Chapter 2

Review of annual reports

2.1   This chapter examines, in greater detail, selected annual reports received during the period 1 May to 31 October 2013, and provides the Senate with information that may be of particular interest. The reports of the Department of Agriculture, Fisheries and Forestry; Australian Pesticides and Veterinary Medicines Authority; Department of Infrastructure and Transport; Civil Aviation Safety Authority; and the Department of Regional Australia, Local Government, Arts and Sport are discussed in this chapter.

Department of Agriculture, Fisheries and Forestry

2.2   The secretary's review highlighted the Department's major activities including the release of the national food plan, which outlined a strategic approach to food policy across the supply chain; the implementation across all markets of the Exporter Supply Chain Assurance System (ESCAS); continued work on the biosecurity reform agenda with progress made on the construction of the new post-entry quarantine facility in Victoria; and the completion of the review of the Commonwealth's fisheries arrangements.[1]

2.3   The department developed and launched the Rural Research and Development Policy Statement (the statement) in response to the Productivity Commission's inquiry into rural research and development corporations. The statement is structured around four key themes:

(i)   increased transparency and accountability in the Research and Development Corporations Model;

(ii)   improved coordination and priority setting across the whole research and development system;

(iii)   an increased range of ways to pursue productivity growth; and

(iv)   increased operational efficiencies and value for money on research and development investment.[2]

2.4   The committee notes that the department achieved 107 of its 125 key performance indicators. Of the remaining 18 key performance indicators, ten were 'partially met', four were 'not met' while another four were not applicable.[3]

2.5   The committee considers the department's *Annual Report 2012–13* to be well presented and compliant with the reporting requirements.

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1   Department of Agriculture, Fisheries and Forestry (DAFF), *Annual Report 2012–13,* pp 2-3.

2   DAFF, *Annual Report 2012–13,* pp 3 and 74.

3   DAFF, *Annual Report 2012–13,* pp 28-107.

Australian Pesticides and Veterinary Medicines Authority

2.6   The committee notes that the Australian Pesticides and Veterinary Medicines Authority (APVMA) celebrated its 20th anniversary in June 2013. APVMA's achievements over the past 20 years have included: the introduction of the Adverse Experience Reporting programs for veterinary medicines and agricultural chemicals; the establishment of a 'low regulatory' scheme for the management of low-risk agricultural and veterinary chemicals; and the release of a mobile phone application that provides users with access to the APVMA's Public Chemicals Registration Information System database.[4]

2.7   The committee notes that a number of APVMA's targets and initiatives within Strategy One were marked as 'deferred' or 'in progress' as they were related to the *Agricultural and Veterinary Chemicals Legislation Amendment Act 2013*, which was passed by Parliament in June 2013.[5]

2.8   In June 2013, APVMA participated for the first time in the Interpol-coordinated Operation Pangea VI, which is an annual week of global enforcement action targeting the online sale of unregistered and counterfeit medicines. APVMA's involvement in the operation resulted in two compliance inspections being conducted and information was obtained regarding two additional online retailers.[6]

2.9   The committee is pleased to note, following comments in its previous report, that APVMA's *Annual Report 2012–13* has been prepared in accordance with the current *Requirements for Annual Reports for Departments, Executive Agencies and FMA Act Bodies* (reporting requirements).

Department of Infrastructure and Transport

2.10   The Secretary's overview highlighted the Department of Infrastructure and Transport's (Infrastructure) major activities for 2012–13 including the administration of $3.8 billion of direct and indirect grants for the construction and maintenance of land transport infrastructure; the implementation of body scanners under the Strengthening Aviation Security Initiative; continued work on the implementation of the national transport regulation reforms; and the finalisation of initiatives from the Aviation White Paper.[7]

2.11   During 2012–13, 44 road and rail projects were completed, including the Barton Highway–Gounyan Curves realignment; Section 4B of the Geelong Ring Road; Section B of the Bruce Highway upgrade between Cooroy and Curra; and the widening and upgrade of the Great Eastern Highway, which was completed nine months ahead of schedule. Work commenced on an additional 40 projects including upgrades to the Devils Pulpit and the Tintenbar to Ewingsdale sections of the Pacific

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4   Australian Pesticides and Veterinary Medicines Authority (APVMA), *Annual Report 2012–13,* pp viii–ix.

5   APVMA, *Annual Report 2012–13,* p. 15.

6   APVMA, *Annual Report 2012–13,* p. 38.

7   Department of Infrastructure and Transport, *Annual Report 2012–13*, pp 2-5.

Highway; the Northern Sydney Freight Corridor Program; and the Majura Parkway project.[8]

2.12   Under the Black Spot Project, $63.8 million was spent in 2012–13 to improve the safety of 123 road sites which have been identified as high-risk areas for serious crashes. A further 213 Black Spot projects were underway at the end of the financial year.[9]

2.13   In 2012, Australia's eight major international airports commenced using body scanners at departure and transit screening points. The Department states that the introduction of body scanners, under the Strengthening Aviation Security Initiative, aim to make air travel safer and more secure for all passengers. Changes were made to the *Aviation Transport Security Act 2004* and the Aviation Transport Security Regulations 2005 to prepare for the use of body scanners, which included introducing a 'no opt-out' clause for passengers and strict privacy measures.[10]

2.14   The Department implemented the Accredited Air Cargo Agent Scheme (the Scheme) in June 2012. The Scheme's purpose is to enhance the security arrangements and procedures for the road transportation of cargo destined for carriage by air.[11]

2.15   The Department worked with state and territory governments to establish the National Heavy Vehicle Regulator and the National Rail Safety Regulator. The National Heavy Vehicle Regulator is Australia's first national regulator for all vehicles over 4.5 tonnes gross. Currently, the National Rail Safety Regulator has oversight of rail safety in South Australia, New South Wales, Northern Territory and Tasmania.[12] It is expected, subject to the passage of mirror legislation, that Victoria, Queensland, Western Australia and the Australian Capital Territory will come under the National Rail Safety Regulator within the next twelve months.[13]

2.16   The committee considers Infrastructure's *Annual Report 2012–13* to be of a high standard and is compliant with the reporting requirements.

Civil Aviation Safety Authority

2.17   The Civil Aviation Safety Authority's (CASA) annual report outlines key activities for 2012–13 including the implementation of key aspects of the new aviation regulations covering maintenance, flight crew licensing, training, and fatigue; and the introduction of a risk-based surveillance system.[14]

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8   Department of Infrastructure and Transport, *Annual Report 2012–13*, pp 21-22, 30-31.

9   Department of Infrastructure and Transport, *Annual Report 2012–13*, p. 35.

10   Department of Infrastructure and Transport, *Annual Report 2012–13*, p. 45.

11   Department of Infrastructure and Transport, *Annual Report 2012–13*, p. 52.

12   Department of Infrastructure and Transport, *Annual Report 2012–13*, p. 66.

13   Office of the National Rail Safety Regulator (ONRSR), *Corporate Plan 2013–16*, p. 2. For more information on the ONRSR see http://www.onrsr.com.au

14   Civil Aviation Safety Authority (CASA), *Annual Report 2012–13,* pp 16-17.

2.18   CASA, in conjunction with the International Civil Aviation Organisation (ICAO), is developing guidance material for the use of remotely piloted aircraft, commonly referred to as 'unmanned aircraft systems'. This sector has experienced major growth in the past 12 months as small, off-the-shelf types are able to provide advanced capability for a range of applications.[15]

2.19   In December 2012, CASA released advisory materials and standards to support the use of IT tablet devices as electronic flight bags. An electronic flight bag is an electronic storage and display system for items, such as maps and charts to support flight operations and replaces the use of traditional paper documents in the cockpit.[16]

2.20   The committee is pleased to note that, following comments in its previous reports, CASA has included page numbers in its compliance index. The inclusion of page numbers greatly assists the committee to assess CASA's compliance with the reporting requirements.

2.21   The committee considers CASA's *Annual Report 2012–13* to be compliant with the reporting requirements.

Department of Regional Australia, Local Government, Arts and Sport

2.22   The Secretary's review outlines the former Department of Regional Australia, Local Government, Arts and Sport's (Regional Australia) key achievements during 2012–13, including, the announcement of successful projects under rounds three and four of the Regional Australia Development Fund; the release of the national cultural policy; the completion of phase one of the Christmas Island New Housing Program; and the establishment of the National Integrity of Sport Unit to address doping and match-fixing matters in sport.[17]

2.23   During 2012–13, the East Kimberley Development Package was completed, which has delivered $195.17 million across 28 projects covering health, education, housing, transport and community sectors since it was launched in 2009. Key projects have included: a primary health care centre in Kununurra; a 16-bed short-stay patient accommodation facility to support patients travelling to Kununurra for health treatment; and improved facilities at the Kununurra Education Precinct.[18]

2.24   In June 2013, the department organised the Regional Development Australia 2013 National Forum (the forum). The forum is held annually and community representatives from across Australia come together and discuss the regional development challenges and opportunities. The forum's agenda in 2013 focused on

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15   CASA, *Annual Report 2012–13,* pp 17-18.

16   CASA, *Annual Report 2012–13,* p. 116.

17   Department of Regional Australia, Local Government, Arts and Sport (Regional Australia), *Annual Report 2012–13,* pp 2-3.

18   Regional Australia, *Annual Report 2012–13,* p. 20.

human capital, sustainable communities, population change, integrated regional planning and business competitiveness.[19]

2.25   The committee commends Regional Australia for a well presented annual report, which is of high standard and compliant with the reporting requirements.

Senator Bill Heffernan
Chair

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19   Regional Australia, *Annual Report 2012–13,*p. 32.