

# PREFACE

## Terms of reference

On 12 November 2013, a resolution of the Senate allocated the following portfolios to the Senate Legal and Constitutional Affairs Legislation Committee (the committee):

- Attorney-General's portfolio; and
- Immigration and Border Protection portfolio.

This report was prepared pursuant to Standing Order 25(20) relating to the consideration of annual reports by committees. The Standing Order states:

Annual reports of departments and agencies shall stand referred to the 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.

This report examines annual reports tabled in the Senate or presented to the President between 1 November 2014 and 30 April 2015.

## **Role of annual reports**

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

## **Annual reporting requirements**

In 2012–13, Commonwealth departments, agencies, authorities and companies operating under either the *Financial Management and Accountability Act 1997* (the FMA Act) or the *Commonwealth Authorities and Companies Act 1997* (the CAC Act) were required to provide an annual report on their activities, performance and finances. The *Public Governance, Performance and Accountability Act 2013* replaced both FMA Act and the CAC Act on 1 July 2014. However, the annual reports covered by this report were assessed against the requirements under the former Acts.

Annual reports must also comply with the Requirements for Annual Reports for Departments, Executive Agencies and FMA Act Bodies issued by the Department of the Prime Minister and Cabinet and approved by the Joint Committee of Public Accounts and Audit. These requirements are updated annually. The latest version of the requirements was issued on 29 May 2014 and applies to annual reports for 2013–14. Therefore, the 29 May version of the requirements applies to the annual reports examined in this report.

Statutory authorities must also report in accordance with their establishing legislation.

Guidelines for the annual reports of non-statutory bodies are set out in the government response to recommendations of the then Senate Standing Committee on Finance and Government Operations, in its report entitled *Reporting Requirements for the Annual Reports of Non-Statutory Bodies*. The government response was incorporated into the Senate Hansard of 8 December 1987.<sup>1</sup>

## **Future changes to the requirements**

On 25 June 2015, the Joint Committee of Public Accounts and Audit approved the new annual report requirements under the *Public Service Act 1999*. Significant revisions to the annual report requirements for the 2015–16 financial year will commence under the reporting model detailed in the *Public Governance, Performance and Accountability Act 2013*.

## **'Apparently satisfactory'**

Under the terms of Standing Order 25(20)(a), the committee is required to report to the Senate whether reports are 'apparently satisfactory'. In making this assessment, the committee considers such aspects as compliance with relevant reporting guidelines.

The committee found all of the reports submitted to be 'apparently satisfactory', describing the functions, activities, performance and financial positions of the

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1 *Official Senate Hansard*, 8 December 1987, pp 2643-2645.

departments and agencies. In considering the reports, the committee did not identify any relevant remarks about the reports made in debate in the Senate.

### **Timeliness**

The Department of the Prime Minister and Cabinet Requirements state that an annual report 'is to be presented to each House of the Parliament on or before 31 October in the year in which the report is given'.<sup>2</sup> Organisations reporting under the former *Commonwealth Authorities and Companies Act 1997* (the CAC Act) are required to present an annual report to the responsible minister on the fifteenth day of the fourth month after the end of the financial year – that is, by 15 October.

In the absence of any specific provision, the *Acts Interpretation Act 1901* requires bodies to present annual reports to ministers within six months after the end of the period reported upon (subsection 34C(2)), and ministers must table reports within 15 sitting days of receipt.

A table listing the annual reports of departments and agencies tabled in the Senate (or presented out of session to the President of the Senate) between 1 November 2014 and 30 April 2015, and which have been referred to the committee for examination, can be found at Appendix 1.<sup>3</sup> Also included in this table is the date each report was tabled in the House of Representatives.

The annual reports included and examined in this report missed the 31 October 2014 tabling deadline for the Senate, excluding the High Court of Australia's annual report (tabled in the Senate on 24 November 2014) and the Family Law Council's annual report (tabled in the Senate on 12 November 2014). Both reports were tabled in accordance with their respective legislative provisions.

The committee continues to encourage bodies to table annual reports before the Supplementary Budget Estimates hearings in October each year, in accordance with best practice, as outlined in the Requirements for Annual Reports.

### **Requirement to report agencies for non-reporting**

In accordance with Standing Order 25(20)(h), the committee must report bodies which are required to present an annual report to the Senate but which have failed to do so.

On this occasion, the committee is unaware of any body required to table an annual report which has failed to do so.

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2 Department of the Prime Minister and Cabinet, *Requirements for Annual Reports*, 29 May 2014, p. 3.

3 The table also includes reports on the operation of acts or programs that have been referred to the committee.

