the following in relation to that year:

(a) a statement as to the amount of the industry service levy received by the Commonwealth;

(b) a statement as to whether the Minister is satisfied, on the basis of information provided by the industry services body, that the spending of industry service payments and matching payments complies with the funding contract;

(c) if the Minister is not so satisfied—details of why the Minister is satisfied that the spending does not so comply.

Conclusion

4.8 We believe the expenditure of levy and taxpayer funds demands strong accountability to the Parliament.

4.9 In its current form, the Bill provides for an unacceptably weak accountability regime.

Recommendation

That the Bill be amended to incorporate stronger reporting requirements comparable with the reporting requirements in place with respect to Dairy Australia.

Senator Kerry O'Brien
Senator for Tasmania

Senator Anne McEwen
Senator for South Australia

Senator Glenn Sterle
Senator for Western Australia

Senator Rachel Siewert
Senator for Western Australia