

# Chapter 2

## Review of selected reports

2.1 The committee provides the following comments on the annual reports of the two portfolio departments referred to it as well as reports from two agencies within each portfolio as follows:

- Department of the Environment and Energy;
- Bureau of Meteorology;
- Clean Energy Regulator;
- Department of Communications and the Arts;
- Australian Communications and Media Authority; and
- National Library of Australia.

### Environment and Energy portfolio

#### *Department of the Environment and Energy*

2.2 The Department of the Environment and Energy Annual Report 2017-18 was presented out-of-sittings to the Senate on 31 October 2018 and subsequently tabled in the Senate on 12 November 2018. The Secretary's message provided an overview of the department's activities during 2017-18, including:

- the introduction of mandatory reporting of petroleum and other liquid fuels;
- the continued implementation of the Australian Antarctic Strategy and 20 Year Action Plan;
- the \$443 million partnership with the Great Barrier Reef Foundation;
- the introduction of the *Product Emissions Standards Act 2017*; and
- the release of the department's *People Strategy 2018–2022*.<sup>24</sup>

#### *Performance reporting*

2.3 In response to the recommendations of the Australian National Audit Office (ANAO) report *Implementation of the Annual Performance Statement requirements 2016-17*, the department revised the performance measures outlined in its corporate plan during the 2017-18 reporting cycle. The annual report noted:

The revised performance measures were included in a re-release of the *Department of the Environment and Energy Corporate Plan 2017-18*. The intention to use these for the 2017-18 reporting cycle was published on

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24 Department of the Environment and Energy, *Annual Report 2017-18*, pp. 2–3.

the Department's website. The revised measures provide a more relevant and complete set of indicators by which to assess the Department's performance. No changes were made to the Department's purposes and activity structure, and their relationship to the outcomes and purposes in the Department's 2017-18 PBS was not altered.<sup>25</sup>

2.4 The annual performance statements in the 2017-18 annual report were detailed and reflect the alignment of the purposes and activities contained in the department's revised corporate plan with the programs and outcomes outlined in the Portfolio Budget Statements (PBS). Each of the performance measures, including criteria and targets were presented with a summary of the results achieved and included references to relevant data and performance sources. The department reported that it achieved 62 per cent and partly achieved 36 per cent of the performance measures across its four purposes and outcomes.<sup>26</sup> The report noted that one target in relation to the meeting of statutory timeframes was not achieved in the 2017-18 reporting period.<sup>27</sup>

2.5 The committee notes that some targets outlined in the department's PBS do not appear to be accounted for in its corporate plan or performance statements. For example, both the PBS and Portfolio Additional Estimates Statements (PAES) for 2017-18 listed 'contracted projects to plant 20 million trees in place by June 2020' as one of the targets under the relevant performance criterion.<sup>28</sup> However, discussion of this target is missing from the revised corporate plan and performance statements.

2.6 The committee reminds the department that the performance statements should directly reflect the results achieved against the planned performance criteria (including any targets) set-out in the department's PBS for the period under review. The committee expects this information will be included in future annual reports so that the department's performance can be appropriately assessed.

2.7 In accordance with paragraph 17AH(1)(e) of the PGPA Rule, the department reported three corrections to material errors in its 2016-17 annual report. This included a correction to the number of allegations/enquiries of potential non-compliance, including those that resulted in compliance cases under the criterion 'improved compliance with national environmental legislation'. The 2016-17 annual report should have stated that 'the Department received 486 allegations of/enquiries about potential non-compliance with Part 3 of the EPBC Act. This resulted in 81 new compliance cases'.<sup>29</sup> The other two corrections related to the total cost of the 'Greening

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25 Department of the Environment and Energy, *Annual Report 2017-18*, p. 16.

26 Department of the Environment and Energy, *Annual Report 2017-18*, p. 22.

27 Department of the Environment and Energy, *Annual Report 2017-18*, pp. 43–45.

28 Commonwealth of Australia, *Environment and Energy Portfolio Budget Statements 2017-18: Budget Related Paper No. 1.7*, p. 43; Commonwealth of Australia, *Environment and Energy Portfolio Additional Estimates Statements 2017-18*, p. 28.

29 Department of the Environment and Energy, *Annual Report 2017-18*, p. 311.

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in the west of Melbourne' stream and the number of EPBC Act approval of actions in 2016-17.<sup>30</sup>

2.8 Overall, the committee considers that the department has met its reporting requirements and its 2017-18 annual report is 'apparently satisfactory'.

### *Financial reporting*

2.9 The annual report provided a summary of departmental and administered finances, including commentary in relation to significant changes in financial results from the 2016-17 financial year. The committee notes that the department reported a break-even departmental appropriation result for 2017-18. The annual report stated:

The financial performance presented in the financial statements also includes the non-cash income and expense items such as revaluations, depreciation and amortisation, and changes to provisions for restoration obligations in the Australian Antarctic regions. The value of these items makes up the net cost of services and the operating result in the financial statements. Taking into consideration the non-cash expenses resulted in an operating deficit of \$116.31 million. Offsetting this is the non-cash revaluation surplus, resulting in a total comprehensive gain of \$18.48 million.<sup>31</sup>

### *Bureau of Meteorology*

2.10 The Bureau of Meteorology (BoM) Annual Report 2017-18 was tabled in the House of Representatives on 24 October 2018 and in the Senate on 12 November 2018.

2.11 The review by the Chief Executive Officer and Director of Meteorology, Dr Andrew Johnson, provided an overview of some of BoM's achievements in the 2017-18 reporting period, including:

- the delivery of BoM's *Strategy 2017–2022*, including implementing an organisation restructure to align the agency with the new strategy;
- strengthening BoM's relationships with existing partners and stakeholders, including a new strategic relationship with the Australian Broadcasting Corporation (ABC);
- the release of the *Gender Equality Action Plan 2017–2022*;
- an increase in the proportion of Aboriginal and Torres Strait Islander staff from 1.2 per cent in 2016-17 to 1.4 per cent in 2017-18; and

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30 Department of the Environment and Energy, *Annual Report 2017-18*, p. 311.

31 Department of the Environment and Energy, *Annual Report 2017-18*, p. 8.

- the announcement of further funding to improve BoM's information and communication technology (ICT) and observation systems.<sup>32</sup>

### *Performance reporting*

2.12 BoM's 2017-18 performance statements were comprehensive and reported the results achieved against the agency's purpose and performance measures as set out in the 2017-18 corporate plan and PBS. BoM has measured and assessed its performance using 19 'strategic success measures' aligned to four 'strategic pillars', as defined in the BoM's *Strategy 2017–2022*. These included 'impact and value', 'operational excellence', 'insight and innovation', and the 'Bureau way'. BoM reported that it 'met expectations' against 17 of these measures and 'did not meet expectations' against two measures during the reporting period. The annual report also provided an update on the development of capabilities across five broad themes identified in its corporate plan including: strategy; relationships and geographical footprint; people; infrastructure; and asset management and financial sustainability.<sup>33</sup>

2.13 As part of the implementation of its *Strategy 2017–2022*, BoM has made changes to its organisational structure that took effect during the reporting period. The new structure comprises six groups (compared to the previous five divisions), namely: national forecast services; business solutions; data and digital; science and innovation; strategy and performance; and corporate services. The annual report includes a description of each group and comments on how they delivered their programs and outcomes in 2017-18.

2.14 BoM has again included a summary of national weather events that occurred during the reporting period in its annual report.<sup>34</sup> The summary provided a succinct description of significant weather events for each month, including the relevant dates and locations. The annual report also presented useful comparative trend data on the accuracy of annual temperature, rainfall and wind forecasts, which the committee found to be helpful and informative.<sup>35</sup>

2.15 The committee is pleased to note, following comments in its *Report on Annual Reports (No. 1 of 2018)*, that BoM has included accurate page references in the annual report's list of requirements. This allowed the committee to more readily locate and evaluate all relevant information in the annual report.

2.16 The committee considers that BoM has met its reporting obligations as a non-corporate Commonwealth entity under the PGPA Act and PGPA Rule and its annual report for 2017-18 is 'apparently satisfactory'.

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32 Bureau of Meteorology, *Annual Report 2017-18*, pp. 2–4.

33 Bureau of Meteorology, *Annual Report 2017-18*, pp. 20–21.

34 Bureau of Meteorology, *Annual Report 2017-18*, pp. ix–xii.

35 Bureau of Meteorology, *Annual Report 2017-18*, pp. 29–32.

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### *Financial reporting*

2.17 The annual report states that BoM recorded an operating surplus, excluding depreciation for 2017-18, of \$9.92 million. This compared to a budgeted operating surplus of \$5.99 million.<sup>36</sup> BoM stated:

This surplus is largely due to external revenue for capital assets. After including depreciation, the operating result was a deficit of \$81.01 million in 2017-18, compared to a deficit of \$72.23 million in 2016-17.<sup>37</sup>

### *Clean Energy Regulator*

2.18 The Clean Energy Regulator (CER) Annual Report 2017-18 was tabled in the House of Representatives on 25 October 2018 and in the Senate on 12 November 2018.

2.19 The CER is a non-corporate Commonwealth entity established under the *Clean Energy Regulator Act 2011* as an independent statutory authority. The CER is responsible for administering schemes established by government legislation, including the Emissions Reduction Fund, National Greenhouse and Energy Reporting scheme, Renewable Energy Target, as well as the online registries and systems to enable participation in the schemes.<sup>38</sup> The CER is responsible for delivering the following outcome:

Contribute to a reduction in Australia's net greenhouse gas emissions, including through the administration of market based mechanisms that incentivise reduction in emissions and the promotion of additional renewable electricity generation.<sup>39</sup>

2.20 The CER delivers its outcome and achieves its purpose of 'accelerating carbon abatement for Australia' through one program and four associated strategies detailed in the agency's 2017-18 PBS.<sup>40</sup>

2.21 A distinction is made within the CER's structure between the Regulator Board and the agency. The Regulator Board, including the Chair and Members, is responsible for setting the strategic direction for the agency's administration of its regulatory schemes, while the agency supports the Regulator Board and is led by the Chair as head of the agency.<sup>41</sup>

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36 Bureau of Meteorology, *Annual Report 2017-18*, p. 128.

37 Bureau of Meteorology, *Annual Report 2017-18*, p. 128.

38 Clean Energy Regulator, *Annual Report 2017-18*, p. 4.

39 Clean Energy Regulator, *Annual Report 2017-18*, p. 18.

40 Commonwealth of Australia, *Environment and Energy Portfolio Budget Statements 2017-18: Budget Related Paper No. 1.7*, p. 168.

41 Clean Energy Regulator, *Annual Report 2017-18*, p. 6.

2.22 The Chair, Mr David Parker AM, provided a concise overview of the CER's activities and achievements in 2017-18. Some of the reported activities included:

- accrediting three times as many large-scale renewable energy power stations compared to the previous reporting period;
- facilitating the integration of renewables into the electricity system;
- delivering 32.8 million tonnes of scheduled carbon abatement;
- collaborating with the solar industry on a new app based regulatory scheme to validate solar panel installation and reduce the potential for fraud; and
- the development of guidance on native title matters for Emissions Reduction Fund projects.<sup>42</sup>

### *Performance reporting*

2.23 The CER has reported on its performance against the key performance criteria and objectives outlined in both its PBS and corporate plan. These are clearly reflected in the CER's 2017-18 performance statements and measure the agency's performance against four objectives:

- engaged, active and compliant clients;
- efficient and effective administration;
- a trusted, relevant and expert institution; and
- secure and enduring infrastructure.<sup>43</sup>

2.24 The CER has assessed its performance using key performance indicators (KPIs) for each of these four objectives and compared the results achieved against the previous reporting period. The committee notes that during 2017-18, 10,923,950 Australian carbon credit units (ACCUs) were delivered, which represented 91 per cent of the 12,029,112 ACCUs originally scheduled.<sup>44</sup> The report also noted that 99.7 per cent of regulated and liable entities were materially compliant with their statutory obligations.<sup>45</sup> Both these results exceeded the targets expressed in the CER's 2017-18 PBS. Some performance indicators could not be compared because they were either 'not applicable' or 'not reported against' in 2016-17.

2.25 The annual report also provided detailed information on the performance of each of the statutory schemes administered by the CER, as well as the online registries and systems, including the Australian National Registry of Emissions Units, Emissions and Energy Reporting System, Renewable Energy Certificate Registry,

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42 Clean Energy Regulator, *Annual Report 2017-18*, pp. 15–17.

43 Clean Energy Regulator, *Annual Report 2017-18*, p. 10.

44 Clean Energy Regulator, *Annual Report 2017-18*, p. 34.

45 Clean Energy Regulator, *Annual Report 2017-18*, p. 37.

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Client Portal and CER website.<sup>46</sup> This supplemented the performance information provided in the performance statements and was supported by relevant graphs, tables and case studies, which the committee found to be relevant and informative.

2.26 The CER reported four significant breaches of government administrative, legal and policy requirements in 2017-18. These included a breach of privacy that was raised and determined in 2018, as well as three breaches of the *Clean Energy Regulator Act 2011* in relation to secrecy provisions.<sup>47</sup> The CER responded to the last three breaches by providing 'training on disclosure and advice on non-compliance disclosure obligations to relevant staff to ensure such breaches do not occur again'.<sup>48</sup>

2.27 The committee considers that the CER has met its reporting obligations and that its annual report is 'apparently satisfactory'.

### *Financial reporting*

2.28 The committee notes that the CER reported an operating surplus before depreciation and amortisation of \$2.388 million in 2017-18. The annual report comments that the surplus was 'largely attributable to lower than anticipated employee benefits and supplier expenditure'.<sup>49</sup> This compared to an operating surplus of \$7.591 million recorded for the previous reporting period.<sup>50</sup>

## **Communications and the Arts portfolio**

### *Department of Communications and the Arts*

2.29 The Department of Communications and the Arts Annual Report 2017-18 was presented out-of-sittings to the Senate on 31 October 2018 and subsequently tabled in the Senate on 12 November 2018.

2.30 In his review, the Secretary of the department, Mr Mike Mrdak AO, provided an overview of the department's activities for the 2017-18 reporting period and detailed the department's outlook and focus for the next four years. Some of the reported highlights included:

- continued support and monitoring for the rollout of the National Broadband Network, including the launch of the first wide-scale rollout of fibre to the curb services in the world;

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46 Clean Energy Regulator, *Annual Report 2017-18*, pp. 86–88.

47 Clean Energy Regulator, *Annual Report 2017-18*, p. 32.

48 Clean Energy Regulator, *Annual Report 2017-18*, p. 32.

49 Clean Energy Regulator, *Annual Report 2017-18*, p. 127.

50 Clean Energy Regulator, *Annual Report 2016-17*, p. 101.

- support for the development of improved online safety by helping to secure an additional \$14.2 million to assist the work of the Office of the eSafety Commissioner over the next four years;
- continued progress and implementation of the Mobile Black Spot Program;
- supporting the implementation of the government's response to the Productivity Commission's *Inquiry into Intellectual Property Arrangements* by commencing consultations on website blocking measures and copyright modernisation; and
- supporting the preservation of Aboriginal and Torres Strait Islander languages through the Indigenous Languages and Arts program.<sup>51</sup>

### *Performance reporting*

2.31 The department's annual performance statements were clearly set out and reported the results achieved against the planned performance measures and targets outlined in the corporate plan and PBS. These were satisfactorily mapped in the annual report and the source and location of all performance information was clearly provided. The committee notes that, in 2017-18, the department measured its performance against eight 'intended results' across three 'strategic priorities' identified in the corporate plan. The annual report noted that the department had 'met' 16 of the 22 performance measures outlined in the corporate plan, while the remaining six performance measures were reported as being 'in progress'.<sup>52</sup>

2.32 The report also provided relevant information on the management and accountability practices of the department, including changes to the department's governance framework since the last reporting period. This included the establishment of a new Governance Branch in December 2017 and changes to the department's governance committee framework following a review in 2017-18.<sup>53</sup>

2.33 The annual report noted a reduction in the department's total expenditure on consultancy contracts from \$2.581 million in 2016-17 to \$2.159 million in 2017-18 and included a helpful table detailing the reduction in expenditure over the last three reporting periods.<sup>54</sup> The committee welcomes the inclusion of this information. However, it notes that the department should be mindful that in future annual reports it 'clearly distinguishes between expenditure on new consultancies compared to ongoing consultancies for each reporting period' as required by the PGPA Rule.<sup>55</sup>

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51 Department of Communications and the Arts, *Annual Report 2017-18*, pp. 2–7.

52 Department of Communications and the Arts, *Annual Report 2017-18*, pp. 21–22.

53 Department of Communications and the Arts, *Annual Report 2017-18*, pp. 82–85.

54 Department of Communications and the Arts, *Annual Report 2017-18*, pp. 102–103.

55 Department of Finance, *Resource Management Guide No. 135: Annual report for non-corporate Commonwealth entities*, May 2018, p. 27.



2.34 The committee considers that the department has met its reporting obligations and its 2017-18 annual report is 'apparently satisfactory'.

### *Financial reporting*

2.35 The department reported an operating surplus of \$5.6 million for the financial year 2017-18. This compared to an operating deficit of \$0.3 million recorded for the previous reporting period. The report stated:

The surplus excluding depreciation was \$9.5 million, which is primarily the result of recognising a gain from the transfer of leasehold fitout from the Department of Industry, Innovation and Science on 1 July 2017, following relocation of the department's Canberra office to the Nishi Building at 2 Phillip Law Street, New Acton, Canberra City.<sup>56</sup>

### *Australian Communications and Media Authority*

2.36 The Australian Communications and Media Authority (ACMA) Annual Report 2017-18 was tabled in the House of Representatives on 18 October 2018 and in the Senate on 12 November 2018. The committee notes that this is the first annual report presented by the new Chair, Ms Nerida O'Loughlin, who commenced on 14 October 2017.

2.37 ACMA is a non-corporate Commonwealth entity established under the *Australian Communications and Media Authority Act 2005* as an independent statutory authority. ACMA is responsible for ensuring that Australia's media and communications legislation, related regulations, and numerous derived standards and codes of practice operate effectively and efficiently, and in the public interest. ACMA has responsibilities under four principal Acts: the *Radiocommunications Act 1992*, the *Telecommunications Act 1997*, the *Telecommunications (Consumer Protection and Service Standards) Act 1999* and the *Broadcasting Services Act 1992*. There are another 22 Acts to which the agency responds in areas such as spam, the Do Not Call Register, and interactive gambling.<sup>57</sup>

2.38 The committee notes that the Office of the eSafety Commissioner (the OeSC) is established under the *Enhancing Online Safety Act 2015* (EOS Act) as an independent statutory office within ACMA. Under the EOS Act, ACMA is required to provide staffing and corporate support services to the OeSC. The committee also notes that for the purposes of preparing financial statements, ACMA and the OeSC report as a single financial entity and the OeSC's annual report has been presented alongside that of ACMA.

2.39 The Chair's foreword highlighted some of the key activities that were undertaken by the ACMA during the reporting period. In the foreword,

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56 Department of Communications and the Arts, *Annual Report 2017-18*, p. 99.

57 Australian Communications and Media Authority, *Annual Report 2017-18*, p. 21.

Ms O'Loughlin acknowledged the contribution of Mr Richard Bean in his role as Acting ACMA Chair from 2016 and as Deputy Chair from 2010. Some of the other highlighted activities included:

- ACMA's continued implementation of the recommendations from the final report of the ACMA Review;
- the announcement of regulatory measures to give consumers greater protections when migrating to services under the National Broadband Network;
- the implementation of new restrictions on gambling services following changes to the *Interactive Gambling Act 2001*;
- providing radiocommunications interference management support for the Gold Coast 2018 Commonwealth Games; and
- the auction of multiband residual lots spectrum.<sup>58</sup>

### *Performance reporting*

2.40 The annual report provided a detailed discussion and analysis of ACMA's results against the performance measures and targets set out in the PBS and corporate plan, as well as relevant KPIs under the Regulator Performance Framework (RPF). These results were discussed under three strategies aligned to ACMA's outcome and programs detailed in the 2017-18 PBS, including public resource management; safeguards, advice and education; and enabling strategies. Performance measures have been recorded as either 'met', 'ongoing', 'partially met' or 'not met' during the reporting period. The annual report noted that ACMA met all performance measures for two of the three programs outlined in the PBS, namely:

- Program 1.1: Communications regulation, planning and licensing; and
- Program 1.2: Consumer safeguards, education and information.<sup>59</sup>

2.41 The report also noted that ACMA met nine and partially met two performance measures in relation to the enabling strategies outlined in its corporate plan. The two performance measures where targets were partially met related to the delayed publication of ACMA's whole-of-agency forward work program and to its international operational plan for 2018-19. The annual report stated that the publication of both documents had been delayed because of resourcing and timing issues and ACMA's review of its international engagement strategy.<sup>60</sup>

2.42 The OeSC reported its performance against key deliverables under the same outcome as ACMA, as well as performance measures relating solely to the work of the OeSC under *Program 1.3: Office of the eSafety Commissioner*. The annual report

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58 Australian Communications and Media Authority, *Annual Report 2017-18*, pp. 15–17.

59 Australian Communications and Media Authority, *Annual Report 2017-18*, pp. 30–37.

60 Australian Communications and Media Authority, *Annual Report 2017-18*, p. 41.

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noted that the OeSC met all of the performance measures as outlined in the 2017-18 PBS. This included the actioning of over 95 per cent of complaints received within 48 hours, as well as finalising over 75 per cent of complaints within five working days.<sup>61</sup> The OeSC reported completing 99 per cent of its investigations into child sexual abuse material items and actioning 90 per cent of all online content complaints within two business days.<sup>62</sup>

2.43 The committee considers that both ACMA and the OeSC have met their respective reporting obligations and their annual reports are 'apparently satisfactory'.

#### *Financial reporting*

2.44 The committee notes that, in 2017-18, ACMA reported administering \$3.608 billion in revenue collected through broadcasting, radiocommunications and telecommunications taxes, levies, fees and charges on behalf of the government, as well as \$5 million in associated expenses.<sup>63</sup> This compared to \$1.008 billion collected during the previous reporting period. The annual report noted that the increase in revenue was largely attributable to the sale of spectrum radio communication multi-year licences.<sup>64</sup>

2.45 ACMA reported a deficit attributable to the government of \$13.844 million for the year ending 30 June 2018.<sup>65</sup> ACMA commented:

The deficit recorded is higher than initially anticipated due primarily to the increase in scope of work undertaken by the Office of the eSafety Commissioner. In addition, due to the nature of the Enhancing Online Safety special account, unspent prior year appropriations do not lapse and were subsequently utilised during 2017-18.<sup>66</sup>

#### *National Library of Australia*

2.46 The National Library of Australia (Library) Annual Report 2017-18 was presented out-of-sittings to the Senate on 30 October 2018 and subsequently tabled in the Senate on 12 November 2018.

2.47 The Library is a corporate Commonwealth entity established by the *National Library Act 1960*. The purpose of the Library is to ensure that 'documentary resources of national significance relating to Australia and the Australian people, together with significant non-Australian library materials, are collected, preserved and made

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61 Australian Communications and Media Authority, *Annual Report 2017-18*, p. 121.

62 Australian Communications and Media Authority, *Annual Report 2017-18*, p. 127.

63 Australian Communications and Media Authority, *Annual Report 2017-18*, p. 146.

64 Australian Communications and Media Authority, *Annual Report 2017-18*, p. 228.

65 Australian Communications and Media Authority, *Annual Report 2017-18*, p. 208.

66 Australian Communications and Media Authority, *Annual Report 2017-18*, p. 213.

accessible through the Library and through collaborative arrangements with other libraries and information providers'.<sup>67</sup>

2.48 The Library has three strategic priorities that were outlined in the Library's corporate plan and annual report:

- build the nation's memory;
- make access happen; and
- lead, partner, connect and excel.<sup>68</sup>

2.49 The Chair's Report and Director-General's Review together provided an overview of the activities and achievements of the Library in 2017-18. These included:

- realising major benefits from the first year of operation of the Digital Library Infrastructure Replacement project (delivered on time and on budget in 2017 after five years, and winning major awards in late 2017 from the Australian Institute of Project Management);
- achieving excellent progress with redeveloping the Library's discovery platform Trove, finalising a development roadmap, and pursuing new business models aimed at increasing co-investment by partners in Trove;
- reviewing the achievements and outcomes of the first 10 years of the Library's fundraising program, leading to a significant shift in approach and emphasis to achieve greater digitising of Australia's documentary heritage;
- completing a project to replace the marble facade of the Library's building in Parkes, Canberra; and
- presenting major public exhibitions, hosting Library fellows to conduct research in the Library, and launching a campaign over multiple channels to celebrate the 50th anniversary of the Library building.<sup>69</sup>

### *Performance reporting*

2.50 The annual report provided a detailed assessment of the Library's activities and results intended to give effect to the strategic directions statement in the PBS, as well as the performance priorities and focus activities established in the Library's corporate plan. The Library has also used qualitative information to evaluate its performance and assess whether targets were met or not met during the reporting period. The report noted that 18.52 million participants engaged with the Library online in 2017-18, well above the 16.3 million target set in the PBS and corporate plan. The annual report also noted that access figures for 2017-18 show a 'significant

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67 National Library of Australia, *Annual Report 2017-18*, p. 16.

68 National Library of Australia, *Annual Report 2017-18*, p. 16.

69 National Library of Australia, *Annual Report 2017-18*, pp. 3-9.

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turnaround in the use of, and engagement with, the Library's physical and digital collections'.<sup>70</sup> The Library also reported meeting its 90 per cent target of stakeholders that identify the Library as a trusted leader.<sup>71</sup>

2.51 The committee notes that the Library fell short of meeting its 33 000 target for the number of Australian publications collected through legal deposit. The report commented that the target 'was ambitious and success dependent in part on the acquisition of bulk content via edeposit' and that the target was not met 'principally due to the delayed receipt of anticipated material'.<sup>72</sup> The report noted that 'on average' the Library acquired 83 per cent of Australian published materials in 2017-18, 2 per cent below its target of 85 per cent. However, it stated that 'the Library made improvements between January and June 2018 where sampling confirmed acquisition of 85 per cent Australian published materials' for the same period.<sup>73</sup>

2.52 The report has included helpful snapshots of the number of onsite and online visitors to the Library, statistics on visitor and user reach, increases in physical and digital items in the collection, as well as figures on the usage of the Trove website. The annual report also included informative case studies that complemented the Library's discussion of its performance over the reporting period.

2.53 The committee considers that the Library has met its reporting obligations as a corporate Commonwealth entity under the PGPA Act and Rule and its annual report is 'apparently satisfactory'.

#### *Financial reporting*

2.54 The Library recorded a deficit on continuing operations of \$4.474 million for the financial year 2017-18. This compared to a deficit of \$3.485 million reported in 2016-17.<sup>74</sup>

### **Senator the Hon David Fawcett Chair**

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70 National Library of Australia, *Annual Report 2017-18*, p. 35.

71 National Library of Australia, *Annual Report 2017-18*, p. 39.

72 National Library of Australia, *Annual Report 2017-18*, p. 23.

73 National Library of Australia, *Annual Report 2017-18*, p. 23.

74 National Library of Australia, *Annual Report 2017-18*, p. 54.

