

Chapter 2

Annual reports of agencies

2.1 This chapter examines selected annual reports received during the period 1 May 2014 and 31 October 2014 and provides the Senate with information that may be of particular interest.

Agriculture Portfolio

Department of Agriculture—Annual Report 2013-14

2.2 The Secretary's review outlined the core activities of the Department of Agriculture (the department) over the 2013-14 period, including work done to deliver the National Drought Program Reform package and the continued reform to Australia's biosecurity system, with a focus on sustainable cost-recovery mechanisms. The Secretary also noted that the portfolio industries contributed approximately \$51 billion to the national economy, including more than \$39 billion in export earnings.¹

2.3 In regard to staffing matters, the report stated that staff numbers were reduced by 500 on a full-time equivalent basis over the reporting period until 30 June 2014. In November 2013, a voluntary redundancy program was introduced to reduce staffing numbers in line with budget considerations and low levels of natural attrition. Out of the 500 total separations during 2013-14, approximately 67 per cent were associated with this redundancy program.²

2.4 The committee notes that the department achieved 99 out of its 118 key performance indicators (KPI) across two outcomes and 15 programs. Of the remaining 19 indicators, 13 were 'partially met', two were 'not met', and four were not applicable. The department provided explanations for those KPI that were either partially achieved or not achieved at all, and the committee commends the department for providing clear accounts of these issues.³

2.5 The committee considers the department's 2013-14 report to be of a high standard and compliant with the reporting requirements.

Australian Pesticides and Veterinary Medicines Authority—Annual Report 2013-14

2.6 The Chief Executive Officer's report noted that a significant part of the work of the Australian Pesticides and Veterinary Medicines Authority (APVMA) during 2013-14 was to update systems and processes as part of efforts to prepare industry and stakeholders for legislative reforms that commenced on 1 July 2014. In particular, APVMA reviewed and updated regulatory guidance material in consultation with

1 Department of Agriculture, *Annual Report 2013-14*, pp 2-5.

2 Department of Agriculture, *Annual Report 2013-14*, pp 5, 114.

3 Department of Agriculture, *Annual Report 2013-14*, pp 30-103.

industry and conducted face-to-face information and training sessions for the relevant stakeholders.⁴

2.7 APVMA also delivered new online services to allow applications for the approval and registration of chemicals, as well as payments of fees and levies to be dealt with via an integrated online system.⁵

2.8 The committee notes that APVMA listed its 'adherence to the APS Code of Conduct' performance measure as 'not achieved', owing to one breach of the Code of Conduct that was investigated and dealt with during the 2013-14 period.⁶

2.9 The committee considers APVMA's 2013-14 report to be of a high standard and compliant with the reporting requirements. However, the committee recommends that in future annual reports, APVMA consider incorporating a table outlining a collated list of the numerous performance measures allocated across the eight strategy areas, including information on whether these have been achieved.

Infrastructure and Regional Development Portfolio

Department of Infrastructure and Regional Development —Annual Report 2013-14

2.10 Following machinery-of-government changes after the September 2013 election, under the Administrative Arrangements Order of 18 September 2013, the then Department of Infrastructure and Transport was allocated functions relating to regional development, local government and services to territories. It was renamed the Department of Infrastructure and Regional Development (the department).⁷

2.11 The Secretary's overview detailed the key achievements of the department over the year, making particular reference to the \$6.9 billion allocated through direct and indirect grants for the construction and maintenance of national land transport infrastructure. The overview also noted that the department negotiated a concessional bridging loan with the New South Wales Government for the delivery of stage two of the WestConnex project in Sydney.⁸

2.12 The Western Sydney Unit was established within the department to assist with preparations for the planned 2016 construction of a new airport at Badgerys Creek in Western Sydney. The Western Sydney Unit is responsible for detailed airport planning and undertaking consultation with councils, local communities and aviation industry stakeholders.⁹

4 Australian Pesticides and Veterinary Medicines Authority, *Annual Report 2013-14*, pp vii, 18-22.

5 Australian Pesticides and Veterinary Medicines Authority, *Annual Report 2013-14*, pp vii, 29-30.

6 Australian Pesticides and Veterinary Medicines Authority, *Annual Report 2013-14*, p. 76.

7 Administrative Arrangements Order of 18 September 2013, pp 30-32.

8 Department of Infrastructure and Regional Development, *Annual Report 2013-14*, pp 4-13.

9 Department of Infrastructure and Regional Development, *Annual Report 2013-14*, pp 68, 72.

2.13 In regard to the regional development and local government portfolio outcome, the report noted that funding agreements were implemented for all Regional Development Australia (RDA) committees and contract payments to the value of \$17.7 million were delivered. The department also reviewed and approved three-year regional plans for each of the 55 RDA committees that work to categorise key economic development priorities.¹⁰

2.14 In March 2014 the department took the lead in the work of the Joint Agency Coordination Centre (JACC), established in response to the disappearance of Malaysia Airlines flight MH370 en route from Kuala Lumpur to Malaysia. JACC coordinates the responses of Australian agencies and international search partners, and has a significant role in the media management of the incident. The committee notes that during the initial months of its operation, more than 80 departmental staff were involved in JACC activities.¹¹

2.15 The committee considers the department's 2013-14 report to be well-presented and compliant with the reporting requirements.

Australian Transport Safety Bureau —Annual Report 2013-14

2.16 The Australian Transport Safety Bureau (ATSB) Chief Commissioner's review of 2013-14 noted that the period was a challenging one for the agency, for reasons including the complexity of the incidents dealt with and the availability of resources. ATSB reduced staff numbers by twelve per cent during 2013-14, leading to some functions being combined. The Chief Commissioner noted that the diminished capacity of ATSB to carry out its functions would impact upon the timeliness of the completion of some investigations and lead to more limited industry engagement.¹²

2.17 During 2013-14 ATSB took several steps to improve information accessibility for interested stakeholders, including opening online access to the Australian National Aviation Occurrence Database which allows members of the public to search for de-identified information on aviation accidents and incidents. ATSB also launched a webpage which provides de-identified confidential reports on aviation, maritime and rail safety concerns.¹³

2.18 In regard to assessing, classifying and publishing summaries of accident and incident occurrences, ATSB has a target timeframe of one day for the publication of occurrences being investigated, and five days for summaries of other incidents. During 2013-14, only 77 per cent of occurrences under investigation were published online within one working day, and only five percent of summaries of other occurrences were published online within the specified target of five days. The median publishing time was 24 days. The committee notes that the report stated that

10 Department of Infrastructure and Regional Development, *Annual Report 2013-14*, pp 82-93.

11 Department of Infrastructure and Regional Development, *Annual Report 2013-14*, p. 10.

12 Australian Transport Safety Bureau, *Annual Report 2013-14*, pp 2-8.

13 Australian Transport Safety Bureau, *Annual Report 2013-14*, p. 3.

the failure to achieve these KPI was a result of a reduction in staffing levels within the Notifications Division.¹⁴

2.19 One of the core activities undertaken by ATSB during the year was the search for the missing Malaysia Airlines Flight MH370, initiated in March 2014. A new KPI was added for Program 1.1, and this will be fully reported on in the 2014-15 annual report. However, the 2013-14 report does provide some detail of the actions taken so far. Along with representatives from international accident investigation agencies, the Malaysian Department of Civil Aviation, and the Australian Defence Science and Technology Organisation, ATSB contributed to the work of the flight path reconstruction group in analysing the satellite communication information

2.20 Under Annex 13 to the Convention on International Civil Aviation, Malaysia has investigative responsibility for the MH370 incident. In response to a request for assistance from the Malaysian Government, and under the provisions of the Australian *Transport Safety Investigation Act 2003*, five ATSB investigators provided assistance to the investigation in Malaysia. The committee notes that, owing to the need to redirect investigative and administrative staff to tasks relating to the MH370 incident, ATSB has flagged that this may constrain the scope of future investigations.¹⁵

2.21 The committee commends ATSB on a comprehensive annual report, noting in particular the thorough compliance index.

Senator Bill Heffernan

Chair

14 Australian Transport Safety Bureau, *Annual Report 2013-14*, pp 26, 30.

15 Australian Transport Safety Bureau, *Annual Report 2013-14*, pp 8, 34-36