Chapter 1

Introduction

1.1 This is the Senate Education, Employment and Workplace Relations Legislation Committee's (the committee) first report on annual reports for 2011. It provides an overview of the committee's examination of annual reports for the 2009–10 financial year.

Terms of reference

1.2 This report was prepared pursuant to Standing Order 25(20) relating to the consideration of annual reports by committees. The Standing Order states:

> Annual reports of departments and agencies shall stand referred to the 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.
>
> (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]

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[1] *Amended 24 August 1994, 13 February 1997, 11 November 1998, 3 December 1998, 13 February 2002, 19 November 2002, 14 August 2006: with effect from 11 September 2006, 13 May 2009: with effect on 14 May 2009.*

Role of annual reports

1.3 Annual reports place a great deal of information about government departments and agencies on the public record. Accordingly, the tabling of annual reports is an important element of accountability to Parliament, assisting in the effective examination of the performance of departments and agencies, and the administration of government programs.

Annual reports referred

1.4 In accordance with Senate Standing Order 25(20)(f) this report examines those annual reports tabled between 1 May 2010 and 31 October 2010. The committee examined the reports of the:

Departmental reports

- Department of Education, Employment and Workplace Relations

Departmental bodies

- Safety, Rehabilitation and Compensation Commission

Prescribed agencies (under FMA Act)

- Australian Industrial Relations Commission and Australian Industrial Registry
- Seafarers Safety, Rehabilitation and Compensation Authority (Seacare)
- Office of the Australian Building and Construction Commissioner
- Workplace Authority
- Fair Work Ombudsman
- Fair Work Australia

Statutory authorities/bodies

- Remuneration Tribunal
- Skills Australia

Commonwealth authorities (under the CAC Act)

- Australian National University
- Comcare

Commonwealth companies under the CAC Act

- Australian Learning and Teaching Council *(formerly known as The Carrick Institute)*
- Australian Curriculum, Assessment and Reporting Authority (ACARA)
- Defence Force Remuneration Tribunal. *(Also referred to the Senate Standing Committee on Foreign Affairs, Defence and Trade).*

Reports on legislation

- Report to the Commonwealth, made under Section 24 of the *Air Passenger Ticket Levy (Collection) Act 2001*, for the period 1 April 2009 to 31 March 2010.

1.5 The tabling dates of these reports are listed at Appendix 2. Details of all annual reports falling within the purview of the committee are set out at Appendix 1.

Method of assessment

1.6 Senate Standing Orders require the committee to examine the annual reports referred to it to determine whether they are timely and 'apparently satisfactory'. In making this assessment, the committee considers whether the reports comply with the relevant requirements for the preparation of annual reports of departments and authorities.

1.7 The requirements are set down in the following instruments:

- for portfolio departments: the *Public Service Act 1999*, sections 63(2) and 70(2), and the *Requirements for Departmental Annual Report, for Departments, Executive Agencies and FMA Act Bodies*, Department of Prime Minister and Cabinet, revised June 2008;
- for Commonwealth authorities and companies: the *Commonwealth Authorities and Companies Act 1997*, in particular sections 9, 36 and 48; and
- for non-statutory bodies: the guidelines are contained in the Government response to the Senate Standing Committee on Finance and Public Administration Report on Non-Statutory bodies, Senate *Hansard*, 8 December 1987, pp 2643-45.

Timeliness in tabling annual reports

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

1.9 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.[2] Those agencies reporting under the *Commonwealth Authorities and Companies Act 1997* 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. Where the financial year ends on 30 June, this deadline translates to 15 October.[3]

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2 Department of Prime Minister and Cabinet, *Requirements for Annual Reports for Departments, Executive Agencies and FMA Act Bodies*, June 2009, p. 1.

3 *Commonwealth Authorities and Companies Act 1997*, section 9.

1.10 The committee recognises that some agencies are required to comply with other timeframes stipulated in their enabling legislation, such as 'as soon as practicable after 30 June'. Nonetheless, the committee reminds all agencies that the government considers it best practice for annual reports to be tabled by 31 October each year.

1.11 The committee notes that a number of annual reports under its purview were not received by 31 October in order to be reported on in the committee's *Annual Reports (1 of 2011)*. The reports of the following bodies will be examined in the committee's *Annual Reports (2 of 2011)*:

- Australian Vocational Education and Training System–Report for 2009
- Coal Mining Industry (Long Service Leave Funding) Corporation
- Safe Work Australia
- Teaching Australia - Australian Institute for Teaching and School Leadership Limited
- *Schools Assistance (Learning Together–Achievement Through Choice and Opportunity) Act 2004*–Report on financial assistance granted to each state in respect of 2009
- *Workplace Relations Act 1996* – Report for the period 1 January 2007 to 31 December 2009 on agreement making under the Act.

General comments on reports

1.12 The committee has found, under the terms of standing order 25(20), that all reports described here are apparently satisfactory. In making this assessment, the committee considers aspects such as the timeliness of presentation and compliance with relevant reporting requirements.