



Australian Government

Department of Agriculture, Fisheries and Forestry

Agriculture, Fisheries and Forestry portfolio statutory and other portfolio bodies



1. Statutory authorities overview

Governance and accountability

Statutory authorities within the Agriculture, Fisheries and Forestry portfolio have their objectives, functions, powers and obligations defined in their enabling legislation. Their governance arrangements and structures vary and some are legally and financially separate from the Australian Government. Most statutory authorities are governed by a board of directors and are subject to the *Commonwealth Authorities and Companies Act 1997* (CAC Act). The CAC Act has brought the responsibilities and legal liabilities of directors of Australian Government statutory authorities into line with those of their private sector counterparts under corporations law.

A board of directors, constituted according to the various pieces of enabling legislation for statutory authorities, is responsible for the performance of its organisation and is accountable to its stakeholders for the achievement of statutory objectives, commercial performance, viability and conformity.

The directors are accountable to the Minister for Agriculture, Fisheries and Forestry and, through the minister, to the parliament for the operational and financial performance of their statutory authority. Statutory accountability arrangements vary but they usually include ministerial approval of annual and long term operational plans and ministerial tabling of annual reports. Many statutory authorities are also accountable to their specific industries through representative industry organisations, peak councils and/or levy payers. Industry accountability arrangements vary but can include industry consultation for plan development and the provision of annual reports at annual general meetings.

Some statutory authorities within the Agriculture, Fisheries and Forestry portfolio are legally and financially part of the Australian Government. As prescribed agencies, they operate under executive management and are subject to the *Financial Management and Accountability Act 1997* (the FMA Act). The Minister for Agriculture, Fisheries and Forestry plays a key governance role and the executive management reports directly to the minister. The executive management structure may be headed by either one or more commissioners or a chief executive officer and provides a direct line of communication and accountability to the minister. The FMA Act also provides clear lines of accountability to the Minister for Finance and Deregulation in relation to use of public money and other Commonwealth resources.

The board selection process

Generally, the statutory boards are chosen through an independent selection process prescribed by the relevant pieces of enabling legislation. While there is a similar approach overall, each piece of legislation has specific provisions governing the process. Most Acts require the minister to appoint a selection committee made up of an independent presiding member (the chair) and industry nominated members. Selection committees can range in size from four to eight members.

At the minister's request, selection committees nominate appropriate people for appointment as directors to a statutory authority's board. Selection committees must make these nominations in writing to the minister and can nominate only one person per appointment. They must select candidates who, when appointed as directors, collectively possess an appropriate balance of expertise based on the selection criteria outlined in the relevant legislation.

2. Statutory Marketing Authorities

Australian Wine and Brandy Corporation (AWBC)

The AWBC is a regulatory and promotional body that:

- promotes the consumption of Australian wine in Australia and overseas
- collects and disseminates market information to export licence holders and levy payers
- controls the export of wine by issuing licences to exporters and compliance certificates for each shipment
- inspects wines intended for export to ensure quality standards are met and that the wines meet importing country requirements
- manages a 'Label Integrity Program'
- maintains a register of wine names protected under Australian Government legislation
- through its Geographical Indications Committee, determines the boundaries of Australia's wine regions
- enforces the provisions of the EC/Australia Wine Agreement.

3. Research and Development Corporations

There are six rural industry based Rural Research and Development Corporations (RDCs) that operate within the Agriculture, Fisheries and Forestry portfolio and are established by the *Primary Industries and Energy Research and Development Act 1989*.

They are:

- Cotton Research and Development Corporation
- Fisheries Research and Development Corporation
- Grains Research and Development Corporation
- Grape and Wine Research and Development Corporation
- Rural Industries Research and Development Corporation
- Sugar Research and Development Corporation.

The legislated objectives for RDCs focus on expanding Australia's rural R&D effort, improving its efficiency and effectiveness by investing in high priority areas and enhancing industry's international competitiveness through more effective uptake of research results. Central to the RDC model is a partnership between industry and Government to pursue R&D that benefits both industry and the public.

An RDC generally receives Australian Government funding that matches, dollar-for-dollar, the R&D levies paid by its industry members up to a maximum of 0.5 per cent of the industry's gross value of production. The Land and Water Resources RDC and Rural Industries RDC receive substantial government funding in recognition of the broad public interest in environmental issues, and the need to pursue generic rural R&D and support new and emerging rural industries.

R&D investments are diverse, ranging from basic R&D through to commercialisation and other technology transfer activities. RDCs do not undertake the research themselves – their job is to identify research needs in consultation with industry and consistent with priorities that have been identified by the Government. Research and development funding is distributed to major research bodies such as CSIRO, state departments of agriculture and natural resource management, universities and other research centres.

The AWBC and RDCs are established as body corporates, subject to the CAC Act.

4. Regulatory Authorities

Australian Fisheries Management Authority (AFMA) Commission

AFMA is responsible for ensuring the sustainable use and efficient management of Commonwealth fishery resources on behalf of the Australian community and key stakeholders, in particular the commercial fishing industry. In so doing, AFMA provides management, advisory, compliance and licensing services and develops appropriate management policies and regulations.

Australian Pesticides and Veterinary Medicines Authority (APVMA)

The APVMA:

- is responsible for administering a national registration scheme for agricultural and veterinary chemicals
- evaluates, approves and controls the supply of active constituents for proposed or existing agricultural or veterinary chemical products
- evaluates, registers and controls the manufacture and supply of agriculture and veterinary chemicals up to the point of retail sale.

The CEO of the APVMA is supported by an Advisory Board. The role of the Advisory Board is to provide advice and make recommendations to the CEO. The Advisory Board does not have decision-making power, but assists to inform the CEO and provides an expert consultative mechanism. The CEO is responsible for the governance and management of the authority, including the performance of its functions and the exercise of its powers. The Advisory Board consists of up to nine part-time members.

Wheat Exports Australia (WEA)

The WEA's primary functions are to develop, amend and administer an accreditation scheme for bulk wheat exports. It promote the development of a bulk wheat export marketing industry that is efficient, competitive and advances the interests of wheat growers.

The APVMA, WEA and AFMA are prescribed agencies subject to the FMA Act, operating under the executive management structure outlined on page 1.

5. Advisory/Other

National Rural Advisory Council (NRAC)

NRAC provides independent expert advice to the Minister for Agriculture, Fisheries and Forestry on a range of matters including rural adjustment, regional issues, education and training and exceptional circumstances declarations. NRAC fosters the development of a more profitable farm sector that is able to operate competitively in deregulated financial and market environments, and aims to improve the competitiveness of the farm sector in a sustainable manner.

Statutory Fishing Rights Allocation Review Panel (SFRARP)

The SFRARP reviews decisions made by the Australian Fisheries Management Authority or a Fisheries Joint Authority on the allocation of fishing rights in those fisheries that are covered by a particular management plan. The SFRARP has the power to affirm, vary or to replace the original decision with an entirely different one.

Governance and accountability provisions are contained in the respective pieces of enabling legislation covering the ALC, NRAC and the SFRARP.

6. Non-statutory Bodies

A number of non-statutory bodies and committees, such as the Biosecurity Advisory Council, have advisory and other responsibilities relating to key portfolio interests. These bodies and committees are established on a needs basis and perform a range of functions. Their membership and selection arrangements vary and the minister generally has a greater degree of flexibility and discretion to determine membership and selection processes. The *Balance* database is often used in filling positions on these bodies and committees.