The Senate

Economics Legislation Committee

Annual reports (No. 2 of 2010)

November 2010

© Commonwealth of Australia 2010

ISBN 978-1-74229-379-0

Printed by the Senate Printing Unit, Parliament House, Canberra.

Senate Economics Legislation Committee

Members

Senator Annette Hurley, Chair	South Australia, ALP
Senator David Bushby, Deputy Chair	Tasmania, LP
Senator Doug Cameron	New South Wales, ALP
Senator Louise Pratt	Western Australia, ALP
Senator John Williams	New South Wales, NATS
Senator Nick Xenophon	South Australia, IND

Secretariat

Mr John Hawkins, Secretary
Mr Glenn Ryall, Senior Research Officer
Mr CJ Sautelle, Research Officer
Ms Hanako Jones, Administrative Officer

PO Box 6100
Parliament House
Canberra ACT 2600

Ph: 02 6277 3540
Fax: 02 6277 5719
E-mail: economics.sen@aph.gov.au
Internet: http://www.aph.gov.au/senate_economics/

Table of Contents

Membership of the Committee iii

Abbreviations vii

Recommendation ix

Chapter 1 1

Overview 1

Introduction 1

Purpose and requirements of annual reports 2

Reports referred to the committee 2

Timeliness 3

Remarks made in the Senate 4

Bodies not presenting annual reports to the Senate 5

Other comments on reports 5

Chapter 2 7

Individual 2008-09 Annual Reports 7

Reports under the Innovation, Industry, Science and Research portfolio 7

Report under the Resources, Energy and Tourism portfolio 8

Reports under the Treasury portfolio 8

Appendix 1 13

Portfolio structure and outcomes for the Innovation, Industry, Science and Research Portfolio for 2008-09

Appendix 2 15

Portfolio structure and outcomes for the Resources, Energy and Tourism Portfolio for 2008-09

Appendix 3 17

Portfolio structure and outcomes for the Treasury portfolio for 2008-09

Appendix 4 ..... **19**

Innovation, Industry, Science and Research Portfolio

List of annual reports tabled in the Senate during the period 1 November 2009 to 30 April 2010

Appendix 5 ..... **21**

Resources, Energy and Tourism Portfolio

Annual report tabled in the Senate during the period 1 November 2009 to 30 April 2010

Appendix 6 ..... **23**

Treasury Portfolio

List of annual reports tabled in the Senate during the period 1 November 2009 to 30 April 2010

Abbreviations

AASB	Australian Accounting Standards Board
AAO	Anglo-Australian Observatory
APRA	Australian Prudential Regulation Authority
ARPC	Australian Reinsurance Pool Corporation
ASIC	Australian Securities and Investments Commission
AUASB	Auditing and Assurance Standards Board
CAC Act	*Commonwealth Authorities and Companies Act 1997*
CALDB	Companies Auditors and Liquidators Disciplinary Board
CAMAC	Corporations and Markets Advisory Committee
COAG	Council of Australian Governments
DIISR	Department of Innovation, Industry, Science and Research
FMA Act	*Financial Management and Accountability Act 1997*
FRC	Financial Reporting Council
FRP	Financial Reporting Panel
G-20	Group of Twenty
GDP	gross domestic product
HERMES	High-Resolution Multi-object Echelle Spectrograph
IIF	Innovation Investment Fund
PC	Productivity Commission
R&D	research and development
RAM	Royal Australian Mint
RBA	Reserve Bank of Australia
SCT	Superannuation Complaints Tribunal

Recommendation

Recommendation 1

1.35 The committee recommends that the government, in consultation with the Joint Committee of Public Accounts and Audit, amend the annual reporting requirements for government entities to provide for more systematic reporting in relation to external scrutiny, including for parliamentary committee inquiries and reports, in line with sections B.2 and B.3 of the *ACT Chief Minister's 2007-2010 Annual Report Directions*.

Chapter 1
Overview

Introduction

1.1 Annual reports of departments and agencies are referred to Senate legislation committees under Senate Standing Order 25(20). The Economics Legislation Committee is responsible for the scrutiny of departments and agencies in the following portfolios:

- Innovation, Industry, Science and Research;
- Resources, Energy and Tourism; and
- Treasury.[1]

1.2 The structures and outcomes for each of these portfolios for 2008-09 are summarised in Appendices 1, 2 and 3, respectively.

1.3 Standing Order 25(20) requires the committee to:

- examine each annual report referred to it and report to the Senate whether the report is apparently satisfactory;
- 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;
- investigate and report to the Senate on any lateness in the presentation of annual reports;
- in considering an annual report, take into account any relevant remarks about the report made in debate in the Senate;
- if the committee so determines, consider annual reports of departments and budget-related agencies in conjunction with examination of estimates;
- 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;
- draw to the attention of the Senate any significant matters relating to the operations and performance of the bodies furnishing the annual reports; and
- 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.[2]

---

1 *Journals of the Senate*, No. 2, 13 February 2008, pp 97–98.

2 Standing Order 25(20), *Standing Orders and other orders of the Senate*, June 2009, p. 28.

Purpose and requirements of annual reports

1.4 Annual reports provide information on the success (or otherwise) of agencies in meeting targets outlined in budget statements, their primary function being to assist in ensuring the public accountability of government agencies. The tabling of annual reports in the Parliament, and scrutiny by Senate committees, allows Parliament to make informed judgments on the executive's performance in administering government programmes.

1.5 Departments of State and Executive Agencies present their annual reports pursuant to subsections 63(2) and 70(2) of the *Public Service Act 1999*, respectively. These entities, as well as prescribed agencies under section 5 of the *Financial Management and Accountability Act 1997* (FMA Act), are required to comply with the Department of the Prime Minister and Cabinet's *Requirements for Annual Reports for Departments, Executive Agencies and FMA Act Bodies*, approved by the Joint Committee of Public Accounts and Audit.[3]

1.6 Commonwealth authorities and companies present their annual reports pursuant to their own enabling legislation and/or sections 9 and 36 of the *Commonwealth Authorities and Companies Act 1997* (CAC Act), respectively.[4]

1.7 The enabling legislation of some agencies may require that agency to report on matters other than those included in the guidelines, or impose different reporting requirements. The committee's view is that such agencies, while bound by their enabling legislation, should also comply with the requirements imposed under the government's policy, to the extent that the requirements do not conflict.

1.8 The legislation governing the annual reports of agencies considered in this report is shown in Appendices 4, 5 and 6.

Reports referred to the committee

1.9 Under Standing Order 25(20)(f), the committee is required to report on the annual reports of departments and agencies tabled in the Senate between 1 November and 30 April of the following year by the tenth sitting day after 30 June of that year. This year that date is 17 November 2010.[5]

---

3 See http://www.dpmc.gov.au/guidelines/docs/annual_report_requirements.pdf. The financial statements for these entities must be produced in accordance with the *Financial Management and Accountability Orders (Financial Statements for reporting periods ending on or after 1 July 2008)*.

4 Reports of Commonwealth authorities subject to the CAC Act must be produced in accordance with the *Commonwealth Authorities and Companies (Report of Operations) Orders 2008* and the *Commonwealth Authorities and Companies Orders (Financial Statements for reporting periods ending on or after 1 July 2008)*. Annual reports of Commonwealth companies are required to be based on the reporting requirements under the *Corporations Act 2001*.

5 The committee is also required to report on annual reports tabled in the Senate between 1 May and 31 October each year by the tenth sitting day of the following year.

1.10 This report therefore examines the 2008-09 annual reports of the following agencies (which were tabled in the Senate or presented to the President between 1 November 2009 and 30 April 2010):

- Anglo-Australian Observatory (AAO)
- Auditing and Assurance Standards Board (AUASB)
- Australian Accounting Standards Board (AASB)
- Australian Prudential Regulation Authority (APRA)
- Australian Reinsurance Pool Corporation (ARPC)
- Australian Securities and Investments Commission (ASIC)
- Companies Auditors and Liquidators Disciplinary Board (CALDB)
- Corporations and Markets Advisory Committee (CAMAC)
- Financial Reporting Council (FRC)
- Financial Reporting Panel (FRP)
- Innovation Australia
- Innovation Investment Fund (IIF) companies
- Productivity Commission
- Superannuation Complaints Tribunal (SCT)
- Tourism Australia

1.11 In its report, *Annual reports (No. 1 of 2010)*, the committee inadvertently noted that the following reports should have been tabled more promptly:

- Companies Auditors and Liquidators Disciplinary Board (CALDB)
- Royal Australian Mint
- Takeovers Panel
- Treasury

1.12 In fact the above four reports were all presented to the President on 30 October 2009 and therefore met the relevant timing requirements.

1.13 Comments on all of the above reports are contained in Chapter 2.

Timeliness

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

Departments and FMA Act entities

1.15 Section 4 of the *Requirements for Annual Reports* states that annual reports of departments and agencies under the FMA Act framework are to be presented to each House of Parliament on or before 31 October in the year the report is given.

CAC Act entities

1.16 Section 9 of the CAC Act stipulates that the deadline for furnishing the minister with the annual reports of Commonwealth authorities is the 15th day of the 4th month after the end of the financial year, that is, 15 October where the end of the financial year is 30 June.

1.17 Section 36 of the CAC Act stipulates that Commonwealth companies must give their annual reports to the responsible minister by the earlier of the following:

- four months after the end of the financial year, or
- 21 days before the next annual general meeting of the company after the end of the financial year.

Other entities

1.18 Entities reporting in accordance with their own legislation are often required to prepare for the relevant minister their annual report 'as soon as is practicable' after a particular date. The committee draws attention to subsections 34C(2) and 34C(3) of the *Acts Interpretation Act 1901*, which stipulate that where no date for providing a report to a minister is specified, the report should be presented no more than six months after the reporting period, and the minister must provide the report to the Parliament within 15 sitting days after he or she receives it.

Government policy for all annual reports

1.19 While the legislative requirements for the tabling of annual reports vary between different types of agencies the government's policy is 'that all annual reports should be tabled by 31 October'.[6]

1.20 The committee notes that of the annual reports considered in this report, only the four listed in paragraph 1.11 and the Productivity Commission's report (which was tabled on time in the House of Representatives), have met the requirement set down by this policy.

1.21 While it is government policy that all annual reports should be tabled by 31 October, dates for the tabling of annual reports set in legislation vary between agencies and as such will be considered in the specific comments on annual reports below where necessary.

Remarks made in the Senate

1.22 Senate Standing Order 25(20)(d) directs the committee to take into account remarks made in the Senate when considering annual reports.

---

6 Department of the Prime Minister and Cabinet, *Requirements for Annual Reports*, June 2009, p. 2; and Department of the Prime Minister and Cabinet, *Guidelines for the Presentation of Government Documents to the Parliament (Including Government Responses to Committee Reports, Ministerial Statements, Annual Reports and Other Instruments)*, June 2009, paragraph 4.10.

1.23 None of the annual reports considered in this report have been the subject of debate in the Senate.

Bodies not presenting annual reports to the Senate

1.24 The committee is required to report to the Senate each year under Standing Order 25(20)(h) on whether there are any bodies not presenting annual reports to the Senate which should. The committee is satisfied that there are no such bodies within the Innovation, Industry, Science and Research; Resources, Energy and Tourism; or Treasury portfolios.

Other comments on reports

1.25 The *Requirements for Annual Reports* outlines the government's view of the purpose of annual reports:

> The primary purpose of annual reports of departments is accountability, in particular to the Parliament.
>
> Annual reports serve to inform the Parliament (through the responsible minister), other stakeholders, educational and research institutions, the media and the general public about the performance of departments in relation to services provided. Annual reports are a key reference document and a document for internal management. They form part of the historical record.[7]

1.26 In accordance with Standing Order 25(20)(a) the committee is required to examine reports and inform the Senate as to whether they are 'apparently satisfactory'. In doing so the committee considers compliance with the reporting guidelines specified by the legislation under which departments and agencies present their annual reports.

1.27 The committee considers that the reports it has examined are generally 'apparently satisfactory'.

1.28 Despite this, the committee believes that some aspects of agency annual reports can be improved. In this report the committee has particularly focussed on examining whether or not agency annual reports contain:

- appropriate compliance indexes; and
- discussion of external scrutiny and parliamentary accountability.

Compliance indexes

1.29 While no longer mandatory under the reporting requirements, the committee recommends the inclusion of a compliance index in annual reports, which preferably should include a nil return entry where the agency has nothing to report under an item. A compliance index is a useful feature of reports and considerably assists the committee's task of assessing reports. It also assists agencies by clearly showing that their compliance obligations have been met.

---

7 Department of the Prime Minister and Cabinet, *Requirements for Annual Reports*, June 2009, p. 3.

1.30 Where agencies have reporting requirements under various Acts the inclusion of a comprehensive compliance index covering all relevant requirements is a useful addition to agency annual reports.

External scrutiny and parliamentary accountability

1.31 The *Requirements for Annual Reports* states that annual reports:

> … must provide information on the most significant developments in external scrutiny of the department and the department's response, including particulars of:
>
> (a) judicial decisions and decisions of administrative tribunals that have had, or may have, a significant impact on the operations of the department; and
>
> (b) reports on the operations of the department by the Auditor-General (other than the report on financial statements), a Parliamentary committee or the Commonwealth Ombudsman.[8]

1.32 Clause 11 of Schedule 1 of the *Commonwealth Authorities and Companies (Report of Operations) Orders 2008* states that the same requirements apply to Commonwealth authorities that present their annual reports in accordance with the provisions of section 9 of the CAC Act.

1.33 As noted above, the primary purpose of annual reports is accountability to the Parliament – it is therefore important that details about external scrutiny are included in a clear manner in annual reports. It is particularly important that details about parliamentary scrutiny are included in annual reports, including appearances at Senate estimates hearings (which are the subject of bi-annual reports to the Senate).

1.34 With this in mind, the committee believes that future annual reports could be improved by more systematic reporting in relation to parliamentary committee inquiries and reports, and reports of the Auditor-General and Ombudsman. The committee notes that the *ACT Chief Minister's 2007-2010 Annual Report Directions* require ACT Government agencies to include a schedule of completed Legislative Assembly committee inquiries, and reports of the Auditor-General and Ombudsman, that relate to the operations of that agency. Agencies are also required to provide details on the implementation of recommendations in their annual reports.[9]

Recommendation 1

1.35 The committee recommends that the government, in consultation with the Joint Committee of Public Accounts and Audit, amend the annual reporting requirements for government entities to provide for more systematic reporting in relation to external scrutiny, including for parliamentary committee inquiries and reports, in line with sections B.2 and B.3 of the *ACT Chief Minister's 2007-2010 Annual Report Directions*.

---

8 Department of the Prime Minister and Cabinet, *Requirements for Annual Reports*, June 2009, p. 9.

9 *ACT Chief Minister's 2007-2010 Annual Report Directions*, June 2010, pp 19–20.

Chapter 2
Individual 2008-09 Annual Reports

Reports under the Innovation, Industry, Science and Research portfolio

Anglo-Australian Observatory (AAO) – Annual Report 2008-09

2.2 The AAO operates two telescopes at Siding Spring, near Coonabarabran, and a laboratory at Eastwood. It also supports Australia's involvement with the Magellan and Gemini telescopes in Chile and Hawaii. A high-resolution spectrograph, 'HERMES', is currently under construction.

2.3 The annual report takes pride in the AAO being among the top five optical telescopes based on papers and citations in the astronomical literature. Recent research has involved searching for evidence of 'dark energy' and discovering planets using Doppler measurements.

2.4 The United Kingdom Government has withdrawn from the AAO and it became a fully Australian owned entity as of July 2010. It is now a unit within DIISR known as the Australian Astronomical Observatory.

Innovation Australia – Annual Report 2008-09

2.5 Innovation Australia administers a range of programmes aimed at stimulating innovation and commercialisation by Australian industry, as well as offering policy advice to government and promoting innovation in the broader community. The Annual Report highlights that $910 million was disbursed during 2008-09 through its programmes, supporting over $14.5 billion in R&D and commercialisation activities.

2.6 Key programmes include the R&D Tax Concession, which achieved a record number of registrations in 2008-09, the Venture Capital Limited Partnerships and Early Stage Venture Capital Limited Partnerships programmes, and the Climate Ready and Re-tooling for Climate Change programmes aimed at promoting clean business practices and supporting innovation projects addressing the effects of climate change.

2.7 The committee considers that Innovation Australia has largely met its reporting requirements under the Act. However, the committee notes that the report was sent to the Minister on 29 January 2010 – well after the six month deadline specified in subsection 34C(2) of the *Acts Interpretation Act 1901* which applies where 'an Act requires a person to furnish a periodic report to a Minister but does not specify a period within which the report is to be so furnished'.[1]

---

1 See also comments in paragraph 1.14 of the committee's report, *Annual reports (No. 1 of 2010)*, February 2010.

Innovation Investment Fund (IIF) Companies – Annual Report 2008-09

2.8 A single volume is published with an overview and the annual reports for IIF Investments Pty Ltd, IIF (CM) Investments Pty Ltd, IIF BioVentures Pty Ltd, IIF Foundation Pty Ltd and IIF Neo Pty Ltd. Each of these companies, wholly-owned by the Australian government, was established to deliver capital into the Innovation Investment Fund, Pre-Seed Fund and Renewable Energy Equity Fund to provide venture capital to early stage technology based companies.

2.9 At June 2009 the Innovation Investment Fund had active investments in 38 companies, mostly information technology, telecommunications and bioscience companies. The Pre-Seed Fund had active investments in 53 companies, the majority in bioscience, pharmaceutical and medical sector companies. The Renewable Energy Equity Fund had active investments in four companies.

Report under the Resources, Energy and Tourism portfolio

Tourism Australia – Annual Report 2008-09

2.10 Tourism Australia reported a difficult year for global and Australian tourism due to 'the most significant decline in economic conditions since the Great Depression and the outbreak of the H1N1 influenza epidemic' but suggested Australia 'continued to outperform its rivals'. Tourism Australia claimed some of the credit for this with their campaign based on the film *Australia*. It also tried to stimulate domestic tourism with the 'No Leave, No Life' campaign.

2.11 The annual report includes an extensive assessment against its own performance indicators but little discussion of accountability. In particular there is no compliance index and no reference to appearances at Senate estimates.

Reports under the Treasury portfolio

The Treasury – Annual Report 2008-09

2.12 The Treasury highlights developing and implementing policy responses to the global financial crisis and recession in its review of the year. These responses include the fiscal stimulus packages and funding guarantees for financial intermediaries, both of which have been the subject of inquiries by the Senate Economics References Committee. Treasury also refer to its international engagement through G-20, advancing of domestic reforms through the Council of Australian Governments and its provision of the secretariat for the Australia's Future Tax System Review Panel, chaired by the Treasury Secretary. The annual report also refers to a number of matters examined by the committee in 2008 and 2009, such as support for private health insurance, the tax deductibility of non-commercial losses, employee share schemes, temporary residents' unclaimed superannuation and taxation of financial arrangements.

2.13 The committee commends Treasury for listing the appearances of its officers before parliamentary committees.[2] The committee notes that 25 of these appearances were before the Senate Economics Committees and expresses its appreciation to Treasury for this valuable contribution. It also commends Treasury for including a comprehensive compliance index and references to Australian National Audit Office reports relating to its operations in its annual report.

Australian Prudential Regulation Authority (APRA) – Annual Report 2008-09

2.14 APRA remarks in its annual report that, as a result of the global financial crisis, its 'supervisory intensity was dialled to its highest level' in 2008-09, but note 'the fundamentally sound condition of APRA-regulated institutions, notwithstanding two years in dangerous seas'. Also during the year APRA joined the Basel Committee on Banking Supervision, giving it a seat at the table when international rules are developed. APRA refer in their report to three global reform initiatives: raising bank capital, improving management of liquidity risk and aligning banks' remuneration policies with good stewardship.

2.15 The committee commends APRA for noting its appearances before, and submissions to, parliamentary committees but suggests it add a compliance index to its annual report.

Australian Reinsurance Pool Corporation (ARPC) – Annual Report 2008-09

2.16 The ARPC is a statutory authority, established by the *Terrorism Insurance Act 2003* in response to a marked reduction in the commercial terrorism insurance market following the events of 11 September 2001. It administers a scheme for providing coverage for commercial property and business interruption.

2.17 During 2008-09 Treasury conducted its second review of the need for the scheme and concluded that it needed to be continued for at least another three years.

2.18 The committee suggests that the ARPC's report could be made clearer by explaining earlier in the report its goals and the meaning of its 'retrocession program'. The report could also be improved by including a specific compliance index.

Australian Securities and Investments Commission (ASIC) – Annual Report 2008-09

2.19 ASIC aims to improve confidence in financial market integrity and protect investors and consumers. ASIC's 2007-08 annual report was titled 'a year of change'. For this report ASIC suggested that 2008-09 was a 'a year of consolidation'. This occurred against the background of a large fall in share prices: from peak (in October 2007) to trough (in March 2009) Australia's stock market valuation fell by over $770 billion – equivalent to around two-thirds of annual GDP. For a period ASIC banned short selling until markets stabilised. ASIC added resources to its work on insider trading, market manipulation and continuous disclosure during 2008-09.

---

2 The committee had suggested this in its corresponding report last year.

2.20 The committee commends ASIC for providing details of its appearances before parliamentary committees. As ASIC reports under a number of Acts, and the requirements in the *Australian Securities and Investments Commission Act 2001* are quite detailed, the committee suggests that a specific compliance index should be included in future reports.

Financial Reporting Council (FRC) – Annual Report 2008-09

2.21 The FRC is the peak body responsible for the broad oversight of the accounting and auditing standards setting processes (including appointing members, other than chairs, to the AUASB and the AASB). It is assisted by a secretariat located at Treasury.

2.22 Their annual report highlights issues arising from the global financial crisis, such as the need for updated guidance on the going concern assumption.

Financial Reporting Panel (FRP) – Annual Report 2008-09

2.23 The FRP is the primary adjudicator between ASIC and lodging entities in relation to the application of accounting standards. No matters were referred to the FRP during 2008-09.

Auditing and Assurance Standards Board (AUASB) – Annual Report 2008-09

2.24 Under changes effective from 1 July 2008, the AUASB is responsible for setting standards while support activities are provided by a new entity, the Office of the AUASB. However the annual report covers both entities. The major part of AUASB's programme in 2008-09 was work on redrafting auditing standards in 'clarity' format. The economic crisis also led to new projects, such as a joint publication with the Institute of Company Directors addressing the responsibilities of directors during periods of economic uncertainty.

Australian Accounting Standards Board (AASB) – Annual Report 2008-09

2.25 The AASB develops Australian accounting standards and contributes to the development of international standards. The AASB comment that the global financial crisis probably 'slowed the process of achieving global convergence of accounting standards at the same time as it has underscored the need for that convergence'.

2.26 Of particular interest to the committee given its December 2008 report on disclosure regimes for charities is the AASB's emphasis in its annual report on ensuring that 'like-transactions and events are dealt with in a like manner between the for-profit sector and the not-for-profit sector, unless there is sound reason to differ in particular circumstances'.

Companies Auditors and Liquidators Disciplinary Board (CALDB) – Annual Report 2008-09

2.27 The CALDB determines whether a registered auditor or liquidator should be disqualified. In 2008-09 six registrations were cancelled and two suspended.

Corporations and Markets Advisory Committee (CAMAC) – Annual Report 2008-09

2.28 CAMAC is a body corporate of part-time members who advise the minister about corporate, financial product and financial market matters.

2.29 In its 2008-09 annual report CAMAC describes its reports on issues in external administration, shareholder claims against insolvent companies, implications of the Sons of Gwalia decision, diversity on boards of directors and aspects of market integrity.

2.30 The committee suggests that in its annual report CAMAC should have referred to its appearance at a Senate estimates hearing in October 2008.

2.31 The committee also suggests that a specific compliance index, including the reporting requirements under both the FMA Act and ASIC Act, should be included in future reports.

Productivity Commission (PC) – Annual Report 2008-09

2.32 The Productivity Commission is an independent research and advisory body on a range of economic, social and environmental issues.

2.33 In its annual report the PC attributes the global economic crisis to the prior underestimation of risk. The PC notes the coordinated global action to ease monetary and fiscal policy, but warns against protectionist responses. It notes with concern that 'recent contractions in world trade have been more severe and more rapid than those that occurred in the early stages of the Great Depression'. It also cites its *Trade and Assistance Review* which concluded there is scope to reduce and rationalise some of the $17 billion in industry assistance.

2.34 In reviewing the year, the PC highlights the reports it published on paid parental leave, government drought support, restrictions on the parallel importation of books and indigenous disadvantage. Its focus for 2009-10 includes reports on gambling industries, director and executive remuneration, the not-for-profit sector, anti-dumping systems, private and public hospitals, water recovery in the Murray Darling basin and wheat export marketing.

2.35 The PC monitors parliamentary usage of its work, noting that in 2008-09 there were 198 mentions in parliamentary debates and questions and 188 mentions by parliamentary committees. The committee notes that the PC's annual report refers to the committee's report *Annual reports (No. 1 of 2009)*. The annual report also includes a table of parliamentary committee reports drawing on work by the PC.

2.36 The committee commends the PC for having responded to suggestions from the committee to include a compliance index and references to its appearance at Senate estimates hearings.

Royal Australian Mint – Annual Report 2008-09

2.37 The Royal Australian Mint referred in its annual report to a scheduled production shutdown for refurbishment for a period in 2008-09. This did not prevent it meeting an unexpected increase in demand for circulating coin. The global recession was associated with reduced numismatic demand.

2.38 The committee commends the Mint for including a compliance index in its annual report.

Superannuation Complaints Tribunal (SCT) – Annual Report 2008-09

2.39 In 2008-09 the number of complaints received by the SCT remained at the higher level experienced in 2007-08 and tended to be more complex. The proportion of complaints proceeding to review dropped as there were significant numbers of complaints that were essentially about disappointing, often negative, returns on superannuation assets (due to global market conditions) rather than any unfair or unreasonable behaviour by the fund.

2.40 The committee commends the SCT for including a compliance index in its annual report.

Takeovers Panel – Annual Report 2008-09

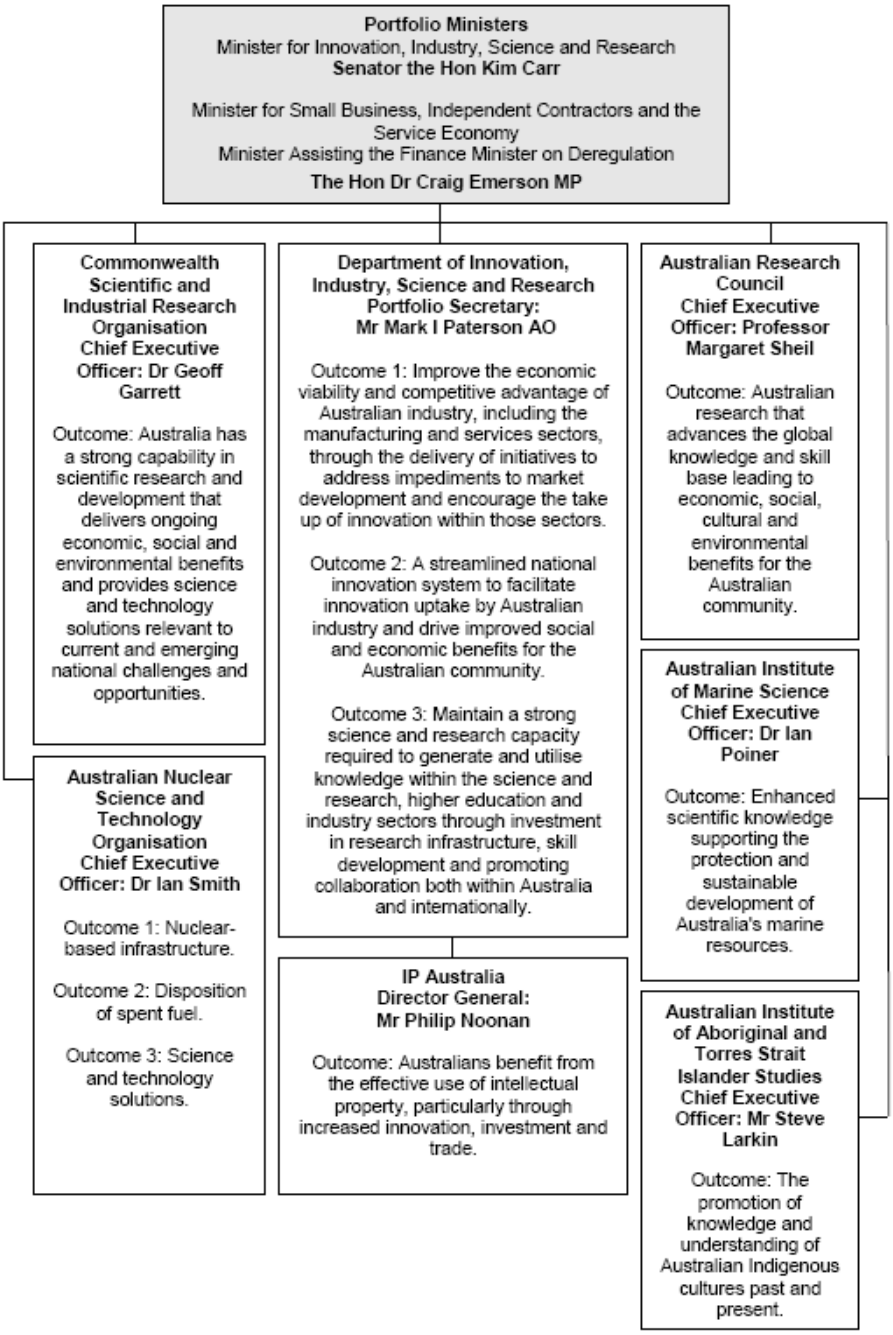
2.41 The Takeovers Panel's objective is to resolve disputes about takeovers. In 2008-09 the Panel received 30 applications, a similar number to recent years but tending to be more complex cases.

2.42 The committee commends the Panel for including a compliance index in its annual report.

Senator Annette Hurley
Chair

Appendix 1

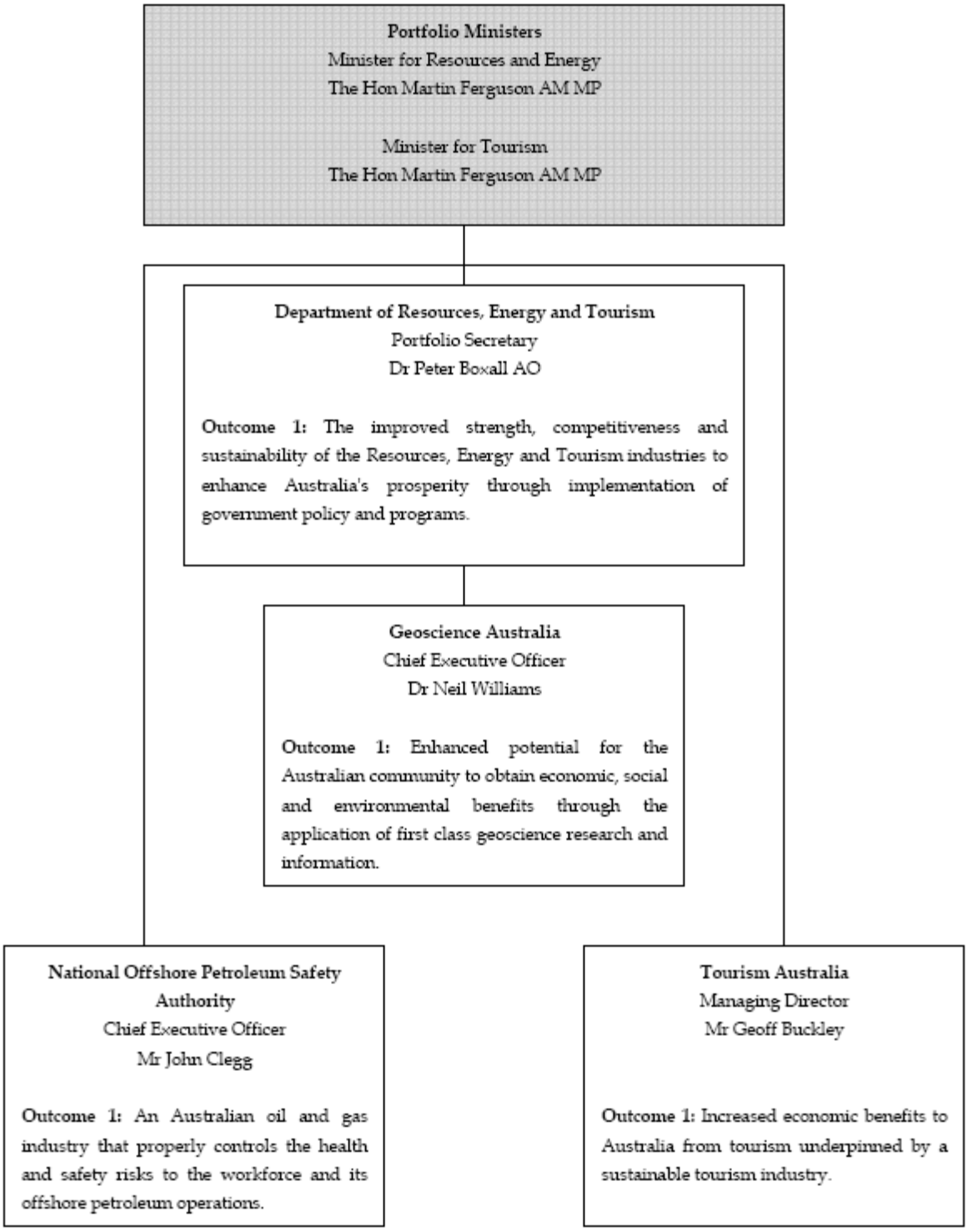
Portfolio structure and outcomes for the Innovation, Industry, Science and Research Portfolio for 2008-09[1]



1 *Portfolio Budget Statements 2008-09*, Innovation, Industry, Science and Research portfolio, p. 5.

Appendix 2

Portfolio structure and outcomes for the Resources, Energy and Tourism Portfolio for 2008-09[1]



1 *Portfolio Budget Statements 2008-09*, Resources, Energy and Tourism portfolio, p. 5.

Appendix 3

Portfolio structure and outcomes for the Treasury portfolio for 2008-09[1]

Portfolio Minister - Treasurer The Hon Wayne Swan MP **Assistant Treasurer and Minister for Competition Policy and Consumer Affairs** The Hon Chris Bowen MP **Minister for Superannuation and Corporate Law** Senator the Hon Nick Sherry
Department of the Treasury Secretary: Dr Ken Henry AC **Outcome 1:** Sound macroeconomic environment **Outcome 2:** Effective government spending arrangements **Outcome 3:** Effective taxation and retirement income arrangements **Outcome 4:** Well functioning markets
Australian Bureau of Statistics Statistician: Mr Brian Pink Informed decision making, research and discussion within governments and the community based on the provision of a high quality, objective and responsive national statistical service
Australian Competition and Consumer Commission Chairperson: Mr Graeme Samuel To enhance social and economic welfare of the Australian community by fostering competitive, efficient, fair and informed Australian markets
Australian Office of Financial Management Chief Executive Officer: Mr Neil Hyden To enhance the Commonwealth's capacity to manage its net debt portfolio, offering the prospect of savings in debt servicing costs and an improvement in the net worth of the Commonwealth over time
Australian Prudential Regulation Authority Chairman: Dr John Laker To enhance public confidence in Australia's financial institutions through a framework of prudential regulation which balances financial safety and efficiency, competition, contestability and competitive neutrality
Australian Securities and Investments Commission Chairman: Mr Tony D'Aloisio A fair and efficient market characterised by integrity and transparency and supporting confident and informed participation of investors and consumers
Australian Taxation Office Commissioner: Mr Michael D'Ascenzo Effectively managed and shaped systems that support and fund services for Australians and give effect to social and economic policy through the tax, superannuation, excise and other related systems
Commonwealth Grants Commission Secretary: Mr John Spasojevic Fiscal equalisation between the States, the Australian Capital Territory and the Northern Territory is achieved through the distribution, by Government, of GST revenue and Health Care Grants
Corporations and Markets Advisory Committee Convenor: Mr Richard St John A fair and efficient market characterised by integrity and transparency and supporting confident and informed participation of investors and consumers
Inspector-General of Taxation Inspector-General: Mr David Vos AM Improved administration of the tax laws for the benefit of all taxpayers

1 *Portfolio Budget Statements 2008-09*, Treasury portfolio, p. 6.

National Competition Council Acting President: Mr David Crawford The achievement of effective and fair competition reforms and better use of Australia's infrastructure for the benefit of the community
Productivity Commission Chairman: Mr Gary Banks AO Well-informed policy decision-making and public understanding on matters relating to Australia's productivity and living standards, based on independent and transparent analysis from a community-wide perspective
Royal Australian Mint Chief Executive Officer: Ms Janine Murphy Manufacture and sale of circulating coins, to meet the coinage needs of the Australian economy, and collector coins and other minted products for Australia and foreign countries

Appendix 4

Innovation, Industry, Science and Research Portfolio

List of annual reports tabled in the Senate during the period 1 November 2009 to 30 April 2010

Reporting Body	Legislation	Date of transmittal letter	Date Sent to minister	Date received by Minister	Date tabled/ presented*
Anglo-Australian Observatory (AAO)	*Agreement between the Australian Government and the Government of the United Kingdom to provide for the establishment and operation of an optical telescope at Siding Spring Mountain in the state of New South Wales* – Article 8 *Anglo-Australian Telescope Agreement Act 1970* – section 19	undated	25/09/09	25/09/09	25/11/09
Innovation Investment Fund (IIF) Companies	*Commonwealth Authorities and Companies Act 1997* – section 36 *Corporations Act 2001*	29/10/09	30/10/09	30/10/09	25/11/09
Innovation Australia	*Industry Research and Development Act 1986* – section 46	undated	29/01/10	29/01/10	24/02/10

Appendix 5

Resources, Energy and Tourism Portfolio

Annual report tabled in the Senate during the period 1 November 2009 to 30 April 2010

Reporting Body	**Legislation**	**Date of transmittal letter**	**Date sent to Minister**	**Date received by Minister**	**Date tabled/ presented***
Tourism Australia	*Tourism Australia Act* 2004 – section 39 *Commonwealth Authorities and Companies Act 1997* – section 9	15/10/09	15/10/09	15/10/09	18/11/09

Appendix 6

Treasury Portfolio

List of annual reports tabled in the Senate during the period 1 November 2009 to 30 April 2010

Reporting Body	Legislation	Date of transmittal letter	Date sent to Minister	Date received by Minister	Date tabled/ presented*
Australian Prudential Regulation Authority (APRA)	*Australian Prudential Regulation Authority Act 1998* – section 59 *Financial Management and Accountability Act 1997*	19/10/09	N/A	N/A	23/11/09 20/11/09*
Australian Reinsurance Pool Corporation (ARPC)	*Commonwealth Authorities and Companies Act 1997* – section 9	22/9/09	N/A	N/A	16/11/09 05/11/09*
Australian Securities and Investments Commission (ASIC)	*Australian Securities and Investments Commission Act 2001* – section 136 *Financial Management and Accountability Act 1997*	9/9/09	N/A	N/A	16/11/09 05/11/09*
Financial Reporting Council	*Australian Securities and Investments Commission Act 2001* – section 235B	14/10/09	N/A	N/A	16/11/09 13/11/09*
Financial Reporting Panel	*Australian Securities and Investments Commission Act 2001* – section 239AM	1/10/09	N/A	N/A	16/11/09 04/11/09*

Reporting Body	**Legislation**	**Date of transmittal letter**	**Date sent to Minister**	**Date received by Minister**	**Date tabled/ presented***
Auditing and Assurance Standards Board (AUASB)	*Australian Securities and Investments Commission Act 2001* – section 236DG *Financial Management and Accountability Act 1997*	2/10/09	N/A	N/A	16/11/09 04/11/09*
Australian Accounting Standards Board (AASB)	*Australian Securities and Investments Commission Act 2001* – section 235J *Financial Management and Accountability Act 1997*	2/10/09	N/A	N/A	16/11/09 04/11/09*
Companies Auditors and Liquidators Disciplinary Board (CALDB)	*Australian Securities and Investments Commission Act 2001* – section 214	1/10/09	N/A	N/A	16/11/09 30/10/09*
Corporations and Markets Advisory Committee	*Australian Securities and Investments Commission Act 2001* – section 162 *Financial Management and Accountability Act 1997*	18/9/09	N/A	N/A	16/11/09 04/11/09*
Productivity Commission	*Productivity Commission Act 1998* – section 10 *Financial Management and Accountability Act 1997*	21/10/09	23/10/09	23/10/09	17/11/09

Reporting Body	**Legislation**	**Date of transmittal letter**	**Date sent to Minister**	**Date received by Minister**	**Date tabled/ presented***
Royal Australian Mint	*Public Service Act 1999* – subsection 63(1) *Financial Management and Accountability Act 1997*	10/9/09	N/A	N/A	16/11/09 30/10/09*
Superannuation Complaints Tribunal	*Superannuation (Resolution of Complaints) Act 1993* – section 67	11/9/09	N/A	N/A	16/11/09 13/11/09*
Takeovers Panel	*Australian Securities and Investments Commission Act 2001* – section 183 *Public Service Act 1999* – subsection 70(2)	15/10/09	N/A	N/A	16/11/09 30/10/09*
Treasury	*Public Service Act 1999* – section 63 *Financial Management and Accountability Act 1997*	12/10/09	N/A	N/A	16/11/09 30/10/09*