

The Senate

Rural and Regional Affairs
and Transport
Legislation Committee

Annual reports (No. 1 of 2018)

March 2018

© Commonwealth of Australia 2018

978-1-76010-724-6

This document was prepared by the Senate Standing Committee on Rural and Regional Affairs and Transport and printed by the Senate Printing Unit, Department of the Senate, Parliament House, Canberra.

This work is licensed under the Creative Commons Attribution-NonCommercial-NoDerivs 3.0 Australia License.



The details of this licence are available on the Creative Commons website: <http://creativecommons.org/licenses/by-nc-nd/3.0/au/>.

Membership of the committee

Members

Senator Barry O'Sullivan, Chair	Queensland, NATS
Senator Glenn Sterle, Deputy Chair	Western Australia, ALP
Senator Eric Abetz (to 13 February 2018)	Tasmania, LP
Senator Richard Colbeck (from 13 February 2018)	Tasmania, LP
Senator Slade Brockman	Western Australia, LP
Senator Malarndirri McCarthy	Northern Territory, ALP
Senator Janet Rice	Victoria, AG

Secretariat

Dr Jane Thomson, Secretary
Ms Helen Ulcoq, Research Officer
Mr Michael Fisher, Administrative Officer

PO Box 6100
Parliament House
Canberra ACT 2600
Ph: 02 6277 3511
Fax: 02 6277 5811
E-mail: rrat.sen@aph.gov.au
Internet: www.aph.gov.au/senate_rrat

Table of contents

Membership of the Committee.....	iii
Chapter 1	1
Overview.....	1
Terms of reference.....	1
Purpose of annual reports	2
Reports referred to the committee	2
Reports not examined.....	2
Method of assessment	4
Timeliness in tabling of annual reports.....	5
Comments on reports.....	6
Chapter 2	7
Annual reports of agencies.....	7
Agriculture and Water Resources portfolio.....	7
Infrastructure and Regional Development portfolio	10
Appendix 1	15
Annual reports tabled during the period 1 May 2017 to 31 October 2017.....	15
Agriculture and Water Resources portfolio.....	15
Infrastructure and Regional Development portfolio	16

Chapter 1

Overview

1.1 The Senate Rural and Regional Affairs and Transport Legislation Committee's (the committee) report on annual reports provides an overview of the committee's examination of annual reports for the 2016–17 financial year, tabled between 1 May 2017 and 31 October 2017. The committee is responsible for examining the annual reports of departments and agencies within the portfolios of:

- Agriculture and Water Resources; and
- Infrastructure and Regional Development.¹

1.2 This is the first of two reports on annual reports that the committee is required to produce in 2018.

Terms of reference

1.3 Under Senate Standing Order 25(20), annual reports of departments and agencies shall stand referred to the legislation 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 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 *Journals of the Senate*, No. 2, 13 November 2013, pp. 88-89.

Purpose of annual reports

1.4 The tabling and scrutiny of annual reports by Senate committees under Standing Order 25(20) is an important element in the process of government accountability to Parliament. The information provided in annual reports is placed on the public record and assists Parliament in its examination of the performance of departments and agencies and the administration of government programs.

Reports referred to the committee

1.5 In accordance with Standing Order 25(20)(f), this report examines annual reports tabled between 1 May and 31 October 2017. The committee examined the following reports:

Agriculture and Water Resources portfolio

- Department of Agriculture and Water Resources – Report for 2016–17;
- Australian Fisheries Management Authority – Report for 2016–17;
- Australian Pesticides and Veterinary Medicines Authority – Report for 2016–17; and
- Torres Strait Protected Zone Joint Authority – Report for 2014–15.

Infrastructure and Regional Development portfolio

- Department of Infrastructure and Regional Development – Report for 2016–17;
- Australian Transport Safety Bureau – Report for 2016–17;
- National Capital Authority – Report for 2016–17;
- Airservices Australia – Report for 2016–17;
- Australian Maritime Safety Authority – Report for 2016–17;
- Civil Aviation Safety Authority – Report for 2016–17;
- Infrastructure Australia – Report for 2016–17;
- National Transport Commission – Report for 2016–17;
- Moorebank Intermodal Company Limited – Report for 2016–17; and
- International Air Services Commission – Annual Report 2016–17.

Reports not examined

1.6 The committee is not obliged to report on Acts, statements of corporate intent, surveys, corporate plans or errata. The following documents were referred to the committee but have not been examined:

- *Australian Meat and Livestock Industry Act 1997* – Funding agreement 2017–21 between the Commonwealth of Australia and Australian Livestock Export Corporation Limited;

-
- *Australian Meat and Livestock Industry Act 1997* – Livestock mortalities during export by sea, 1 January to 30 June 2017, 1 July to 31 December 2016 revised;
 - *Australian Meat and Livestock Industry Act 1997* – Livestock mortalities for exports by sea – Report of the period 1 July to 31 December 2016 – Replacement for document previously tabled on 21 March 2017;
 - *Dairy Produce Act 1986* – Statutory funding contract 2017–21 between the Commonwealth of Australia and Dairy Australia Limited;
 - *Forestry Marketing and Research and Development Services Act 2007* – Statutory funding contract 2017–21 between the Commonwealth of Australia and Forest and Wood Products Australia Limited;
 - Regional Forest Agreement between the Commonwealth and Tasmania – Variation, 18 August 2017;
 - Regional Forest Agreement between the Commonwealth and Western Australia – Report of the review of the implementation of the Regional Forest Agreement for the South-West Forest Region of Western Australia for the period 2009 to 2014, dated May 2017;
 - *Sugar Research and Development Services Act 2013* – Statutory funding contract 2017–21 between the Commonwealth of Australia and Sugar Research Australia Limited;
 - Airservices Australia – Corporate Plan 2017–18;
 - Civil Aviation Safety Authority – Corporate Plan for 2017–18 to 2020-21;
 - Norfolk Island Administration – Financial statements for 2015–16 – Independent report of the ANAO;
 - *Sydney Airport Demand Management Act 1997* – Quarterly report on the maximum movement limit for Sydney Airport for the period 1 January to 31 March 2017;
 - *Sydney Airport Demand Management Act 1997* – Quarterly report on the maximum movement limit for Sydney Airport for the period 1 April to 30 June 2017;
 - Department of Finance – Consolidated financial statements in respect of the year ended 30 June 2017; and
 - Final budget outcome 2016–17.

1.7 Appendix 1 sets out a complete list of documents referred to the committee during the period 1 May 2017 to 31 October 2017 (including those not examined). This appendix includes references to the relevant legislation, the letter of transmittal dates, the dates on which the annual reports were sent to, and received by, the relevant minister, and the dates on which the annual reports were tabled in both the House of Representatives and the Senate.

Method of assessment

1.8 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 its assessment, the committee considers whether the reports comply with the relevant legislation and guidelines for the preparation of annual reports.

1.9 The annual reports of 2014–15 marked the first time departments and agencies were required to report under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), which commenced on 1 July 2014.

1.10 The PGPA Act consolidates the governance, performance and accountability requirements contained in the *Financial Management and Accountability Act 1997* and the *Commonwealth Authorities and Companies Act 1997*. It also establishes a performance reporting framework for all Commonwealth entities and companies.

1.11 Taking into account these changes, the 2016–17 annual reports were prepared and assessed under the following arrangements:

Non-corporate Commonwealth entities (departments, executive agencies and statutory agencies)

- PGPA Act, section 46 and the PGPA Rule 2014, Division 3A(A);
- for portfolio departments and executive agencies, the *Public Service Act 1999*, sections 63(2) and 70(2);
- for parliamentary departments, the *Parliamentary Service Act 1999*, section 65; and
- for statutory bodies, relevant enabling legislation.²

Corporate Commonwealth entities

- PGPA Act, section 46 and the PGPA Rule 2014, Division 3A(B); and
- for statutory bodies, relevant enabling legislation.

Commonwealth companies

- PGPA Act, section 97, which also refers to requirements under the *Corporations Act 2001* and the PGPA Rule 2014, Part 3–3; and
- for statutory bodies, relevant enabling legislation.

Non-statutory bodies

- The guidelines are contained in the government response to the Senate Standing Committee on Finance and Public Administration Report on

2 For example, many Acts that establish statutory authorities have separate reporting requirements under those Acts. For example, Centrelink reports under section 41 of the *Commonwealth Services Delivery Agency Act 1997* and the Australian Electoral Commission reports under section 17 of the *Commonwealth Electoral Act 1918*.

Non-Statutory bodies.³ The terms of establishment of the non-statutory body (NSB) may also require it to report on certain topics.

Statutory office holders

- Any requirements in the enabling legislation.

Timeliness in tabling of annual reports

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

1.13 Section 46 of the PGPA Act requires that accountable authorities prepare and present annual reports for their entity to the responsible minister by the fifteenth day of the fourth month after the end of the reporting period. For entities that report on a financial year basis, this requires the annual report to be prepared and provided to the responsible minister by 15 October for each reporting period. This section of the Act does not, however, provide for a timeframe for the minister to present the report to the Parliament.⁴

Non-corporate Commonwealth entities

1.14 Prior to the PGPA Rule 2014, the former guidelines on *Requirements for Annual Reports for Departments, Executive Agencies and Other Non-Corporate Commonwealth Entities* (Requirements for Annual Reports) stipulated that:

The responsible Minister must, in turn, present the report to each House of the Parliament on or before 31 October in the year in which the report is given. If the Senate Supplementary Budget Estimates hearings are scheduled to occur prior to 31 October, it is best practice for annual reports to be tabled prior to those hearings.⁵

Corporate Commonwealth entities

1.15 For corporate Commonwealth entities, section 34C of the *Acts Interpretation Act 1901* applies in the absence of any specific date requirement for the minister's presentation of the report to the Parliament. This section requires the minister to present the annual report within 15 sitting days of receipt.

1.16 However, it has been practice for the responsible minister to present the report to each house of the Parliament on or before 31 October. If Senate Supplementary Budget Estimates hearings are scheduled to occur before 31 October, ministers have sought to table annual reports prior to those hearings.³

3 *Senate Hansard*, 8 December 1987, pp. 2632-45.

4 Department of Finance, *Resource Management Guide No. 136: Annual Reports for Corporate Commonwealth Entities*, May 2017, p. 7.

5 Department of Prime Minister and Cabinet, *Requirements for Annual Reports for Departments, Executive Agencies and Other Non-Corporate Commonwealth Entities (Requirements for Annual Reports)*, 25 June 2015, p. 3.

Commonwealth companies

1.17 Under subsection 97(2) of the PGPA Act, Commonwealth companies are required to give the responsible minister a copy of the company's annual report 21 days before its next annual general meeting after the company's reporting period, or four months after the reporting period for the company, whichever is the earlier.

1.18 Section 97(5) of the PGPA Act states:

If the Commonwealth company is a wholly-owned Commonwealth company, or is not required to hold an annual general meeting, the responsible Minister must table the documents in each House of the Parliament as soon as practicable after receiving them. In all other cases, the responsible Minister must table the documents in each House of Parliament as soon as practicable after the annual general meeting of the company.

Timeliness of reports examined

1.19 The presentation of annual reports to the Parliament has two elements with regard to timeliness: the furnishing of the report to the minister and the presentation of the report to the Parliament.

1.20 Most entities presented their report to the responsible minister within the specified timeframe.

1.21 With respect to the tabling of annual reports, all annual reports were tabled within 15 sitting days of receipt and by 31 October.

1.22 The committee will continue to monitor the timeliness of future annual reports.

Comments on reports

1.23 The committee considers that all reports received were 'apparently satisfactory'. The following chapter examines selected annual reports in further detail.

Chapter 2

Annual reports of agencies

2.1 The committee selected the annual reports of the following bodies for closer examination:

Agriculture and Water Resources portfolio

- Department of Agriculture and Water Resources; and
- Australian Fisheries Management Authority.

Infrastructure and Regional Development portfolio

- Department of Infrastructure and Regional Development; and
- Australian Maritime Safety Authority.

Agriculture and Water Resources portfolio

Department of Agriculture and Water Resources – Annual Report 2016–17

2.2 The Department of Agriculture and Water Resources (DAWR) annual report details the operations and performance of the department for 2016–17.

Secretary's review and departmental activities

2.3 The Secretary's review outlines key achievements of the department over the course of the year. These achievements include:

- implementation of 25 out of 31 measures outlined in the *Agricultural Competitiveness White Paper*;
- release of a Gender Equality Statement and Reconciliation Action Plan;
- collection and disbursement of \$790 million in levies, charges and Commonwealth matching payments to eighteen levy bodies;
- delivery of almost \$115 million as part of the Rural Research and Development for Profit program; and
- issuance of more than 347,000 export certificates and management of the export of more than 2.7 million animals.¹

2.4 The annual performance statements in the report detailed a number of activities undertaken by DAWR in 2016–17. These included:

- delivering the Managing Farm Risk Programme, which provides rebates to farmers to help them apply for insurance to assist with the management of drought and other risks;
- ongoing work to extend paperless certification for the exportation of meat. In 2016–17, DAWR conducted trials with Indonesia, Malaysia,

1 Department of Agriculture and Water Resources, *Annual Report 2016–17*, pp. 2-5.

New Zealand, Thailand and the European Union to provide guidance on the technology requirements and to align certificate data and information;

- assessing the performance of each jurisdiction against the milestones in the National Partnership Agreement on Implementing Water Reform in the Murray-Darling Basin; and
- leading an international emergency animal disease simulation to test arrangements for the rapid deployment of personnel to respond to emergency animal disease events worldwide. DAWR collaborated with veterinary authorities from Australia, Canada, Ireland, New Zealand, the United Kingdom and the United States.²

Staffing information

2.5 In 2016–17, DAWR employed 4,606 full-time equivalent staff.

2.6 A new Enterprise Agreement was agreed to in a ballot in June 2017.

2.7 The total ongoing separation rate for DAWR ongoing employees increased from 6.5 per cent in 2015–16 to 7.5 per cent in 2016–17, however this still remains below the APS average.

2.8 DAWR continued to see a higher than APS average personal leave rate, however it decreased from 14.9 days per full-time equivalent in 2015–16 to 14.5 days in 2016–17.

2.9 DAWR participated in the Australian Public Service Commission's APS Employee Census, in which 79 per cent of respondents agreed that DAWR is committed to creating a diverse workforce. This is an 11 per cent increase from the previous year.³

Freedom of Information requests

2.10 In 2016–17, DAWR received 85 requests for access under the *Freedom of Information Act 1982*, in addition to three requests for internal review. DAWR processed all requests within statutory timeframes.⁴

Financial information

2.11 In 2016–17, DAWR had a surplus of \$12.7 million after allowable losses. Revenue was \$798.3 million, an increase of \$49 million from the previous year. This was due to additional revenue from government partially as a result of the measures in the *Agricultural Competitiveness White Paper*. Departmental expenses totaled \$802.3 million, compared to the budgeted amount of \$800.8 million.

2 Department of Agriculture and Water Resources, *Annual Report 2016-17*, pp. 14-105.

3 Department of Agriculture and Water Resources, *Annual Report 2016-17*, pp. 88-99.

4 Department of Agriculture and Water Resources, *Annual Report 2016-17*, pp. 117-118.

2.12 DAWR administered assets of \$2,010.4 million, including \$696.5 million in loans, and investments in seven portfolio entities of \$369.5 million. The report notes that some of the main administered programs included the Drought Concessional Loans Scheme and the Rural Financial Counselling Service.⁵

Committee comments

2.13 The committee commends DAWR on a thorough report and considers the report to be compliant with reporting requirements.

Australian Fisheries Management Authority – Annual Report 2016–17

2.14 The Australian Fisheries Management Authority (AFMA) annual report 2016–17 outlines the performance of the agency and provides key information about its operations.

Chairman and CEO review

2.15 The Chairman and CEO review discussed the key activities of the agency for 2016–17. These activities included:

- implementation of the National Compliance and Enforcement Program 2016–17;
- progression of work on more than 50 initiatives to cut red tape for Commonwealth fishers; and
- development of an updated Bycatch Handling and Treatment Guide to assist fishers to meet their obligations when dealing with bycatch.

2.16 The review also mentioned that the Australian Bureau of Agricultural and Resource Economics and Sciences found that no stocks solely managed by AFMA were subject to overfishing, for the fourth consecutive year.⁶

Performance against targets

2.17 AFMA's corporate plan contains targets, categorised into three main agency purposes. These are:

- purpose one: ensure the ecological sustainability of Commonwealth fisheries for the benefit of present and future generations of Australians;
- purpose two: improve the net economic returns from Commonwealth fisheries to the Australian community; and
- purpose three: deliver effective, cost efficient and transparent management and regulator arrangements.

2.18 In relation to purpose one, the targets that were met were:

- the number of fish stocks managed solely by AFMA subject to overfishing; and

5 Department of Agriculture and Water Resources, *Annual Report 2016–17*, pp. 93-97.

6 Australian Fisheries Management Authority, *Annual Report 2016–17*, pp. 7-12.

- the number of stocks assessed as overfished, and which, if effectively managed, may lead to the stock being sustainable.

2.19 The targets in purpose one that were partly met were:

- the number of key commercial stocks with harvest strategy targets based on maximum economic yield or the best available proxy; the number of these stocks assessed as being on target; for those not on target, the numbers that are heading towards their target reference point; and
- the number of species assessed as remaining at high risk after mitigation.

2.20 In relation to purpose two, the target that was met was the percentage disposal rate of apprehended foreign illegal unreported and unregulated vessels and suspected irregular entry vessels. The target that was partly met was the percentage of treatment targets met for all priority domestic compliance risks.

2.21 In relation to purpose three, the target that was met was related to the Cost Recovery charges. The target that was partly met was the number of red tape reduction initiatives completed.⁷

Staffing information

2.22 AFMA participated in the Australia Public Service Commission's APS Employee Census in 2016–17. In response to survey results that indicated areas for development, AFMA established five improvement groups in the areas of performance management, health and wellbeing, professional development, recruitment, and bullying and harassment. Each of these improvement groups developed a number of recommendations that were included in an action item plan for the agency. A number of training programs have been implemented in accordance with the plan, and the plan will continue to be executed in 2017–18.⁸

Financial information

2.23 AFMA recorded a deficit of \$1.4 million in 2016–17. This was within an approved operating loss of \$2.1 million. AFMA's total departmental expenditure was \$39 million, lower than budgeted expenditure of \$40.3 million.⁹

Committee comments

2.24 The committee considers AFMA's annual report to be compliant with relevant legislation.

Infrastructure and Regional Development portfolio

Department of Infrastructure and Regional Development – Annual Report 2016–17

2.25 The Department of Infrastructure and Regional Development (DIRD) annual report for 2016–17 details the performance of the department.

7 Australian Fisheries Management Authority, *Annual Report 2016–17*, p. 25.

8 Australian Fisheries Management Authority, *Annual Report 2016–17*, p. 121.

9 Australian Fisheries Management Authority, *Annual Report 2016–17*, p. 132.

Secretary's review

2.26 The Secretary's review highlighted some of the major achievements for the department over the financial year, including:

- progressing projects under the Infrastructure Investment program, including the Western Sydney Infrastructure Plan, WestConnex and the Toowoomba Second Range Crossing;
- completion of 3,420 projects under the Roads to Recovery, Black Spot, Heavy Vehicle Safety and Productivity, and Bridges Renewal programs;
- release of the *Coastal Shipping Reforms* discussion paper; and
- provision of \$3.5 billion of Local Government Financial Assistance Grants to support local governing bodies to deliver services and infrastructure in local communities.¹⁰

Performance against targets

2.27 DIRD reported on its progress against the targets outlined in the 2016–17 Corporate Plan. The annual report notes that a revised Corporate Plan was issued in early 2017. Under the updated plan, greater focus was given to reporting on achievements rather than activities. These changes were made to be more consistent with the requirements of the PGPA Act.

2.28 Across DIRD's four stated purposes, 17 targets were met, seven targets were substantially met, three targets were in progress and two were not met. The two targets that were not met were both related to the number of deaths on Australian roads. The target was to reduce road deaths by at least 30 per cent on 2008–10 figures by 2020. This same target was included in the Corporate Plan twice, in both purpose one and purpose two. In light of this target not being met, the report notes that the Australian Government will ask an independent reference group to conduct an inquiry into the National Road Safety Strategy 2011–2020 and provide advice to government on how to reduce road deaths.

2.29 The targets outlined in the Corporate Plan were spread across four purposes. The purposes, targets and results are outlined below:

- Purpose one aims to promote, plan, evaluate and invest in infrastructure and regional development. The targets in this purpose centered around the efficiency of transport networks, deaths on roads, jobs supported by infrastructure investment, and the benefit cost ratio of major road projects. Under purpose one, one target was met, one target was substantially met, one target was in progress and one was not met.
- Purpose two aims to foster an efficient, sustainable, competitive, safe and secure transport system. The targets included under this purpose relate to safety in the maritime, rail, road and aviation industries, levels of aviation services, and jobs supported by the Western Sydney Airport

10 Department of Infrastructure and Regional Development, *Annual Report 2016–17*, pp. 4-7.

project. Under this purpose, 13 targets were met, three substantially met, two in progress and one not met.

- Purpose three aims to strengthen the sustainability, capacity and diversity of regional economies and support local communities. The targets in this purpose relate to employment and disposable household income outside of capital cities. Under this purpose, three targets were met and one was substantially met.
- Purpose four aims to provide good governance in Australian territories. The targets in this purpose relate to the rights, protections and services afforded to citizens of external territories and the Jervis Bay Territory. Both targets under this purpose were substantially met.¹¹

Changes to departmental structure and purposes

2.30 In 2016–17, DIRD made a change to one of the department's purposes. In the 2016–17 Portfolio Budget Statements, the stated purpose was to "facilitate local partnerships between all levels of government and local communities." This was subsequently changed to "strengthen the sustainability, capacity and diversity of regional economies and support local communities."

2.31 An Inland Rail Unit was established in the Department in June 2017.¹²

Financial information

2.32 DIRD reported a deficit on continuing operations of \$4.4 million. In terms of departmental finances, DIRD's total income was \$253.9 million and total expenses were \$258.3 million. Revenue from the Australian Government decreased in 2016–17, with funding being withheld due to the deferral and reclassification of expenses for the Western Sydney Airport project. Total expenses decreased by \$9.7 million due to a reduction in employee expenses (because of a lower average staffing level) and a reduction in depreciation and amortisation expenses.

2.33 Total administered expenditure in 2016–17 was \$11.4 billion, of which \$6.1 billion was appropriated directly to DIRD for grants, subsidies and other administered expenses. The report notes that major expense items included the Local Government Financial Assistance Grants and the Infrastructure Growth Package.¹³

Committee comments

2.34 The committee commends DIRD on a thorough report, which highlights many of the department's activities. The committee considers DIRD's annual report to be compliant with reporting requirements.

11 Department of Infrastructure and Regional Development, *Annual Report 2016–17*, pp. 73-76.

12 Department of Infrastructure and Regional Development, *Annual Report 2016–17*, pp. 15-16.

13 Department of Infrastructure and Regional Development, *Annual Report 2016–17*, pp. 8-11.

Australian Maritime Safety Authority – Annual Report 2016–17

2.35 The Australian Maritime Safety Authority's (AMSA) 2016–17 annual report provides an overview of the operations of the authority over the financial year.

Chairman's review

2.36 The Chairman's review outlines some of the key activities and changes for AMSA in 2016–17. One of the main changes highlighted was the delay in AMSA assuming responsibility for delivering regulatory services for the National System for Domestic Commercial Vessel Safety. In November 2016, the Australian Government made a decision to defer the commencement of full service delivery until 1 July 2018. The Chairman explained that AMSA used this delay as an opportunity to modernise its online services.

2.37 Other activities reported on over the year included:

- more than 9,500 ship inspections conducted by AMSA surveyors;
- transition to a new search and rescue aircraft, the Bombardier Challenger 604 jet; and
- implementation of the Medium-altitude Earth Orbit Search and Rescue capability.¹⁴

Departmental changes

2.38 In 2016–17, AMSA conducted a workforce planning exercise in order to prepare the agency to deliver the National System for Domestic Commercial Vessel Safety as of July 2018. As a result, the agency underwent a restructure and now consists of three operational divisions: Standards, Operations and Response, supported by Corporate Services. The changes were made to "functionally align its workforce, adopt a more collaborative approach, reduce duplication of effort and take a whole of organisation approach to managing stakeholder relationships."¹⁵

Financial information

2.39 AMSA reported an operating surplus of \$11.6 million in 2016–17, compared to a \$2.3 million loss in 2015–16. This change in financial position is a result of increased revenue of \$2.8 million and a decrease in expenditure of \$11.1 million. Revenue was largely augmented as a result of increased levies, due to annual activity growth. Reduced expenditure was partially due to delays in several service contracts and projects.

2.40 AMSA's revenue comprised: 58 per cent levies, 32 per cent government funding, and the remainder from the provision of services (and other sources).

14 Australian Maritime Safety Authority, *Annual Report 2016–17*, pp. 3-4.

15 Australian Maritime Safety Authority, *Annual Report 2016–17*, p. 71.

2.41 AMSA's expenses included 62 per cent to suppliers, 30 per cent to employee benefits, with the remainder a result of depreciation and amortisation and other expenses.¹⁶

Committee comments

2.42 The committee considers that AMSA's annual report complies with reporting requirements.

Senator Barry O'Sullivan

Chair

16 Australian Maritime Safety Authority, *Annual Report 2016–17*, pp. 5-8.

Appendix 1

Annual reports tabled during the period 1 May 2017 to 31 October 2017

Agriculture and Water Resources portfolio

Document	Legislation	Date of transmittal letter	Date sent to minister	Date received by minister	Date tabled in Senate	Date tabled in House of Representatives
Non-corporate Commonwealth entity						
Department of Agriculture and Water Resources – Report for 2016-17	Section 46 of the <i>Public Governance, Performance and Accountability Act 2013</i> (PGPA Act)	27 September 2017	8 October 2017 17 November 2017**	12 October 2017 22 November 2017	13 November 2017 27 November 2017	23 October 2017 4 December 2017
Australian Fisheries Management Authority – Report for 2016-17	Section 87 of the <i>Fisheries Administration Act 1991</i>	21 September 2017	26 September 2017	6 October 2017	18 October 2017	18 October 2017
Corporate Commonwealth entity						
Australian Pesticides and Veterinary Medicines Authority – Report for 2016-17	Section 46 of the PGPA Act	29 September 2017	17 October 2017	25 October 2017	27 October 2017*	4 December 2017
Other body						
Torres Strait Protected Zone Joint Authority – Report for 2014-15	Section 41(2) of the <i>Torres Strait Fisheries Act 1984</i>	N/A	12 August 2017	14 August 2017	5 September 2017	5 September 2017
Acts and other documents						
Australian Meat and Livestock Industry Act 1997 – Funding agreement 2017-21 between the Commonwealth of Australia and Australian Livestock Export Corporate Limited	Section 68B of the <i>Australian Meat and Live-stock Industry Act 1997</i>	N/A	8 March 2017	28 March 2017	10 May 2017	10 May 2017
Australian Meat and Livestock Industry Act 1997 – Livestock mortalities during export by sea, 1 January to 30 June 2017, 1 July to 31 December 2016 revised	Division 5, section 57AA of the <i>Australian Meat and Live-stock Industry Act 1997</i>	N/A	11 August 2017	29 August 2017	31 August 2017*	4 September 2017

Australian Meat and Livestock Industry Act 1997 – Livestock mortalities for exports by sea – Report of the period 1 July to 31 December 2016 – Replacement for document previously tabled on 21 March 2017	Division 5, section 57AA of the <i>Australian Meat and Live-stock Industry Act 1997</i>	N/A	11 April 2017	11 May 2017	18 May 2017*	22 May 2017
Dairy Produce Act 1986 – Statutory funding contract 2017-21 between the Commonwealth of Australia and Dairy Australia Limited	Section 5(6) of the <i>Dairy Produce Act 1986</i>	N/A	21 June 2017	22 June 2017	9 August 2017	9 August 2017
Forestry Marketing and Research and Development Services Act 2007 – Statutory funding contract 2017-21 between the Commonwealth of Australia and Forest and Wood Products Australia Limited	Section 8(6) of the <i>Forestry Marketing and Research Development Services Act 2007</i>	N/A	22 June 2017	23 June 2017	5 September 2017	5 September 2017
Regional Forest Agreement between the Commonwealth and Tasmania – Variation, 18 August 2017	Section 10(3) of the <i>Regional Forest Agreements Act 2002</i>	N/A	24 August 2017	28 August 2017	4 September 2017	4 September 2017
Regional Forest Agreement between the Commonwealth and Western Australia – Report of the review of the implementation of the Regional Forest Agreement for the South-West Forest Region of Western Australia for the period 2009 to 2014, dated May 2017	Section 10(6) of the <i>Regional Forest Agreement Act 2002</i>	N/A	9 June 2017	16 June 2017	8 August 2017	8 August 2017
Sugar Research and Development Services Act 2013 – Statutory funding contract 2017-21 between the Commonwealth of Australia and Sugar Research Australia Limited	Section 6(6) of the <i>Sugar Research and Development Services Act 2013</i>	N/A	2 August 2017	3 August 2017	5 September 2017	5 September 2017

Infrastructure and Regional Development portfolio

Document	Legislation	Date of transmittal letter	Date sent to minister	Date received by minister	Date tabled in Senate	Date tabled in House of Representatives
Non-corporate Commonwealth entity						

Department of Infrastructure and Regional Development – Report for 2016-17	Section 46 of the PGPA Act	14 September 2017	15 October 2017	18 October 2017	30 October 2017*	4 December 2017
Australian Transport Safety Bureau – Report for 2016-17	Section 46 of the PGPA Act	13 October 2017	13 October 2017	13 October 2017	30 October 2017*	4 December 2017
National Capital Authority – Report for 2016-17	Section 46 of the PGPA Act	28 September 2017	29 September 2017	29 September 2017	31 October 2017*	4 December 2017
Corporate Commonwealth entity						
Airservices Australia – Report for 2016-17	Section 46 of the PGPA Act	27 September 2017	29 September 2017	12 October 2017	18 October 2017	18 October 2017
Australian Maritime Safety Authority – Report for 2016-17	Section 46 of the PGPA Act	21 September 2017	6 October 2017	6 October 2017	13 November 2017	19 October 2017
Civil Aviation Safety Authority – Report for 2016-17	Section 46 of the PGPA Act and Section 49 of the <i>Civil Aviation Act 1988</i>	12 September 2017	12 September 2017	12 September 2017	13 November 2017	23 October 2017
Infrastructure Australia – Report for 2016-17	Section 46 of the PGPA Act and section 39C of the <i>Infrastructure Australia Act 2008</i>	30 September 2017	6 October 2017	18 October 2017	13 November 2017	23 October 2017
National Transport Commission – Report for 2016-17	Section 38 of the <i>National Transport Commission Act 2003</i> and section 46 of the PGPA Act	9 September 2017	9 October 2017	11 October 2017	18 October 2017	18 October 2017
Commonwealth company						
Moorebank Intermodal Company Limited – Report for 2016-17	Section 97 of the PGPA Act	N/A	23 October 2017	23 October 2017	30 October 2017*	4 December 2017
Other body						
International Air Services Commission – Annual Report 2016-17	Section 53(2) of the <i>International Air Services Commission Act 1992</i>	10 August 2017	25 August 2017	26 August 2017	16 October 2017	16 October 2017
Acts and other documents						
Airservices Australia – Corporate plan 2017-18	Section 15 of the <i>Air Services Act 1995</i>	N/A	8 June 2017	27 June 2017	8 August 2017	8 August 2017
Civil Aviation Safety Authority – Corporate plan for 2017-18 to 2020-21	Section 45 of the <i>Civil Aviation Act 1988</i>	19 June 2017	19 June 2017	19 June 2017	19 July 2017*	8 August 2017

Norfolk Island Administration – Financial statements for 2015-16 – Independent report of the ANAO	Section 48C of the <i>Norfolk Island Act 1979</i>	N/A	30 June 2017	30 June 2017	4 September 2017	17 August 2017
Sydney Airport Demand Management Act 1997 – Quarterly report on the maximum movement limit for Sydney airport for the period 1 January to 31 March 2017	Section 9(3) of the <i>Sydney Airport Demand Management Act 1997</i>	N/A	18 April 2017	18 April 2017	14 June 2017	14 June 2017
Sydney Airport Demand Management Act 1997 – Quarterly report on the maximum movement limit for Sydney Airport for the period 1 April to 30 June 2017	Section 9(3) of the <i>Sydney Airport Demand Management Act 1997</i>	N/A	24 July 2017	24 July 2017	11 September 2017	7 September 2017

* An asterisk denotes reports presented to the President out-of-session.

** Re-tabled with a replacement page.