

The Parliament of the Commonwealth of Australia

**REPORT ON
THE EXAMINATION OF ANNUAL REPORTS**

No.2 of 1997

Senate Economics Legislation Committee

September 1997

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Comment:

REPORT ON THE EXAMINATION OF ANNUAL REPORTS

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Annual Reports referred

This report was prepared pursuant to a resolution of the Senate of 24 August 1994¹, and subsequent amendment of 1 May 1996², relating to the consideration of annual reports by Committees.

After the restructuring of the Senate committee system in October 1994, the Economics Legislation Committee is responsible for the examination of annual reports within the Portfolios of the Treasury; Industry, Science and Tourism and Workplace Relations and Small Business. This report considers reports tabled between 31 October 1996 and 1 July 1997.

The Committee has examined the following annual reports in this second report on the examination of annual reports for 1997, and is pleased to state that, in accordance with the Senate resolution of 24 August 1994, all reports are apparently satisfactory.

Treasurer's Portfolio - Statutory Bodies

Australia and the IMF
Australia and the World Bank
Australian Accounting Standards Board
Australian Securities Commission
Companies Auditors and Liquidators Disciplinary Board
Companies and Securities Advisory Committee
Corporations and Securities Panel
Development Allowance Authority
Foreign Investment Review Board
Housing Loans Insurance Corporation
Pooled Development Funds Registration Board

¹ *Journals of the Senate*, 24 August 1994, p.2049.

² *Journals of the Senate*, 1 May 1996, p.61.

Workplace Relations and Small Business Portfolio - Statutory Authorities

Trade Union Training Authority

Industry, Science and Tourism Portfolio - Statutory Authorities

Safety Review Committee

Method of Assessment

The Reports have been examined by the Committee in accordance with the following guidelines:

- for portfolio departments, the *Revised Annual Report Requirements for Departments*, tabled May 1994;
- for statutory authorities, the *Guidelines for the Content, Preparation and Presentation of Annual Reports by Statutory Authorities*³; and
- for non statutory bodies, the guidelines contained in the *Government response to the Senate Standing Committee on Finance and Public Administration Report on Non-Statutory bodies*.⁴

³ Senate *Hansard*, 11 November 1982, pp 2261-62.

⁴ Senate *Hansard*, 8 December 1987, pp 2643-45

Comments on Individual Reports

TREASURER'S PORTFOLIO - Statutory Authorities

Companies and Securities Advisory Committee

The Companies and Securities Advisory Committee annual report for 1995/96 was tabled in the Senate on 5 November 1996. The Advisory Committee is a statutory authority under the *Australian Securities Commission Act 1989*.

The Advisory Committee fulfils all of its statutory reporting requirements. The Economics Committee noted the inclusion of extracts of the Act describing the powers, functions and objectives of the Advisory Committee. The advisory committee also gave a good understanding of staffing by providing a record of Members of the advisory committee, the changes that occurred during the year and the attendance of members at hearings throughout the year.

Overall the advisory committee has produced an informative and concise report covering all of the major activities undertaken throughout the year.

Australian Securities Commission

The Australian Securities Commission annual report for 1995/96 was tabled in the Senate on 19 November 1996. The ASC is a statutory authority under the *Australian Securities Commission Act 1989*.

The ASC covers all its statutory reporting obligations in the production of its 1995/96 annual report. It fully describes its powers, functions and objectives. The ASC also provides a comprehensive and detailed list of its activities for the reporting year.

The ASC has met all statutory requirements in the production of its 1995/96 annual report.

Development Allowance Authority

The Development Allowance Authority annual report for 1995/96 was tabled in the Senate on 19 November 1996. The DAA is a statutory authority under the *Development Allowance Authority Act 1992*.

Although not required to, the DAA has followed the *Requirements for Departmental Annual Reports* in the production of its 1995/96 annual report. The *Requirements for Departmental Annual Reports* cover the statutory reporting requirements of Departments, which is in excess of the requirements of statutory authorities. The committee commends the DAA in its thorough approach in producing the report and notes that the DAA has more than adequately covered its statutory reporting obligations.

Australian Accounting Standards Board

The Australian Accounting Standards Board annual report for 1995/96 was tabled in the Senate on 26 November 1996. The committee notes that the board is required to report 'as soon as practicable after June 30, and in any event before 31 October, in each year.'⁵ The AASB is a statutory authority under the *Australian Securities Commission Act 1989*.

The AASB has performed all of its statutory reporting obligations in producing its annual report. The AASB gives a good description of the establishment of the Board and its objectives, functions and powers. The committee notes the clear and informative nature of the AASB report.

Companies Auditors and Liquidators Disciplinary Board

The Companies Auditors and Liquidators Disciplinary Board annual report was tabled in the Senate on 26 November 1996. The committee notes that the board is required to report 'as soon as practicable after June 30, and in any event before 31 October, in each year.'⁶ The Companies Auditors and Liquidators Disciplinary Board is a statutory authority under the *Australian Securities Commission Act 1989*.

The Companies Auditors and Liquidators Disciplinary Board followed the requirements of statutory authorities in producing its 1995/96 annual report. The Board did however fail to provide a Table of Contents at the beginning of the

⁵ *Australian Securities Commission Act 1989*.

⁶ *Australian Securities Commission Act 1989*.

report, and the committee believes this may have been an oversight. **The committee recommends that a table of contents be included in the next annual report** to provide the reader easy access to the information provided.

The Companies Auditors and Liquidators Disciplinary Board did provide a comprehensive list of disciplinary matters undertaken by the board during the reporting year. The committee commends the board on this action, providing the reader with extensive information in this area.

Corporations and Securities Panel

The Corporations and Securities Panel annual report for 1995/96 was tabled in the Senate on 26 November 1996. The committee notes that the panel is required to report 'as soon as practicable after June 30, and in any event before 31 October, in each year.'⁷ The panel is a statutory authority under the *Australian Securities Commission Act 1989*.

The panel has achieved all of its statutory reporting requirements in producing its 1995/96 annual report. The outcome was a concise and informative report covering all major areas.

Housing Loans Insurance Corporation

The Housing Loans Insurance Corporation annual report for 1995/96 was tabled in the Senate on 10 December 1996. The Corporation is a statutory authority under the *Housing Loans Insurance Act 1965*.

The corporation has met all of its statutory reporting requirements, and produced a report providing the reader with a wide range of information. The committee noted the inclusion of the Minister's role over the commission and directions the minister undertook in relation to the determination of annual dividends and the determination of a special annual payment. Under the *Housing Loans Insurance Act 1965*, the corporation is required to report on directions and determinations of the minister in connection with policy and financial matters.

⁷ *Australian Securities Commission Act 1989*.

Australia and the IMF

Australia and the World Bank

Both the Australia and the IMF and Australia and the World Bank annual reports for 1995/96 were tabled in the Senate on 5 February 1997. Both reports are statutory authority under the *International Monetary Agreements Act 1947*.

The reports covered all of the statutory reporting requirements. The reports gave a thorough account of Australia's relations with the International Monetary Fund and the World Bank.

Pooled Development Funds Registration Board

The Pooled Development Funds Registration Board report for 1995/96 was tabled in the Senate on 12 February 1997. The board is a statutory authority under the *Pooled Development Funds Act 1992*.

The Board fulfilled all of its statutory reporting requirements in producing the 1995/96 annual report. The report gave a good account of the board's policies and achievements throughout the reporting year. The Board also produced a comprehensive list of Pooled Development Funds in existence during the 1995/96 reporting period.

TREASURER'S PORTFOLIO - Non-statutory Authorities

Foreign Investment Review Board

The Foreign Investment Review Board annual report was tabled in the Senate on 12 February 1997. The Board is a non-statutory authority established in April 1976.

The Board has produced a comprehensive report and covered all reporting requirements as if it were a statutory authority. In turn, the board more than adequately covers the reporting requirements of non-statutory authorities. The Board has reported its activities throughout the year and given a good understanding of its functions and objectives.

Workplace Relations and Small Business - Statutory Authorities

Trade Union Training Authority

The Trade Union Training Authority's report for 1 July to 4 December 1997 was tabled in the Senate on 25 February 1997. TUTA was a statutory authority under the *Workplace Relations and Other Legislation Act 1996*.

This is the final report of TUTA after its abolishment from 5 December 1996. The report covers all the reporting requirements of statutory authorities. Understandably the report is brief and concise and the committee notes the inclusion of the method of disposal of assets.

Industry Science and Technology - Statutory Authorities

Safety Review Committee

The Safety Review Committee annual report for 1995/96 was tabled in the Senate on 19 November 1996. The SRC is a statutory authority under the *Australian Science and Technology Organisation Act 1987*.

The SRC has fulfilled all of its statutory reporting requirements in producing its 1995/96 annual report. The committee noted information provided in Appendix A relating to the SRC's Legislative Base and Functions. The committee believes this was a clear and effective way to providing the reader with the appropriate information

A.B. Ferguson
Chairman

Appendix 1.

Allocation of annual reports of Commonwealth bodies to the Senate Economics Legislation Committee (as at 27 November 1996)

Treasurer's Portfolio

Australia and the Asian Development Bank
Australia and the World Bank
Australian Accounting Standards Board
Australian Bureau of Statistics
Australian Competition and Consumer Commission
Australian Securities Commission
Australian Statistics Advisory Council
Commissioner of Taxation
Commonwealth Bank
Companies and Securities Advisory Committee
Companies Auditors and Liquidators Disciplinary Board
Corporations and Securities Panel
Council of Financial Supervisors
Department of the Treasury
Economic Planning Advisory Commission
Foreign Investment Review Board
Housing Loans Insurance Corporation
Industry Commission
Insurance and Superannuation Commission
*International Bank for Reconstruction and Development (General Capital
Increase) Act 1989*
International Monetary Agreements Act 1947 (Australia and the
International Monetary Fund)
National Competition Council
Prices Surveillance Authority
Reserve Bank of Australia
Royal Australian Mint
Superannuation Complaints Tribunal
Trade Practices Commission

Industry, Science and Tourism Portfolio⁸

Anti-Dumping Authority
Australian Customs Service
Australian Industrial Property Organisation
Australian Industry Development Corporation
Australian Institute of Marine Science
Australian Nuclear Science and Technology Organisation
Australian Science and Technology Council
Australian Space Council
Australian Tourist Commission
Automotive Industry Authority
Bureau of Tourism Research
Clean Food Marketing Australia Ltd
Commonwealth Scientific and Industrial Research Organisation
Department of Industry, Science and Tourism
Export Finance and Insurance Corporation
Industry Research and Development Board
Management and Investment Companies Licensing Board
National Standards Commission
Pooled Development Funds Registration Board
Safety Review Committee (ANSTO)
Report on Small Business in Australia
Textiles, Clothing and Footwear Development Authority

Workplace Relations and Small Business portfolio

Affirmative Action Agency
Australian Industrial Registry
Australian Industrial Relations Commission
Australian Trade Union Training Authority
Coal Mining Industry (Long Service Leave Funding) Corporation
Comcare
Defence Force Remuneration Tribunal
Department of Industrial Relations
Developments made under *Industrial Relations Act 1988*
Industrial Chemicals (Notification and Assessment) Act 1989
National Occupational Health and Safety Commission (Worksafe Australia)

⁸ The former Portfolio of Industry, Science and Technology became the Portfolio of Industry, Science and Tourism from 11 March 1996; *Commonwealth of Australia Gazette (Special)*, 11 March 1996, p. 15.

Remuneration Tribunal
Stevedoring Industry Finance Committee