

Chapter 2

Review of selected agencies

2.1 The committee provides the following comments on the annual reports of the Australian Renewable Energy Agency, Audio-Visual Copyright Agency, Supervising Scientist and the Sydney Harbour Federation Trust.

Australian Renewable Energy Agency

2.2 The committee notes that this is its first opportunity to review the annual report of the Australian Renewable Energy Agency (ARENA) following the machinery of government changes announced in September 2015.¹

2.3 The ARENA Annual Report 2014–15 was presented out-of-session on 2 November 2015 and tabled in the Senate on 9 November 2015.

2.4 ARENA was established in 2012 to fund early stage renewable energy related technologies as they progress through the innovation chain. ARENA's role is to assist with the 'transition to tomorrow's energy easier, cheaper and quicker' and complements the work conducted by the Clean Energy Finance Corporation and the Renewable Energy Target. The Clean Energy Finance Corporation provides finance to assist with bringing near-commercial and commercial projects to reality, as well as co-investing with ARENA on projects that are not yet competitive on a commercial scale. The Renewable Energy Target is an Australian Government policy that encourages the uptake of the cheapest mature renewable energy technologies.

2.5 In 2014–15, the report from the Chief Executive Officer, Mr Ivor Frischknecht, noted that ARENA had placed a strong focus on projects in regional and remote areas, including those that offer cheaper and more reliable electricity produced by renewable sources in approximately 30 off-grid Indigenous communities.²

2.6 Other projects that received ARENA funding during 2014–15 included:

- the development of storage solutions for rooftop solar;
- connection of wave power generations to the electricity grid;
- the development of digital mapping and forecasting tools to assist renewable and broader energy industries to plan, build, integrate and manage renewable energy;
- the production of green crude from microalgae; and

1 Previously, ARENA's annual reports were reviewed by the Senate Economics Legislation Committee.

2 Australian Renewable Energy Agency, *Annual Report 2014–15*, p. 7.

- the construction of Australia's largest solar farms in rural and regional locations.³

2.7 The committee notes that in June 2015 ARENA was presented with the inaugural Clean Energy Award at the United Nations Association of Australia World Environment Day Awards.

Performance reporting

2.8 ARENA has provided an informative discussion of its results against 2014–15 performance measures with information presented in graphs and diagrams. The annual report contained a number of useful case studies, which outlined the projects that have received Commonwealth funding. ARENA reported commitments of \$1.1 billion for 232 projects. These projects had a total value of \$2.7 billion, indicating \$1.50 in additional financial support from industry and other parties for every dollar managed by ARENA.⁴

2.9 ARENA reported that its performance in 2014–15 included:

- the announcement of funding approvals for 37 new projects;
- the formal assessment of 49 applications for funding;
- the completion of 24 projects; and
- the discontinuation of 4 projects.⁵

2.1 The committee notes that ARENA did not provide any further information in its 2014–15 Annual Report as to the reasons why four projects were discontinued. The committee encourages ARENA to include discussion of not only continuing projects but also those that have been discontinued, particularly if they have received Commonwealth funding.

2.2 The committee notes that ARENA included a useful compliance index, which separated the relevant annual reporting requirements by legislation. This approach assisted the committee considerably in its assessment of the report.

2.10 The committee considers that ARENA has met its reporting obligations under the Act and its annual report is 'apparently satisfactory'.

Financial performance

2.11 ARENA reported a net surplus of \$22.9 million for 2014–15.⁶

3 Australian Renewable Energy Agency, *Annual Report 2014–15*, p. 7.

4 Australian Renewable Energy Agency, *Annual Report 2014–15*, p. 34.

5 Australian Renewable Energy Agency, *Annual Report 2014–15*, p. 34.

6 Australian Renewable Energy Agency, *Annual Report 2014–15*, p. 22.

Audio-Visual Copyright Society Limited (Screenrights)

2.12 The Audio-Visual Copyright Society Limited, trading as Screenrights, Annual Report 2014–15 was tabled in the Senate on 22 February 2016. Screenrights' has prepared its annual report in accordance with section 135ZZZQ of the *Copyright Act 1968* (Copyright Act).

2.13 The committee notes that this is its first opportunity to review the annual report of Screenrights, following the machinery of government changes announced in September 2015.⁷

2.14 Screenrights is an Australian domiciled company and a non-profit entity. Its principal activities include: exercising its right as a collecting society under Parts VA, VB and VC (in relation to audiovisual items) of the Copyright Act; and collecting money from educational institutions for distribution to relevant copyright owners.⁸

2.15 In the Chief Executive's Report, Mr Simon Lake, stated that Screenrights has completed the first year of a new three year strategic plan, which has focused on its two broad goals:

- to provide greater access to and usage of audio-visual content for its licensees; and
- to provide a quality experience by developing the services of Screenrights for members to support their businesses.⁹

Performance reporting

2.16 Screenrights has provided an informative report on its performance and contains extensive details of its key revenue and expenditure for 2014–15. The information is presented in a variety of formats including graphs, tables and diagrams. The inclusion of trend data for some categories, such as total licensing revenue, changes to licensing revenue over the past three years and expenditure to collections, was useful for comparative purposes.

2.17 The committee noted an inconsistency in the use of colours for agencies between figures three and four in its Overview of Key Revenue and Expenditure. This did not affect the committee's ability to review the performance of Screenrights in its annual report. However, consistency in the presentation of information in figures would improve readability.

2.18 The committee considers that Screenrights has met its reporting obligations under the Act and its annual report is 'apparently satisfactory'.

7 Previously, the annual reports of Screenrights were reviewed by the Senate Legal and Constitutional Affairs Legislation Committee.

8 Screenrights, *Annual Report 2014–15*, p. 30.

9 Screenrights, *Annual report 2014–15*, p. 6.

Financial reporting

2.19 The committee notes that Screenrights paid a total of \$38.6 million to its members in 2014–15 with \$28.4 million paid in December 2014.

Supervising Scientist

2.20 The Supervising Scientist Annual Report 2014–15 was presented out-of-session on 2 November 2015 and tabled in the Senate on 9 November 2015. The report was prepared in accordance with subsection 36(1) of the *Environment Protection (Alligator Rivers Region) Act 1978* (the Act).

2.21 The Supervising Scientist Branch is part of the Department of the Environment's Science Division.¹⁰ The branch is led by the Supervising Scientist, a statutory position established under the Act.

2.22 The committee is pleased to note that the Supervising Scientist Branch was awarded the Secretary for the Department of the Environment's People's Choice Innovation Award for its Swampfox unmanned aerial vehicle project. The Swampfox unmanned aerial vehicle was developed by the Supervising Scientist Branch in 2014 for the purpose of establishing a framework, methodologies and program to monitor the rehabilitation of the Jabiluka mine site and any changes that may occur to the mine site overtime.¹¹

Performance reporting

2.23 During 2014–15, the Supervising Scientist Branch received funding from the Department of the Environment's Outcome 1: Clean Land and contributed to Program 1.5: Environmental Regulation. The committee notes that the department reported on the performance of the Alligator Rivers Region in Program 1.5 in its annual report for 2014–15.¹² The committee reviewed the Department of the Environment Annual Report 2014–15 in its *Annual Reports (No. 1 of 2016)*.

2.24 The Supervising Scientist Annual Report 2014–15 provided more extensive information than that provided in the department's annual report. For example, there is discussion of environmental assessments of uranium mines, environmental research and other science and technical activities. The information is reported against 2014–15 performance measures and is presented in a range of formats including, graphs, charts and diagrams.

10 The Administrative Arrangements Orders were amended on 19 July 2016 and resulted in the Department of the Environment changing its name to the Department of the Environment and Energy.

11 Supervising Scientist, *Annual Report 2014–15*, pp x, 76–77.

12 See the Department of the Environment, *Annual Report 2014–15*, pp 65, 66, 71–72, 74.

2.25 The committee considers that the Supervising Scientist has met its reporting obligations under the Act and its annual report is 'apparently satisfactory'.

Sydney Harbour Federation Trust

2.26 The Sydney Harbour Federation Trust Annual Report 2014–15 was presented out-of-session on 2 November 2015 and tabled in the Senate on 9 November 2015.

2.27 The Executive Director's Summary outlined the Sydney Harbour Federation Trust's achievements for 2014–15, which included:

- an increase of 47 per cent in non-event visits to Cockatoo Island compared to the previous reporting period;
- the official opening, by then Parliamentary Secretary to the Minister for the Environment, Senator the Hon Simon Birmingham, of the walking track from Rawson Park to Georges Head Lookout;
- the donation of two sculptures from the Sculpture by the Sea event which were placed in the Georges Heights parkland; and
- the opening of the exhibition 'Shipyard Stories' as a permanent exhibition following the positive response from the public.¹³

2.28 The committee notes that in November 2014 the Institute of Public Administration Australia presented the Sydney Harbour Federation Trust with a Commendation Award for delivering a leading foreshore park at the Australian Awards for Excellence in Public Sector Management.¹⁴

Performance reporting

2.29 The performance reporting section of the report is clearly presented and provides an informative assessment of how the Sydney Harbour Federation Trust has progressed in meeting its performance indicators and objectives for 2014–15. For each objective, the Trust has included key performance indicators, a snapshot of what took place in 2014–15 and relevant trend data for the past six years. The inclusion of trend data is particularly useful as it allowed the committee to compare the Trust's performance over previous reporting periods.

2.30 The Sydney Harbour Federation Trust has comprehensively reported on its performance for 2014–15 and the committee considers its report to be 'apparently satisfactory'.

13 Sydney Harbour Federation Trust, *Annual Report 2014–15*, pp 6–7.

14 Sydney Harbour Federation Trust, *Annual Report 2014–15*, p. 7.

Financial reporting

2.31 The Sydney Harbour Federation Trust has been a self-funding government agency for six years and does not receive recurrent operation or capital works funding from the Commonwealth.

2.32 The annual report provides a detailed summary of the Sydney Harbour Federation Trust's financial performance in 2014–15, including the operational areas that performed above expectations. The committee notes that the Sydney Harbour Federation Trust recorded an operating surplus of \$132 000.¹⁵

Senator David Bushby
Chair

15 Sydney Harbour Federation Trust, *Annual Report 2014–15*, p. 45.