

The Senate

Environment and Communications
Legislation Committee

Annual reports (No. 2 of 2013)

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Committee membership

Members

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Senator Anne Urquhart (Deputy Chair)	ALP, Tasmania
Senator David Fawcett	LP, South Australia
Senator Louise Pratt	ALP, Western Australia
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Report to the Senate

Introduction

1.1 By virtue of Senate Standing Order 25(20), the Senate refers to this committee for examination and report the annual reports of departments and agencies of the following three portfolios:

- Broadband, Communications and the Digital Economy;
- Climate Change; and
- Sustainability, Environment, Water, Population and Communities.¹

1.2 Standing Order 25(20) requires that the 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.

1.3 This report deals with reports tabled in the Senate during the period from 1 November 2012 to 30 April 2013 as required by standing order 25(20)(f).

Annual reporting requirements

1.4 On 28 June 2012, the Joint Committee of Public Accounts and Audit (JCPAA) approved revised *Requirements for Annual Reports for Departments*,

¹ New Administrative Arrangements Orders of 18 September 2013 established the Department of the Environment and the Department of Communications. As part of machinery of government changes all climate change functions, excluding international matters, were placed within the Environment portfolio.

Executive Agencies and FMA Act Bodies (the Requirements) put forward by the Department of the Prime Minister and Cabinet. These Requirements apply to annual reports for the financial year ending on 30 June 2012.² Under the Requirements, annual reports of departments and executive and prescribed agencies must be tabled by 31 October.³

1.5 Under section 48 of the *Commonwealth Authorities and Companies Act 1997* (the CAC Act), the Minister for Finance outlines the annual reporting requirements for Commonwealth authorities and companies in the *Commonwealth Authorities and Companies (Report of Operations) Orders*. Section 9 of the CAC Act applies to Commonwealth authorities and specifies the deadline for the presentation of an annual report to the responsible minister. Section 36 of the CAC Act provides for the reporting obligations of Commonwealth companies.

1.6 Some statutory authorities are required to follow the Requirements if their head has the powers of a secretary as defined under the *Public Service Act 1999*.

1.7 Requirements for the annual reports of non-statutory bodies are set out in the Government Response to recommendations of the then Senate Standing Committee on Finance and Government Operations in its report entitled, *Reporting Requirements for the Annual Reports of Non-Statutory Bodies*. The response was incorporated into the Senate *Hansard* of 8 December 1987.⁴

Apparently satisfactory

1.8 Standing order 25(20)(a) requires the committee to report to the Senate on whether annual reports are apparently satisfactory. In making this assessment, the committee considers such aspects as timeliness of presentation and compliance with relevant reporting requirements.

Purpose of annual reports

1.9 As stated in the Requirements, the primary purpose of annual reports is accountability, in particular to the Parliament. They inform the Parliament, other stakeholders, education and research institutions, the media and the general public about departments' performance in providing services. They are a key reference as well as an internal management document and form part of the historical record.⁵

2 Department of the Prime Minister and Cabinet, *Requirements for Annual Reports for Departments, Executive Agencies and FMA Act Bodies*, 28 June 2012, www.dpmc.gov.au/guidelines/index.cfm. The Requirements are prepared pursuant to subsections 63(2) and 70(2) of the *Public Service Act 1999*.

3 Department of the Prime Minister and Cabinet, *Requirements for Annual Reports for Departments, Executive Agencies and FMA Act Bodies*, 28 June 2012, p. 2.

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

5 Department of the Prime Minister and Cabinet, *Requirements for Annual Reports for Departments, Executive Agencies and FMA Act Bodies*, 28 June 2012, p. 3.

Reports referred to the Committee

1.10 This report covers reports from the Broadband, Communications and the Digital Economy portfolio and from the Sustainability, Environment, Water, Population and Communities portfolio.

1.11 The following reports have been referred to the committee:

Prescribed agency

Murray-Darling Basin Authority Annual Report 2011–2012

Statutory authorities

Director of National Parks Annual Report 2011–12

National Environment Protection Council Annual Report 2011–2012

Sydney Harbour Federation Trust Annual Report 2011–2012

Reports on the operation of Acts

Australian Broadcasting Corporation

Equity and Diversity Annual Report 2011–2012

Australian Communications and Media Authority

Communications Report 2011–2012

National Relay Service Performance report 2011–12

Australian Competition & Consumer Commission

Telstra's compliance with the retail price control arrangements
2011–2012

Telecommunications Reports:

Telecommunications competitive safeguards 2011–2012

Changes in prices paid for telecommunications services in Australia,
2011–2012

Australian Postal Corporation (Australia Post)

Statement of Corporate Intent 2012/13–2015/16

Department of Broadband, Communications and the Digital Economy

Report on Digital Television Transmission and Reception, February 2013

The operation of the Prohibition of Advertisements of Interactive

Gambling Services under the *Interactive Gambling Act 2001*, March 2013

Funding of Consumer Representation Grants Program to

Telecommunications Annual Report 2011–2012, February 2013

Wet Tropics Management Authority Annual Report and State of the Wet
Tropics Report 2011–2012.

1.12 Appendix 1 provides the following information for each of the reports received:

- the basis under which the organisation operates, for example, department or statutory authority;
- dates indicating the progressive stages in presentation of the annual reports; and

- the date each report was tabled in, or deemed to be presented to, the Senate.

Remarks made in the Senate

1.13 As required under the terms of Standing Order 25(20)(d), the committee notes that none of the annual reports covered in this report was the subject of comment in the Senate.

Timeliness

1.14 The Requirements state that if a department is unable to meet the tabling deadline, the secretary may seek an extension of time to report under the provisions of subsections 34C(4)–(7) of the *Acts Interpretation Act 1901*, by advising the responsible minister of the reasons for the slippage. The responsible minister is to table this explanation in the Parliament on the next available sitting day.⁶

1.15 The committee notes the tabling on 28 November 2012, of an Extension Request, dated 31 October 2012, and the Minister's approval, for the late tabling of the Sydney Harbour Federation Trust Annual Report. It further notes the tabling on 19 March 2013 of the required Transmittal Letter which had been omitted from the Annual Report.

1.16 All reports reviewed in this report were tabled after 31 October. The terms of section 9 of the CAC Act require that annual reports be given to the responsible Minister by 15 October. As a matter of policy, they also apply to prescribed agencies under section 5 of the *Financial Management and Accountability Act 1997* (the FMA Act). Under section 36 of the CAC Act, the content of annual reports of Commonwealth companies is based on reporting requirements under the *Corporation Act 2001*.⁷

1.17 The committee notes that the annual report of the Murray-Darling Basin Authority did not meet the reporting deadlines. The transmittal letter is dated 14 November 2012 and the report was submitted to, and received, by the Minister on 23 November 2012. It was tabled in the House of Representatives on 29 November 2012 and in the Senate on 5 February, thereby missing two deadlines: presenting to the Minister by 15 October and tabling by the 31 October.

1.18 The committee also notes that while the annual report of the Director of National Parks was presented to, and received by, the Minister on 11 October 2012, within the reporting timeline, it was presented out of session on 9 November and tabled in the Senate on 19 November 2012, thereby missing the tabling deadline.

1.19 In previous reports on annual reports, the committee has acknowledged advice from the National Environment Council that its enabling legislation requires it to

6 Department of the Prime Minister and Cabinet, *Requirements for Annual Reports for Departments, Executive Agencies and FMA Act Bodies*, 28 June 2012, p. 2.

7 Department of the Prime Minister and Cabinet, *Requirements for Annual Reports for Departments, Executive Agencies and FMA Act Bodies*, 28 June 2012, p. 1.

include reports by each member of the Council (that is Commonwealth, State and Territory ministers) in its annual report which leads to its report being tabled after 31 October each year.⁸

1.20 The Requirements state that 'where an agency's own legislation provides a timeframe for its annual report...that timeframe applies... However, it remains the Government's policy that all annual reports should be tabled by 31 October'.⁹ The Requirements continue:

If Senate Estimates is scheduled to occur prior to 31 October, it is best practice for annual reports to be tabled prior to those hearings.¹⁰

1.21 The committee encourages agencies to table annual reports in a timely manner.

Comments on annual report

Murray-Darling Basin Authority—Annual Report 2011–2012

1.22 The report records the impact of the highest summer rainfall events on record during the year and the floods which affected many towns and properties across the region. However, the rain also led to the replenishment of water storages and rejuvenated wetland and floodplain ecosystems.¹¹

1.23 The report notes that the first draft Proposed Basin Plan was released on 28 November 2011. A five month consultation period followed during which the Authority 'met with over 170 groups and received almost 12,000 submissions on the draft plan'.¹² As a result of this process, some 300 changes were made to the proposed plan and a revised version of it was presented to water ministers from the six Basin governments on 28 May 2012. The report flags that the proposed Basin Plan is scheduled to be finalised during the 2012–13 reporting year.¹³

Bodies not presenting annual reports to the Senate

1.24 Standing Order 25(20)(h) requires the committee to report to the Senate each year whether there are any bodies which do not present annual reports to the Senate which should present such reports. The committee is aware of no such body.

8 See, for example, Environment and Communications Legislation Committee, *Annual Reports (No 2 of 2011)*, September 2012; Environment, Communications and the Arts Legislation Committee, *Annual reports (No. 2 of 2009)*, September 2009; and Environment, Communications, Information Technology and the Arts Legislation Committee, *Annual reports (No. 2 of 2002)*, September 2002, pp 28–29.

9 Department of the Prime Minister and Cabinet, *Requirements for Annual Reports for Departments, Executive Agencies and FMA Act Bodies*, 28 June 2012, p. 2.

10 Department of the Prime Minister and Cabinet, *Requirements for Annual Reports for Departments, Executive Agencies and FMA Act Bodies*, 28 June 2012, p. 2.

11 Murray-Darling Basin Authority Annual Report 2011–12, p. 1.

12 Murray-Darling Basin Authority Annual Report 2011–12, p. 1.

13 Murray-Darling Basin Authority Annual Report 2011–12, p. 1.

Summary

1.25 Standing Order 25(20)(a) requires the committee to report to the Senate on whether annual reports are apparently satisfactory. In making this assessment, the committee considers such aspects as timeliness of presentation and compliance with relevant reporting requirements.

1.26 The committee finds that the annual reports referred to it have provided an appropriately comprehensive description of the activities of the reporting bodies and were of a commendably high standard of presentation. They generally met the requirements of the various guidelines that apply to them and were timely in their presentation to the Parliament, except where noted above.

1.27 Accordingly, the committee reports its finding that the annual reports referred to it for examination and tabled in the period under examination were apparently satisfactory.

Senator John Williams
Chair

APPENDIX 1

Annual reports referred to the Environment and Communications Legislation Committee between 1 November 2012 and 30 April 2013

Broadband, Communications and the Digital Economy portfolio

Name	Type ¹⁴	Dates ¹⁵	Tabled ¹⁶
Australian Broadcasting Corporation Equity and Diversity Annual Report 2011–12	Report on the operation of an Act	A. - B. 07/12/12 C. 07/12/12	05/02/13
Australian Communications and Media Authority Communications report 2011–12	Report on the operation of an Act	A. 12/11/12 B. 19/11/12 C. 19/11/12	05/02/13 (Received 06/12/12)
Australian Communications and Media Authority National Relay Service Performance report 2011–12	Report on the operation of an Act	A. 17/01/13 B. 26/02/13 C. 26/02/13	19/03/13
Australian Competition & Consumer Commission Telstra's compliance with the retail price control arrangements 2011–12	Report on the operation of an Act	A. - B. 19/12/12 C. 21/12/12	06/02/13
Australian Competition & Consumer Commission Telecommunications competitive safeguards for 2011–12 Changes in prices paid for telecommunications services in Australia. 2011–12	Report on the operation of an Act	A. 19/12/12 B. 31/01/13 C. 31/01/13	26/02/13
Australian Postal Corporation Statement of Corporate Intent 2012/13–2015/16	Report on the operation of an Act	A. - B. 12/10/12 C. 12/10/12	05/02/13

14 Statutory Authority includes statutory office-holders.

15 Dates shown are:

- A The date shown on a letter of transmittal printed with the annual report (if any)
- B Date submitted to the Minister, as recorded in the Senate's Order of Business (if any)
- C Date received by the Minister, as recorded in the Senate's Order of Business (if any)

16 The date in parenthesis shows the date that the report was presented out of session to the President / Deputy President / Temporary Chairman of Committees.

Name	Type¹⁴	Dates¹⁵	Tabled¹⁶
Department of Broadband, Communications and the Digital Economy Report on Digital Television Transmission and Reception, February 2013	Report on the operations of Acts	A. - B. 14/01/13 C. 14/01/13	05/02/13
The operation of the Prohibition of Advertisements of Interactive Gambling Services under the <i>Interactive Gambling Act 2001</i> , 2012 report		A. - B. 04/02/13 C. 04/02/13	12/03/13
Funding of Consumer Representation Grants Program to Telecommunications Annual Report 2011–12		A. - B. 26/02/13 C. 26/02/13	19/03/13

Sustainability, Environment, Water, Population and Communities portfolio

Name	Type	Dates	Tabled
Director of National Parks Annual Report 2011–2012	Statutory authority	A. - B. 11/10/12 C. 11/10/12	19/11/12 (Received 09/11/12)
Murray-Darling Basin Authority Annual Report 2011–2012	Prescribed agency	A. 14/11/12 B. 23/11/12 C. 23/11/12	05/02/13 (Tabled HoR 29/11/12)
National Environment Protection Council Annual Report 2011–2012	Statutory authority	A. - B. 16/01/13 C. 16/01/13	05/02/13
Sydney Harbour Federation Trust Statement relating to the extension of specified period for presentation of a report Annual Report 2011–12	Statutory authority		28/11/12
Erratum: Transmittal letter omitted from Annual Report 2011–12		A. - B. 19/10/11 C. 19/10/11	05/02/13 (Received 14/01/13)
		A. 23/09/12 B. 30/01/13 C. 30/01/13	19/03/13
Wet Tropics Management Authority Annual report and State of the Wet Tropics Report 2011–12	Report on the operation of an Act	A. 27/09/12 B. 05/11/12 C. 05/11/12	28/11/12