



UNIVERSITY
OF WOLLONGONG
AUSTRALIA

University of Wollongong
Research Online

Faculty of Commerce - Papers (Archive)

Faculty of Business

2008

The sustainability of public sector ecological sustainable development reporting

Graham Bowrey

University of Wollongong, gbowrey@uow.edu.au

Publication Details

This conference paper was originally published as Bowrey, G, The sustainability of public sector ecological sustainable development reporting, 2008 AFAANZ/IAAER Conference, Sydney, 6-8 July 2008.

Research Online is the open access institutional repository for the University of Wollongong. For further information contact the UOW Library:
research-pubs@uow.edu.au

The sustainability of public sector ecological sustainable development reporting

Abstract

Over the past two decades there has been significantly increased public awareness of and focus on the environmental impact of organisations operations. However, in spite of this increased focus on the environment, most organisations in Australia are not required by regulation to outline the impact of their organisations on the environment nor the measures they are taking to contain or reduce their impact on the environment. To be fair many private sector organisations have been voluntarily providing reports to varying degrees on their environmental performance and management. For example there has been the development and implementation of triple bottom-line reporting, which incorporates environmental performance, and a growing number of private sector organisations outline quite explicitly, in their annual report, their environmental successes. However the only legislated environmental reporting requirement is for private sector organisations to report breaches of environmental laws and licences in their annual reports (Section 299(1) of the Corporations Act 2001). In the public sector the focus on and reporting of environmental performance and management is more formal.

Disciplines

Accounting | Business | Social and Behavioral Sciences

Publication Details

This conference paper was originally published as Bowrey, G, The sustainability of public sector ecological sustainable development reporting, 2008 AFAANZ/IAAER Conference, Sydney, 6-8 July 2008.

The sustainability of public sector ecological sustainable development reporting.

Graham Bowrey – University of Wollongong

Introduction

Over the past two decades there has been significantly increased public awareness of and focus on the environmental impact of organisations operations. However, in spite of this increased focus on the environment, most organisations in Australia are not required by regulation to outline the impact of their organisations on the environment nor the measures they are taking to contain or reduce their impact on the environment. To be fair many private sector organisations have been voluntarily providing reports to varying degrees on their environmental performance and management. For example there has been the development and implementation of triple bottom-line reporting, which incorporates environmental performance, and a growing number of private sector organisations outline quite explicitly, in their annual report, their environmental successes. However the only legislated environmental reporting requirement is for private sector organisations to report breaches of environmental laws and licences in their annual reports (Section 299(1) of the *Corporations Act 2001*). In the public sector the focus on and reporting of environmental performance and management is more formal.

In the early 1990's the three tiers of government in Australia agreed to adopt a National Strategy for Ecologically Sustainable Development (ESD) which was developed in consultation with various interest groups from industry, the community and government. The strategy was developed with the intention of "integrating environment and development considerations in decisions making" (DEWHA 2007a). This National

Strategy led to the development and implementation of the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act 1999) with objectives including, to provide for the protection of the environment, promote ecologically sustainable development through the conservation and ecologically sustainable use of natural resources; and to promote the conservation of biodiversity (Section 3(1) *EPBC Act 1999*).

The focus of this paper is primarily on Section 516A of the *EPBC Act 1999* which requires Commonwealth government organisations to include in their annual reports a “section detailing their environmental performance and the organisation’s contribution to ecologically sustainable development” (DEWHA 2007b, p.56).

The financial reporting requirements and financial accountabilities of a Commonwealth government organisation [depending on the type of organisation] are outlined in one of two specific pieces of legislation. The first is the *Financial Management and Accountability Act 1997* which provides the “framework for the proper management of public money and public property by the Executive arm of the Commonwealth” (DOFD 2007). The second is the *Commonwealth Authorities and Corporations Act 1997* which “regulates certain aspects of the corporate governance, financial management and reporting of Commonwealth authorities, which are in addition to the requirements of their enabling legislation; and the corporate governance and reporting of Commonwealth companies which are in addition to the requirements of the *Corporations Act 2001*” (DOFD 2008). The following diagram shows the Commonwealth government organisations that operate under the *Financial Management and Accountability Act 1997* and the *Commonwealth Authorities and Companies Act 1997*.

Take in diagram 1

The following two sections cover in more detail the *FMA Act 1997* and the *CAC Act 1997*.

Financial Management and Accountability Act 1997 (FMA Act)

The *Financial Management and Accountability Act 1997 (FMA Act)* was developed to provide a framework for the proper management of public money and public property. The Commonwealth government organisations covered by this Act include Departments of State, such as the Department of Treasury; the Departments of the Parliament, such as Department of the House of Representatives; and prescribed Agencies, such as the Bureau of Meteorology, (Part 2, Section 5 *FMA Act 1997*). “The FMA Act sets out the financial management, accountability [reporting] and audit obligations of agencies that are financially part of the Commonwealth, in particular: for managing public resources efficiently, effectively and ethically” (DOFD 2007).

Commonwealth Authorities and Companies Act 1997 (CAC Act)

The *Commonwealth Authorities and Companies Act 1997* was developed to regulate the financial reporting and accountability of Commonwealth Statutory Authorities (CSAs) and Commonwealth Companies (CCs). CSAs are body corporates incorporated for a public purpose by an Act or by regulations under an Act (*CAC Act ss.7*) and hold money on their own account and are separate legal entities to the

Commonwealth. CCs are *Corporations Act 2001* companies in which the Commonwealth has a controlling interest (ss.34). The creation of CSAs and CCs is based on various decisions made by government to operate government-controlled entities “outside a traditional departmental structure” (Uhrig 2003 p.16).

In addition to the *FMA Act 1997* and *CAC Act 1997* Commonwealth government organisations may also be directed by various guidelines [expectations] issued by the Department of Finance and Deregulation and the Department of Treasury. For example the *Australian Government Procurement Policy Framework* outlines the “Government’s expectations for all departments and agencies (agencies) subject to the *Financial Management and Accountability Act 1997* (FMA Act) and their officials, when performing duties in relation to procurement” (DOFD 2005, p. 2).

The following section discusses the purposes of Commonwealth government organisations’ annual reports and the guidance provided by the Department of Prime Minister and Cabinet.

Annual Reports

In the Commonwealth public sector the purpose of annual reports is not too different from the purpose of private sector organisations annual reports. The main purpose of Commonwealth public sector annual reports is accountability and to inform stakeholders, especially Parliament, about the performance of the organisation in relation to services provided by Government organisations. *FMA Act* bodies are required to follow the guidance of the Department of Prime Minister and Cabinet’s (PM&C) document *Requirements for Annual Reports: For Departments, Executive Agencies and*

FMA Act Bodies. This document outlines the mandatory information, such as specific legislation requirements, these organisations need to include in their annual reports. For example this document states “the annual report must include in an appendix(s) ... ecologically sustainable development and environmental performance reporting (section 516A of *Environment Protection and Biodiversity Conservation Act 1999*)” (PM&C 2007, p. 15). Commonwealth Authorities and Commonwealth Companies, covered by the *CAC Act 1997*, are required, under section 9 of the *CAC Act 1997*, to prepare an annual report that is [as are FMA Act bodies annual reports] tabled in Parliament, and forwarded to the responsible Minister.

The following section will discuss the *Environment Protection and Biodiversity Conservation Act 1999* with particular focus on Section 516A which outlines the required information to be included in a Commonwealth government organisation’s annual report.

Environment Protection and Biodiversity Conservation Act 1999

In 1992 the Heads of Government endorsed the National Strategy for Ecologically Sustainable Development (NSES) which had been developed over a period of 5 years (DEST 1996, p. 1). The NSES included 5 key principles: integrating economic and environmental goals in policies and activities; ensuring that environment assets are properly valued; providing for equity within and between generations; dealing cautiously with risk and irreversibility; and recognising the global dimension. (DEWHA 2007a). These five principles are reflected in the *Environment Protection and Biodiversity Conservation Act 1999* objectives which include, to provide for the protection of the environment, promote ecologically sustainable development through the conservation

and ecologically sustainable use of natural resources; and to promote the conservation of biodiversity (Section 3(1) EPBC Act 1999).

Section 516A of the *EPBC Act 1999* outlines that the following Commonwealth government organisations are required to report under the Act: Departments of State and any other Agency [FMA Act 1997 bodies]; Commonwealth authorities; Commonwealth companies [CAC Act 1997 organisations]; and any other Commonwealth agency required by law to provide an annual report to a responsible Minister (DEWHA, 2003, p. 1). Section 516A(6) explains what environmental performance and management information is to be included in the annual reports of Commonwealth government organisations covered by the *EPBC Act 1999*. For example, the information presented in the annual report needs to include information on how the organisation's activities accorded with the principles of ESD; how the outcomes of the organisation contributes to the ESD; the effect of the activities on the environment; and measures the organisation is taking to minimise the impact of its activities on the environment. The requirements outlined in Section 516A(6) "ensure the Commonwealth government is publicly reporting information relevant to its environmental performance" (DEWHA, 2003, p. 1).

The preceding sections of this paper have outlined various pieces of legislation and some of the non-legislated requirements of Commonwealth government organisations. The next section of the paper will outline the institutional pressures exerted on the Commonwealth public sector, as an institution, and on individual Commonwealth government organisations.

Institutional Pressures

The institutional pressures which result in organisations [and groups of organisations] changing and adopting processes, including reporting practices, may be explained by the process of institutionalisation whereby the practices expected in various social settings are developed and learned (Dillard *et al* 2004, p 508). DiMaggio and Powell (1983, p. 147) suggest that institutionalisation is a 'rational' response and it could be considered the development of the National Strategy for Ecologically Sustainable Development and the subsequent enactment of the *Environment Protection and Biodiversity Conservation Act 1999* were rational responses of the Commonwealth public sector. The adoption of increased environmental performance reporting and management [rational responses] in the Commonwealth public sector, the focus of the National Strategy for Ecologically Sustainable Development and the *EPBC Act 1999*, has created new institutional pressures which are exerted on Commonwealth government organisations. These pressures can be explained as examples of coercive isomorphism.

Coercive isomorphism results from both formal and informal pressures exerted on organisations by other organisations upon which they are dependent (DiMaggio and Powell 1983; Dillard *et al* 2004). It occurs when pressure to adopt a particular form comes from other organisations which can exercise power over the subject organisation. (Pollitt 2001, p. 937). In the Commonwealth public sector the main organisations that apply coercive pressure, besides the Government and Parliament, are the three central agencies, the Departments of Finance and Administration, Treasury and Prime Minister and Cabinet. These central agencies direct many of the processes, practices and policies required to be implemented by other government organisations. For example the

development of *Requirements for Annual Reports: For Departments, Executive Agencies and FMA Act Bodies* by PM&C could be considered an example of coercive pressure being applied to Commonwealth government organisations. It is also possible to evaluate the development and implementation of the *EPBC Act 1999* as the Government's response to the failure of the coercive isomorphic pressure on Commonwealth government organisations to adopt fully the National Strategy for Ecologically Sustainable Development.

The institutional pressure applied by the development and implementation of the *EPBC Act 1999* could also be seen as an attempt by the Government to ensure their activities, and the activities of Commonwealth government organisations, are perceived externally as being legitimate (Dillard et al 2004, p. 508; Deegan, 2006 p. 275). Scott suggests that organisations [and institutions] will conform to institutional beliefs, such as increased environmental performance and management reporting, because they are rewarded for doing so through increased legitimacy (1987, p. 498). Dillard *et al* explains that rationality [institutionalisation] provides the legitimating conditions for evaluating practices (2004, p. 517). This supports the view that if increased formal reporting of Commonwealth government organisations is considered rational then compliance with *EPBC Act 1999* requirements should result in a greater level of legitimacy in society. This would be consistent with Dowling and Pfeffer's (1975 p. 124) view that legitimacy can be assessed by an examination of the values and norms prevalent in a society.

When reviewing the three different Commonwealth government organisation types [FMA Act bodies, Commonwealth Authorities and Commonwealth Companies] it would be reasonable to assume all three would experience significant coercive

institutional pressures from differing sources and have differing needs for establishing legitimacy. A review of their enabling legislation and financial management requirements under either the *FMA Act 1997* or the *CAC Act 1997* will provide a clue as to the level of some institutional pressures and the direction from where legitimacy would be sought. For example the Uhrig Report, a review of the corporate governance of Commonwealth Statutory Authorities, completed 2003 included a number of recommendations for the guidance of Boards of Commonwealth Statutory Authorities. These recommendations such as “board size should be developed taking into consideration factors such as an entity’s size, complexity, risk of operations and the needs of the board” (Uhrig 2003, p. 12) places increased institutional pressure on Commonwealth Statutory Authorities. Compliance, or at least attempts at compliance, with these recommendations would indicate the Commonwealth Statutory Authority’s attempt at gaining legitimacy from the government.

The following section discusses the sample selection of the study and the empirical data collected.

EMPIRICAL TESTS

Sample selection

There are 89 entities under the *CAC Act 1997* which include 26 Commonwealth Companies and 63 Commonwealth Authorities. Of the 26 Commonwealth Companies four are classified as material entities as they comprise 99% of revenues, expenses, assets and liabilities of the Commonwealth companies. These four Commonwealth companies: Film Finance Corporation Australia, ASC Pty Ltd, Medibank Private Ltd and Australian

Rail Track Corporation Ltd have been included in this initial study. To maintain a consistent number in each organisational group four of the 24 Commonwealth Authorities material entities were randomly selected for inclusion in this study. The Commonwealth Authorities selected are the National Museum of Australia, Defence Housing Australia, Tourism Australia and the Commonwealth Scientific and Industrial Research Organisation (CSIRO).

Under the *FMA Act 1997* there are 99 agencies, including 19 Departments of State. Of these, 43 are defined as material entities, as they comprise 99% of revenues, expenses, assets and liabilities. Again, to maintain consistency in this initial study, four material entities under the *FMA Act 1997* were randomly selected. The four entities selected are the Australian Electoral Commission, the Australian Customs Service, Centrelink and the Bureau of Meteorology.

The Annual Reports for 2002-03 through to the 2006-07 for each of the selected Commonwealth government organisations was reviewed and information on the level and detail of their compliance with *EPBC Act 1999* was collected. The results from this initial study are presented in the next section.

Results

The level of environmental performance and management reporting of the 12 government organisations was assessed based on four distinct qualitative measurements. The organisations that complied with *EPBC Act 1999* Section 516 and provided specific details of their performance and management in their annual report were assessed as **Detailed**. The organisations which discussed their environmental performance and management in some detail and complied with the *EPBC Act 1999* Section 516 but

without specific details were assessed as **Broad**. The final two levels were **Min** for very basic reference to the environment and **Nil** for no reference. To graph the data numeric values of 6, 4, 2 and 1 were applied respectively to the four levels.

FMA Agencies

The *FMA Act 1997* organisations in the study showed a very high level of compliance with section 516A of the *EPBC Act 1999*. The following table highlights the environmental reporting performance of these organisations.

Take in table 1

The annual reports of three of the *FMA Act 1997* provided specific details of their environmental performance and management. For example in the Bureau of Meteorology's 2006/07 Annual Report each of the sub sections of Section 516A (6) are specifically addressed. The following is an extract from the Bureau of Meteorology's 2006/07 Annual Report

2. How the outcomes (if any) specified for the agency in an Appropriations Act relating to the period contribute to Ecologically Sustainable Development (ESD).

The role of the Australian Bureau of Meteorology is to achieve the major outcome of Australia benefiting from meteorological and related science and services. While not explicitly contributing to ecologically sustainable development, the quality information and knowledge provided in the Bureau's outputs contribute to ecologically sustainable development decision making processes across the Australian community, covering diverse areas such as marine, agriculture, water, climate and aviation. (BoM, 2007, p. 228)

Commonwealth Authorities

The four Commonwealth Authorities compliance with section 516A of the *EPBC Act 1999* was not as consistent as the *FMA Act 1997* organisations. The following table shows the differing levels of compliance of the four Commonwealth Authorities.

Take in table 2

The CSIRO's and National Museum's annual reports from 2002-03 were very explicit and detailed the organisations' environmental performance and management. For example National Museum's 2006-07 Annual Report presented in table form the organisation's performance against each of the sub sections of Section 516A (6). The CSIRO's 2006-07 Annual Report included graphs which explicitly showed the organisation's performance on a number of key environmental indicators such as electricity usage.

The other two Commonwealth Authorities', Defence Housing Authority and Tourism Australia, level of compliance with *EPBC Act 1999* was significantly different to that of the CSIRO and National Museum. For example Tourism Australia did not refer to *EPBC Act 1999* in any of their annual reports during the period 2002 – 2007. Tourism Australia's main comments under the section *Ecologically sustainable development & environmental performance* in the organisation's annual reports were based around the development of "sustainable tourism industry in Australia" (Tourism Australia Annual Report 2006-07, p. 24) rather than addressing the reporting requirements of Section 516A

of the *EPBC Act 1999*. In their 2002-03 and 2003-04 annual reports the Defence Housing Authority provided only the following reference to ESD

Environmentally sustainable development

DHA [Defence Housing Authority] is conscious of its responsibilities to the environment when undertaking developments and housing construction. All new DHA houses have a four star energy rating. (DHA 2003, p. 73; DHA 2004, p. 44)

However, in the 2005-06 and 2006-07 DHA makes specific mention of the *EPBC Act 1999* while providing a brief explanation of their activities associated with the Act.

Commonwealth Companies

Of the three organisational groups this group had by far the lowest level of compliance with *EPBC Act 1999*. The following table shows the level of compliance with section 516A of the *EPBC Act 1999* of the four Commonwealth Companies. One of the more notable points from this table is that while two of the companies, ASC Pty Ltd and Australian Rail Track Corporation, have marginally improved the reporting in their annual reports of their environmental performance and management over the period of 2002 – 2007 Medibank Private Ltd has actually decreased their level of reporting.

Take in table 3

Another interesting point to note is in relation to Film Finance Corporation Australia Ltd's level of compliance with section 516A of the *EPBS Act 1999*. The company's comment on their environmental performance and management reporting in all five annual reports was "the company's operations are not subject to any *significant*

[emphasis added] environmental regulations under either commonwealth or state legislation” (FFC 2007, p, 47).

DISCUSSION

In 2003 the Australian National Audit Office (ANAO) published a performance audit report on *Annual Reporting on Ecologically Sustainable Development*. This performance audit was conducted on “45 Commonwealth departments, agencies and other bodies. In addition, the annual reports of 20 agencies for 2000–01 and 2001–02 were reviewed” (ANAO 2003, p. 15). One of the key findings of this performance audit was

“... there is considerable scope for improvement in relation to the quality of agencies’ annual reports; especially in relation to compliance with the EPBC Act and articulating agencies’ contribution to broader ESD outcomes [section 516A]” (ANAO 2003, p. 15).

Another of the findings of the 2003 ANAO performance audit is that there was a widely held view in non-environmental agencies that ecological sustainable development is not considered relevant (ANAO 2003, p. 16). The study on which this paper is based indicates this view appears to still be the case in some of the *CAC Act 1997* organisations, particularly Medibank Private and Film Finance Australia. The level of reporting compliance of the Commonwealth Companies in the study appears to be in conflict with Scott’s suggestion that organisations [and institutions] will conform to institutional beliefs, such as increased environmental performance and management reporting, because they are rewarded for doing so through increased legitimacy (1987, p. 498). The results of the Commonwealth Companies in this study also indicates these organisations aren’t overly interested in seeking legitimacy from the Government nor from society in general.

The following table compares the level of compliance of the three Commonwealth government organisation groups.

Take in table 4

The most obvious conclusion to be drawn from the above table is that compliance with the reporting requirements of the *EPBC Act 1999* for Commonwealth government organisations is improving, particularly for *FMA Act 1997* bodies and Commonwealth Authorities. This could be an indication that these organisations are experiencing and responding to the institutional pressures in relation to ESD performance reporting and management as well as increasing their legitimacy. Another conclusion drawn from this information is that maybe the poor level of reporting compliance of the Commonwealth Companies is a reflection of their belief that society does not as yet consider environmental reporting in annual reports to an avenue to gain organisational legitimacy.

CONCLUSION

The development in the early 1990's of a National Strategy for Ecologically Sustainable Development and the subsequent enactment of the *EPBC Act 1999* has led to a general increase, and improvement, of the environmental performance and management reporting in the annual reports of Commonwealth government organisations. This study reviewed the level of compliance with Section 516A of the *EPBC Act 1999* of 12 Commonwealth government organisations over the period 2002 – 2007. While the results are somewhat

mixed it appears the Commonwealth public service and individual Commonwealth government organisations have started to place increased importance in considering and acknowledging their impact on the environment.

Future studies in this area could review in more detail the level of compliance with all material entities, rather than just a small sample, with section 516A of the *EPBC Act 1999*. This would allow more meaningful conclusions to be drawn and more accurate analysis to be completed on the level of compliance with section 516A of the *EPBC Act 1999* of 12 Commonwealth government organisations. It would also be worthwhile analysing the impact of ‘new managerialism’ in the public sector which has resulted in an increased focus on performance and responsibilities in the sector (Jackson and Lapsley, 2003, p. 360) in response to the perceived need of the public sector to improve its efficiency, effectiveness and accountability (Guthrie 1998, p. 2; Barton 2005, p. 138). Finally, another worthwhile study for the future would be conducting a content analysis and discourse analysis of the sections in the annual reports which address section 516A of the *EPBC Act 1999*. This sort of study would examine the variance individual agencies have in responses to institutional pressures as well as help identify the primary sources from whom legitimacy is sought.

References

- Australian National Audit Office (ANAO) 2003, *The Auditor - General Audit Report No.41 2002–03 Performance Audit: Annual Reporting on Ecologically Sustainable Development* [Internet document] [created May 2003, cited 28 January 2008], available from http://www.anao.gov.au/uploads/documents/2002-03_Audit_Report_41.pdf
- Barton, A., 2005, *Professional Accounting Standards and the Public Sector – a Mismatch*, *Abacus*, 41(2), pp. 138 – 158
- Bowrey, G.D. (2007) *Keeping up appearances: The quest for governance legitimacy*, *Australian Catholic University, School of Business and Informatics Research Seminar Series*, October 2007
- Bureau of Meteorology (BoM) 2007, *Bureau of Meteorology Annual Report 2006-07* [Internet document] [created 2007, cited 28 January 2008], available from <http://www.bom.gov.au/inside/eiab/reports/ar06-07/PDF/Annual-Report-2006-07.pdf>
- Commonwealth Authorities and Corporations Act 1997 (CAC Act) [Internet document] [created 1 July 2007, cited 28 January 2008], available from [http://www.frli.gov.au/ComLaw/Legislation/ActCompilation1.nsf/0/A4AB680989CEAEC4CA257302001854FB/\\$file/CwlthAuthCompanies1997_WD02.doc](http://www.frli.gov.au/ComLaw/Legislation/ActCompilation1.nsf/0/A4AB680989CEAEC4CA257302001854FB/$file/CwlthAuthCompanies1997_WD02.doc)
- Corporations Act 2001. [Internet document] [created 18 December 2006, cited 20 January 2008], available from [http://www.comlaw.gov.au/ComLaw/Legislation/ActCompilation1.nsf/0/F00C3CEA9D2C32E6CA25724900014544/\\$file/Corps2001Vol01_1282_WD02.pdf](http://www.comlaw.gov.au/ComLaw/Legislation/ActCompilation1.nsf/0/F00C3CEA9D2C32E6CA25724900014544/$file/Corps2001Vol01_1282_WD02.pdf)
- Deegan, C., 2006 *Financial Accounting Theory*, Edition 2, McGraw-Hill Irwin
- Defence Housing Authority (DHA) 2003, *Defence Housing Authority Annual Report 2002-03* [Internet document] [created 2003, cited 28 January 2008], available from http://www.dha.gov.au/__data/assets/pdf_file/3795/2002-2003-annual-report.pdf
- Defence Housing Authority (DHA) 2004, *Defence Housing Authority Annual Report 2003-04* [Internet document] [created 2004, cited 28 January 2008], available from http://www.dha.gov.au/__data/assets/pdf_file/3822/2003-2004-annual-report.pdf
- Department of the Environment, Sport and Territories (DEST) 1996, *Summary report on the implementation of the National Strategy for Ecologically Sustainable Development 1993 – 1995*, Prepared by the Intergovernmental Committee for Ecologically Sustainable Development (Australia).

- Department of the Environment, Water, Heritage and the Arts (DEWHA) 2007a An Overview of the National Strategy for Ecologically Sustainable Development [Internet document] [cited 28 January 2008], available from <http://www.environment.gov.au/esd/national/nsesd/overview/index.html>
- Department of the Environment, Water, Heritage and the Arts (DEWHA) 2007b Department of the Environment and Water Resources Annual Report 2006–07 [Internet document] [created 2007, cited 28 January 2008], available from <http://www.environment.gov.au/about/publications/annual-report/06-07/pubs/vol2-environmental-protection.pdf>
- Department of Finance and Deregulation (DOFD), 2005, Commonwealth Procurement Guidelines: [Internet document] [created January 2005, cited 28 January 2008], available from http://www.finance.gov.au/procurement/docs/CPGs_-_January_20051.pdf
- Department of Finance and Deregulation (DOFD), 2007, FMA Legislation: [Internet document] [created 17 December 2007, cited 28 January 2008], available from http://www.finance.gov.au/finframework/fma_legislation.html
- Department of Finance and Deregulation (DOFD), 2008a, CAC Legislation: Commonwealth Authorities and Companies Act 1997 [Internet document] [created 23 January 2008, cited 28 January 2008], available from http://www.finance.gov.au/finframework/cac_bodies.html
- Department of Finance and Administration (DOFD), 2008b Chart of 99 bodies under the Commonwealth Authorities and Companies Act 1997# (CAC Act) [Internet document] [created 29 January 2008, cited 30 January 2008], available from <http://www.finance.gov.au/finframework/docs/FMACACFlipchart.pdf>
- Department of Prime Minister and Cabinet (PM&C) 2007, Requirements for Annual Reports: For Departments, Executive Agencies and FMA Act Bodies, [Internet document] [created 13 June 2007, cited 30 January 2008], available from http://www.dpmc.gov.au/guidelines/docs/annual_report_requirements.rtf
- Dillard, J.F., Rigsby, J.T. and Goodman, C., 2004, The making and remaking of organization context: duality and the institutionalization process, *Accounting, Auditing and Accountability Journal*, Vol. 17, No. 4, pp. 506 - 542
- DiMaggio, P.J. and Powell, W.W., 1983. The iron cage revisited: institutional isomorphism in organizational fields, *American Sociological Review*, Vol. 48, pp. 147-160

- Dowling, J. and Pfeffer, J., 1975, Organizational legitimacy: Social Values and Organizational Behaviour, *Pacific Sociological Review*, Vol. 18, No. 1, pp. 122 – 136
- Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act 1999) [Internet document] [created 19 February 2007, cited 28 January 2008], available from [http://www.frli.gov.au/ComLaw/Legislation/ActCompilation1.nsf/0/E2EBBBF34F3F8F08CA25728F001C683D/\\$file/EnvProtBioDivCons99Vol1WD02.doc](http://www.frli.gov.au/ComLaw/Legislation/ActCompilation1.nsf/0/E2EBBBF34F3F8F08CA25728F001C683D/$file/EnvProtBioDivCons99Vol1WD02.doc)
- Film Finance Corporation Australia Ltd (FFC) 2007, Film Finance Corporation Australia Annual Report 2006-07 [Internet document] [created 2007, cited 28 January 2008], available from <http://www.ffc.gov.au/annual/FFCaRep07.pdf>
- Financial Management and Accountability Act 1997 (FMA Act) [Internet document] [created 1 January 2008, cited 28 January 2008], available from [http://www.comlaw.gov.au/ComLaw/Legislation/ActCompilation1.nsf/0/6B6FB2539373A5B0CA2573B70077E3CB/\\$file/FinanMgmtAccount1997WD02.doc](http://www.comlaw.gov.au/ComLaw/Legislation/ActCompilation1.nsf/0/6B6FB2539373A5B0CA2573B70077E3CB/$file/FinanMgmtAccount1997WD02.doc)
- Guthrie, J., 1998 Application of accrual accounting in the Australian Public Sector – Rhetoric or Reality?, *Financial Accountability and Management*, 14(1), pp. 1 – 19
- Jackson, A. and Lapsley, I., 2003, “The diffusion of accounting practices in the new ‘managerial’ public sector, *International Journal of Operations and Production Management*, 16(5), pp. 359–372.
- Oliver, C., 1991, Strategic Responses to Institutional Processes, *The Academy of Management Review*, Vol. 16, No. 1, pp. 145 – 179
- Pollitt, C., 2001 Public Management, Convergence: The useful myth?, *Public Administration*, Vol. 79, No. 4, pp. 933 – 947
- Scott, W.R., 1987. The Adolescence of Institutional Theory, *Administrative Science Quarterly*, Vol. 32, No. 4, pp. 493 - 511
- Tourism Australia 2007, Tourism Australia Annual Report 2006-07 [Internet document] [created 2007, cited 28 January 2008], available from <http://www.tourism.australia.com/content/About%20Us/TA%20Annual%20Report%202006-07.pdf>
- Uhrig, J., 2003, *Review of the Corporate Governance of Statutory Authorities and Office Holders*, Commonwealth of Australia, Canberra
- Zucker, L.G., 1987. Institutional Theories of Organization, *Annual Review of Sociology*, Vol. 13, No.13, pp. 443 - 464

Table 1

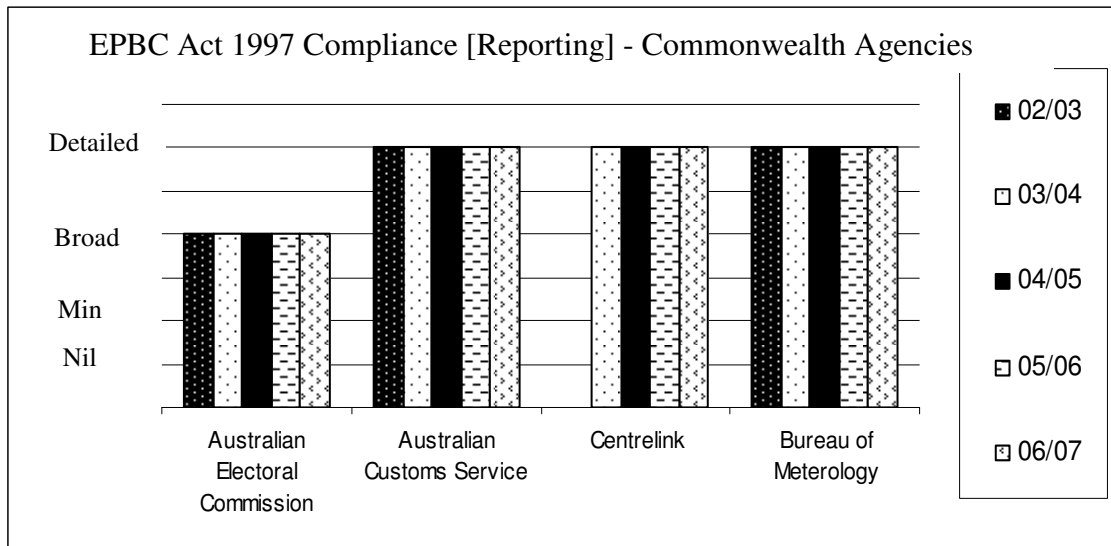


Table 2

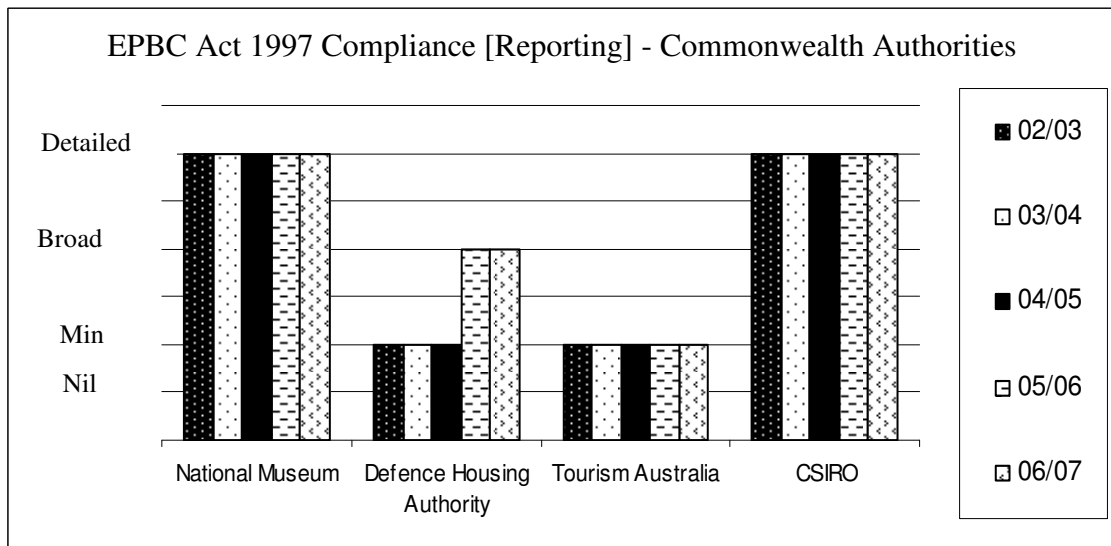


Table 3

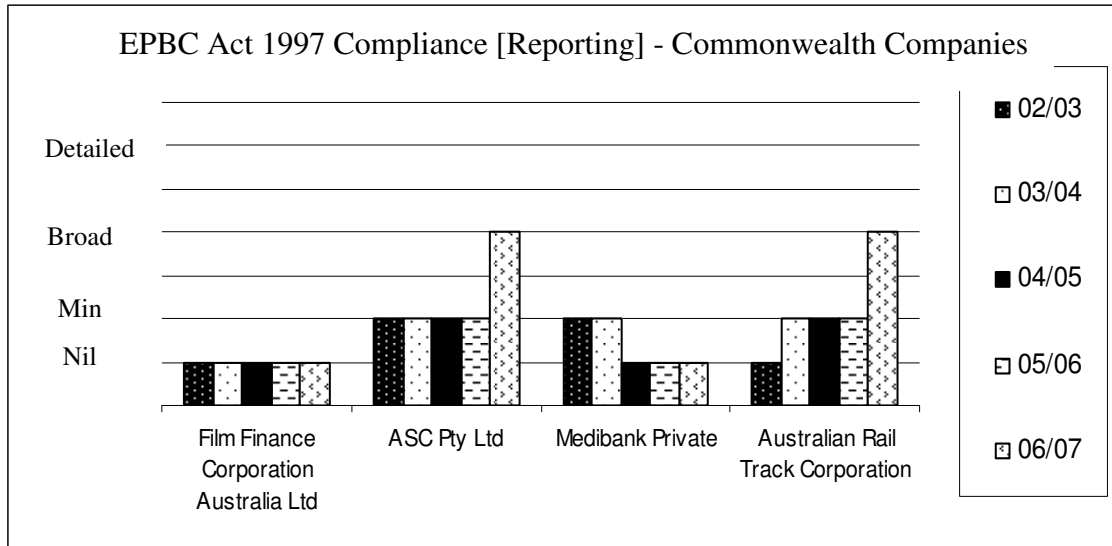
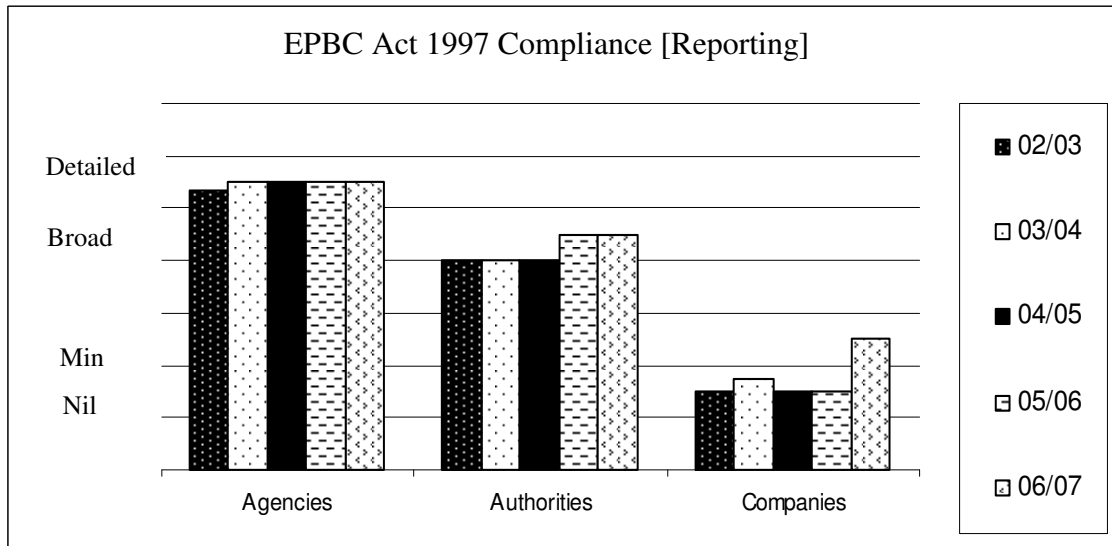


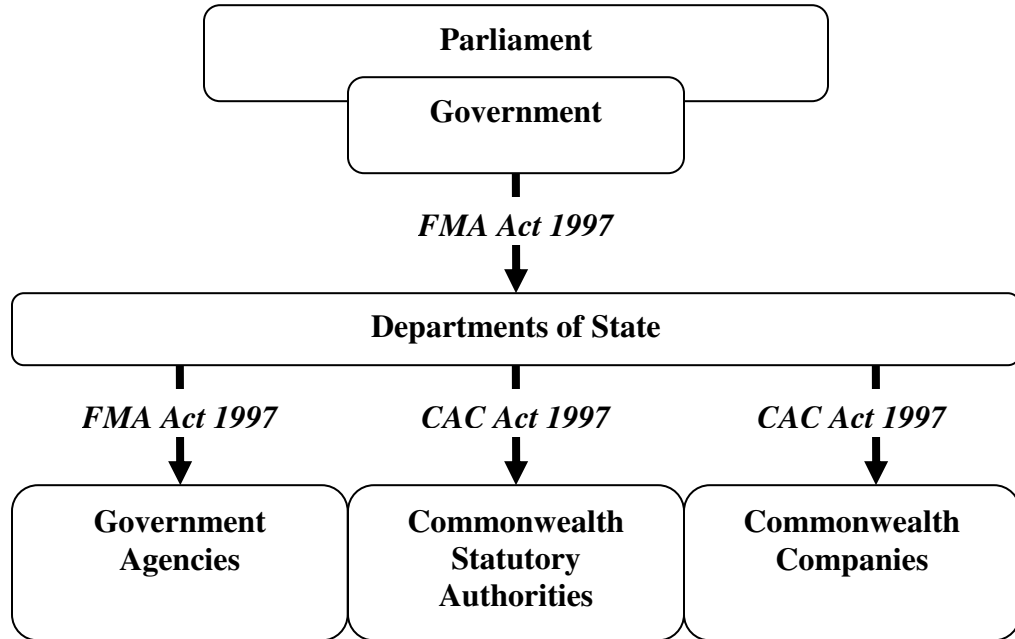
Table 4



Diagrams

Diagram 1

Legislation outlining Commonwealth Public Sector financial accountability and reporting requirements



(Bowrey 2007, p. 35)