

The Senate

Rural and Regional Affairs
and Transport
Legislation Committee

Annual reports (No. 2 of 2015)

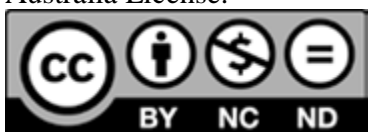
September 2015

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Chapter 1

Overview

1.1 The Senate Rural and Regional Affairs and Transport Legislation Committee's (the committee) report on annual reports provides an overview of the committee's examination of annual reports for the 2013–14 financial year tabled by 30 April 2015. The committee is responsible for examining the annual reports of departments and agencies within the portfolios of:

- Agriculture; and
- Infrastructure and Regional Development.¹

1.2 This is the second of two reports on annual reports that the committee is required to produce this year.

Terms of reference

1.3 Under Senate Standing Order 25(20), annual reports 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 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.

1 *Journals of the Senate*, No. 2, 13 November 2013, pp 88-89.

(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.

Purpose of annual reports

1.4 The tabling and scrutiny of annual reports by Senate committees under Standing Order 25(20) is an important element in the process of government accountability to Parliament. The information provided in annual reports is placed on the public record and assists Parliament in its examination of the performance of departments and agencies and the administration of government programs.

Reports referred to the committee

1.5 In accordance with Standing Order 25(20) (f), this report examines annual reports tabled between 1 November 2014 and 30 April 2015. The committee examined the following reports:

Agriculture Portfolio

- Grape and Wine Research and Development Corporation—Report for 2013-14;
- Wine Australia Corporation —Report for 2013-14;
- Rural Industries Research and Development Corporation—Report for 2013-14;
- Fisheries Research and Development Corporation—Report for 2013-14;
- Grains Research and Development Corporation—Report for 2013-14;
- Cotton Research and Development Corporation—Report for 2013-14;
- Australian Fisheries Management Authority—Report for 2013-14;
- Queensland Fisheries Joint Authority—Reports for 2006-07 to 2012-13;
- Queensland Fisheries Joint Authority—Report for 2013-14;
- Northern Territory Fisheries Joint Authority—Reports for 2008-09 to 2012-13;
- Northern Territory Fisheries Joint Authority—Report for 2013-14;
- Western Australian Fisheries Joint Authority—Reports for 2005-06 to 2012-13;
- Western Australian Fisheries Joint Authority—Report for 2013-14;
- National Rural Advisory Council—Report for 2013-14; and
- Dairy Australia Limited—Report for 2013-14.

Infrastructure and Regional Development Portfolio

- National Capital Authority—Report for 2013-14.

1.6 Appendix 1 sets out a complete list of reports referred to the committee during the period 1 November 2014 and 30 April 2015 (including those not examined). This appendix includes references to the relevant legislation, the letter of transmittal dates, the dates on which the annual reports were sent to, and received by, the relevant minister, and the dates on which the annual reports were tabled in both the House of Representatives and the Senate.

Reports not examined

1.7 The committee is not obliged to report on Acts, statements of corporate intent, surveys, corporate plans or errata. The following documents were referred to the committee but have not been examined:

- Airservices Australia—Report on Movement Cap for Sydney Airport—Quarterly report on the maximum movement limit for the period 1 July to 30 September 2014;
- Airservices Australia—Report on Movement Cap for Sydney Airport—Quarterly report on the maximum movement limit for the period 1 October to 31 December 2014; and
- Report for 2013-14 in relation to compliance with the statutory funding agreement between the Commonwealth of Australia and Dairy Australia Limited;
- Joint Australian and Western Australian Government Response to the Review of the Implementation of the Regional Forest Agreement for the South-West Forest Region of Western Australia for the Period 1999-2009;
- Joint Australian and New South Wales Government Response to the Final Report on Progress with Implementation of NSW Regional Forest Agreements: Report of Independent Assessor: February 2014; and
- Local Government National— Report for 2011-12.

Method of assessment

1.8 Senate Standing Orders require the committee to examine the annual reports referred to it to determine whether they are timely and 'apparently satisfactory'. In forming its assessment, the committee considers whether the reports comply with the relevant legislation and guidelines for the preparation of annual reports:

- for departments of state and executive agencies these are: the *Public Service Act 1999*, subsections 63(2) and 70(2), and the *Requirements for Annual Reports for Departments, Executive Agencies and FMA Act Bodies* (Requirements for Annual Reports), Department of the Prime Minister and Cabinet (PM&C), approved by the Joint Committee of Public Accounts and Audit and updated by PM&C on 29 May 2014;
- for Commonwealth authorities and companies: the *Commonwealth Authorities and Companies Act 1997* (the CAC Act), sections 9, 36 and 48, the *Commonwealth Authorities (Annual Reporting) Orders 2011*, the

Commonwealth Companies (Annual Reporting) Orders 2011 (CAC Orders) and the requirements of the *Corporations Act 2001*;² and

- for non-statutory bodies: the requirements are contained in the Government response to the report of the Senate Standing Committee on Finance and Government Operations on Non-statutory bodies.³

Timeliness in tabling of annual reports

1.9 Standing Order 25(20)(c) requires the committee to report to the Senate on the late presentation of annual reports.

1.10 Annual reports must be tabled in Parliament by 31 October each year, except where an agency's own legislation specifies a timeframe for its annual report.⁴ Those agencies reporting under the CAC Act are required to provide annual reports to the minister by the 15th day of the fourth month after the end of the financial year.⁵ Where the financial year ends on 30 June, this deadline translates to 15 October.

1.11 Where an agency's own legislation provides a timeframe for its annual report, an alternative timeframe applies. However, the committee reminds such bodies that there is a requirement upon them to ensure that annual reports are tabled in Parliament by 31 October.⁶

1.12 The committee observes that while many agencies and other relevant entities sent their report within the specified timeframes, a considerable number were not tabled by 31 October 2014. The committee will continue to monitor the matter of timeliness in future reports on annual reports.

1.13 The committee also notes the extremely overdue provision of annual reports dating from 2008 to 2013 for the Northern Territory Fisheries Joint Authority, 2006 to 2013 for the Queensland Fisheries Joint Authority, and 2005 to 2013 for the Western Australia Fisheries Joint Authority. Under the *Fisheries Management Act 1991* (the Act), a joint authority is required to prepare a report on its activities in the immediately preceding financial year and the condition during that year of the relevant fisheries as soon as practicable after 30 June in each year. In addition, the Act requires that the Commonwealth minister ensure a copy of this report is to be presented before

2 It should be noted that the *Public Governance, Performance and Accountability Act 2013* replaced the CAC Act and the *Financial Management and Accountability Act 1997* as of 1 July 2014.

3 *Senate Hansard*, 8 December 1987, pp 2643–2645.

4 Department of the Prime Minister and Cabinet, *Requirements for Annual Reports for Departments, Executive Agencies and FMA Act Bodies*, 24 June 2013, p. 3.

5 *Commonwealth Authorities and Companies Act 1997*, s. 9.

6 Department of the Prime Minister and Cabinet, *Requirements for Annual Reports for Departments, Executive Agencies and FMA Act Bodies*, 29 May 2014, p. 3.

both the House of Representatives and the Senate as soon as practicable after the preparation of the report.⁷

1.14 While the committee acknowledges the explanation for the delay provided by the Australian Fisheries Management Authority in regard to the Queensland Fisheries Joint Authority, the committee strongly encourages the timely provision of future annual reports from these three authorities.

Comments on reports

1.15 The committee notes that the 2013-14 annual reports of the Grape and Wine Research and Development Corporation (GWRDC) and the Wine Australia Corporation (Wine Australia) were the final reports for these two bodies. The Australian Grape and Wine Authority (AGWA), formed on 1 July 2014 through the amalgamation of GWRDC and Wine Australia, will present its first report for the period 2014-15. The committee notes the work of both GWRDC and Wine Australia during the transition period and will follow the progress of AGWA in its goals of improved strategic alignment and research for the wine industry in its future reports on annual reports.

1.16 The committee considers that all reports received were 'apparently satisfactory'. The following chapter of this report examines selected annual reports in further detail.

7 *Fisheries Management Act 1991*, p 115.

Chapter 2

Annual reports of agencies

2.1 This chapter examines selected annual reports received during the period 1 November 2014 and 30 April 2015.

Agriculture Portfolio

Rural Industries Research and Development Corporation—Report for 2013-14

2.2 The chair's report noted that in 2013-14 the Rural Industries Research and Development Corporation (RIRDC) placed a strong focus on collaboration, acknowledging that the organisation has a solid history of working together with fellow research and development (R&D) corporations, and other industry and government stakeholders. The report provided details on the major collaboration projects undertaken in 2013-14, and outlined the work RIRDC is doing in relation to cross-sector and cross-regional approaches to R&D.¹

2.3 The report flagged that the \$2 million decrease in core funding for 2014-15, coupled with further cuts of \$3 million annually for the following three years announced in the 2014 budget meant that RIRDC would be operating in challenging financial circumstances in the coming years. The report noted that this development had meant that staffing levels and funding for direct research had already been reduced.²

2.4 A significant project undertaken by RIRDC in 2013-14 was the successful development and launch of the Farm Diversity website, an initiative that allows farmers to identify options for diversifying their farming enterprises. RIRDC noted that this project grew out of an awareness of the financial and environmental benefits of diversification, particular in regard to spreading income risk and building resilience.³

2.5 The committee considers the 2013-14 report of RIRDC to be completed to a high standard and compliant with the reporting requirements. In particular the committee commends RIRDC on the comprehensive summary of the 2013-14 R&D outputs and outcomes.⁴

1 Rural Industries Research and Development Corporation, *Annual Report 2013-14*, pp 11, 31-35.

2 Rural Industries Research and Development Corporation, *Annual Report 2013-14*, pp 13-14.

3 Rural Industries Research and Development Corporation, *Annual Report 2013-14*, p. 12, 17.

4 Rural Industries Research and Development Corporation, *Annual Report 2013-14*, pp 44-87.

Australian Fisheries Management Authority—Report for 2013-14

2.6 The Australian Fisheries Management Authority (AFMA) report noted that in 2013-14, the organisation implemented a number of initiatives aimed at improving services to industry and reducing red-tape. The report outlined in particular the improvements made to the online concessions and quota management tool GOFish, and the increased use of multi-year total allowable catches in South Eastern fisheries.⁵

2.7 AFMA outlined the work done in 2013-14 on managing illegal foreign fishing activity, noting that regional cooperation with Papua New Guinea played an important role in combating illegal fishing activities in the Torres Strait. Specifically, the report provided information on the increase in vessels from Vietnam between November 2013 and April 2014 seeking to illegally fish giant clams. AFMA noted that, in conjunction with Border Protection Command, the organisation worked swiftly to intercept and apprehend the vessels. Overall, 26 foreign fishing vessels were apprehended during the 2013-14 reporting period, with successful prosecutions and disposal of vessels following in most cases.⁶

2.8 The committee appreciates the section of the annual report devoted to outlining the major developments in each domestic fishery, in particular the reports against management plans. Overall, the committee considers the 2013-14 report of AFMA to be well presented and compliant with the reporting requirements.

Infrastructure and Regional Development Portfolio

National Capital Authority—Report for 2013-14

2.9 The National Capital Authority (NCA) annual report outlines some of the key achievements of the organisation during the 2013-14 period, mentioning in particular the release of the Report on the Review of National Capital Open Space System and the establishment of an expert Design Review Panel aimed at assisting in evaluating the design merits of major city-shaping projects during their conceptual stages.⁷

2.10 During 2013-14, NCA reported against one outcome; namely, "a national capital which symbolises Australia's heritage, values and aspirations, is internationally recognised, and worthy of pride by Australians". This outcome was comprised of two programs; Program 1.1 National Capital Functions, and Program 1.2 National Capital Estate. The committee notes that NCA did not meet the target deliverables for the three categories encompassed under the "promotion and awareness of the significance of Canberra as the national capital" goal outlined under Program 1.1, falling short on the target numbers for notified events on national land, visitors to the National Capital Exhibition, and visits to online educational materials on the NCA website.

5 Australian Fisheries Management Authority, *Annual report 2013-14*, pp 5, 17.

6 Australian Fisheries Management Authority, *Annual report 2013-14*, pp 31-38.

7 National Capital Authority, *Annual report 2013-14*, pp x-xii, 16-17.

2.11 In addition, the key performance indicator (KPI) stated for the goal was a target of 90 percent of surveyed National Capital Exhibition visitors who reported an increased awareness of the special importance of Canberra as the national capital. Although NCA stated that it achieved this KPI with an actual rate of 97 percent, the committee observes that in failing to provide further contextual details on the statistics of this KPI (for example, the total number of visitors surveyed), it is difficult to accurately gauge performance.⁸

2.12 The committee draws attention to comments made in previous reports on annual reports stating that NCA should focus more on providing an assessment of its performance, rather than on mere descriptions of its activities. While it is acknowledged that there has been some improvement in this area, the committee encourages NCA to place more emphasis on providing clear and substantive assessments of its performance, together with the appropriate context, to aid in the usefulness of future reports.⁹

Senator the Hon Bill Heffernan

Chair

8 National Capital Authority, *Annual report 2013-14*, pp 7-9.

9 See Senate Rural and Regional Affairs and Transport Legislation Committee, *Annual reports (No. 2 of 2014)*, p.11.

Appendix 1

Annual reports referred during the period 1 November 2014 to 30 April 2015

Agriculture portfolio

Document	Legislation	Date of transmittal letter	Date sent to minister	Date received by minister	Date tabled in Senate	Date tabled in House of Representatives
Grape and Wine Research and Development Corporation —Report for 2013-14	<i>Primary Industries Research and Development Act 1989</i> <i>CAC Act 1997</i> <i>Section 25 of Schedule 2 of the Grape and Wine Legislation Amendment (Australian Grape and Wine Authority) Act 2013</i>	07/10/2014	14/10/2014	21/10/2014	24/11/2014	24/11/2014
Wine Australia —Report for 2013-14	<i>Section 24 of Schedule 2 of the Grape and Wine Legislation Amendment (Australian Grape and Wine Authority) Act 2013</i> <i>CAC 1997</i>	30/09/2014	30/09/2014	14/10/2014	24/11/2014	24/11/2014
Rural Industries Research and Development Corporation —Report for 2013-14	<i>Primary Industries Research and Development Act 1989</i> <i>CAC 1997</i>	15/10/2014	13/10/2014	14/10/2014	09/02/2015	04/12/2014
Fisheries Research and Development Corporation —Report for 2013-14	<i>Primary Industries Research and Development Act 1989</i> <i>CAC 1997</i>	25/09/2014	25/09/2014	17/10/2014	09/02/2015	04/12/2014

Document	Legislation	Date of transmittal letter	Date sent to minister	Date received by minister	Date tabled in Senate	Date tabled in House of Representatives
Grains Research and Development Corporation—Report for 2013-14	<i>Primary Industries Research and Development Act 1989</i> <i>CAC 1997</i>	15/10/2014	15/10/2014	15/10/2014	09/02/2015	04/12/2014
Cotton Research and Development Corporation—Report for 2013-14	<i>Primary Industries Research and Development Act 1989</i> <i>CAC 1997</i>	15/10/2014	15/10/2014	15/10/2014	09/02/2015 *17/02/2014	09/02/2015
Australian Fisheries Management Authority—Report for 2013-14	<i>Section 87 of the Fisheries Administration Act 1991</i> <i>FMA Act 1997</i>	13/10/2014	13/10/2014	14/10/2014	17/11/2014 *31/10/2014	24/11/2014
Queensland Fisheries Joint Authority reports for the periods 2006-07, 2007-08, 2008-09, 2009-10, 2010-11, 2011-12 and 2012-13	<i>Section 70 of the Fisheries Management Act 1991</i>	n/a	11/11/2014	14/11/2014	02/12/2014	02/12/2014
Queensland Fisheries Joint Authority—Report for 2013-14	<i>Section 70 of the Fisheries Management Act 1991</i>	n/a	09/01/2015	12/01/2015	11/02/2015	11/02/2015
Northern Territory Fisheries Joint Authority reports for the periods 2008-09, 2009-10, 2010-11, 2011-12 and 2012-13	<i>Section 70 of the Fisheries Management Act 1991</i>	n/a	25/11/2014	25/11/2014	11/02/2015	11/02/2015
Northern Territory Fisheries Joint Authority—Report for 2013-14	<i>Section 70 of the Fisheries Management Act 1991</i>	n/a	09/01/2015	12/01/2015	11/02/2015	11/02/2015
Western Australian Fisheries Joint Authority reports for the periods 2005-06, 2006-07, 2008-09, 2009-10, 2010-11, 2011-12, 2012-13	<i>Section 70 of the Fisheries Management Act 1991</i>	n/a	10/12/2014	10/12/2014	04/03/2015	04/03/2015
Western Australian Fisheries Joint Authority—Report for 2013-14	<i>Section 70 of the Fisheries Management Act 1991</i>	n/a	09/01/2015	12/01/2015	04/03/2015	04/03/2015

Document	Legislation	Date of transmittal letter	Date sent to minister	Date received by minister	Date tabled in Senate	Date tabled in House of Representatives
National Rural Advisory Council—Report for 2013-14	<i>Section 20 of the Rural Adjustment Act 1992</i>	18/12/2014	15/01/2015	06/02/2015	02/03/2015	02/03/2015
Dairy Australia Limited—Report for 2013-14	<i>Section 13 of the Dairy Product Act 1986</i>	n/a	01/12/2014	05/12/2014	02/03/2015	02/03/2015
Joint Australian and Western Australian Government Response to the Review of the Implementation of the Regional Forest Agreement for the South-West Forest Region of Western Australia for the Period 1999-2009	<i>Section 10 of the Regional Forest Agreement Act 2002</i>	n/a	17/11/2014	17/11/2014	11/02/2015	11/02/2015
Joint Australian and New South Wales Government Response to the Final Report on Progress with Implementation of NSW Regional Forest Agreements: Report of Independent Assessor	<i>Section 10 of the Regional Forest Agreement Act 2002</i>	n/a	30/01/2014	20/02/2014	17/11/2014	17/11/2014
Report for 2013-14 in relation to compliance with the statutory funding agreement between the Commonwealth of Australia and Dairy Australia Limited.	<i>Section 14 of the Dairy Product Act 1986</i>	n/a	01/12/2014	05/12/2014	02/03/2015	02/03/2015

* An asterisk denotes reports presented to the President out-of-session.

Infrastructure and Regional Development portfolio

Document	Legislation	Date of transmittal letter	Date sent to minister	Date received by minister	Date tabled in Senate	Date tabled in House of Representatives
National Capital Authority —Report for 2013-14	<i>Section 50(1) of Australian Capital Territory (Planning and Land Management) Act 1988</i> <i>FMA Act 1997</i>	14/11/2014	23/10/2014	17/11/2014	09/02/2015	09/02/2015
Local Government National —Report for 2011-12	<i>Section 16 of the Local Government (Financial Assistance) Act 1995</i>	22/11/2014	28/10/2014	05/11/2014	09/02/2015 *17/12/2014	09/02/2015
Airservices Australia - Report on Movement Cap for Sydney Airport – quarterly report on the maximum movement limit for the period 1 July to 30 September 2014	<i>Section 9 of the Sydney Airport Demand Management Act 1997</i>	n/a	23/10/2014	24/10/2014	03/12/2014	03/12/2014
Airservices Australia - Report on Movement Cap for Sydney Airport – quarterly report on the maximum movement limit for the period 1 October to 31 December 2014	<i>Section 9 of the Sydney Airport Demand Management Act 1997</i>	n/a	27/01/2015	30/01/2015	02/03/2015	23/02/2015

