Preface

Introduction

- 1.1 The Committee is responsible for examining annual reports of departments and agencies within two portfolios: Defence (including the Department of Veterans' Affairs), and Foreign Affairs and Trade.¹
- 1.2 Under Standing Order 25 (21), the Committee is required to report on annual reports tabled by 31 October each year by the tenth sitting day of the following year, and on reports tabled by 30 April each year by the tenth sitting day after 30 June of that year.

1.3 The standing order states:

Annual report 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 the other annual reports which it selects for more detailed consideration;
- c) investigate and report to the Senate on any lateness in the presentation of annual reports;
- d) in considering an annual report, take into account any relevant remarks about the report made in debate in the Senate;
- e) if the committee so determines, consider annual reports of departments and budget—related agencies in conjunction with examination of estimates;
- f) report on annual reports tabled by 31 October each year by the tenth sitting day of the following year, and on annual reports tabled by 30 April each year by the tenth sitting day after 30 June of that year;
- g) draw to the attention of the Senate any significant matters relating to the operations and performance of the bodies furnishing the annual reports; and
- 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 See appendix 1 for a list of all departments and agencies under these portfolios.

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Role of annual reports

1.4 Annual reports place a great deal of information about government departments and agencies on the public record. Accordingly, the tabling of annual reports continues to be an important element of accountability to Parliament. The information provided in annual reports assists Parliament in the effective examination of the performance of departments and agencies and the administration of government programs.

Assessment of annual reports

1.5 The annual reports are examined by the Committee to determine whether they are timely and 'apparently satisfactory'. The Committee considers whether the reports comply with the relevant requirements for the preparation of annual reports of departments and authorities.

- 1.6 The requirements are set down in the following instruments:
- for portfolio departments: *Public Service Act 1999*, subsections 63(2) and 70(2), and the *Requirements for annual reports for departments executive agencies and FMA Act bodies*, Department of Prime Minister and Cabinet, June 2003;
- for Commonwealth authorities and companies: the *Commonwealth Authorities* and *Companies Act 1997*; in particular, the *Commonwealth Authorities and Companies (Report of Operations) Orders 2002*; and
- for non-statutory bodies: the guidelines are contained in the Government response to the report of the Senate Standing Committee on Finance and Government Operations on Non-statutory bodies, Senate *Hansard*, 8 December 1987, vol s.124, pp. 2643–45 (requirements were modified in 1987).

Excerpts of the reporting requirements are at appendix 3.

General comments on the annual reports

1.7 The following annual reports have been examined by the Committee:

Defence portfolio

Defence Force Retirement and Death Benefits Authority

Judge Advocate General

Foreign Affairs and Trade portfolio

Australia-Korea Foundation

2 See appendix 2 for a compliance table of the reports referred to the Committee.

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1.8 The Committee found all reports to be generally of a high standard. They effectively described the function, activities and financial positions of the various agencies. There were no comments in the Senate on any of these reports. The Committee therefore finds all of the annual reports to be "apparently satisfactory".

Senator Steve Hutchins

Deputy Chair