



1993

PARLIAMENT OF TASMANIA

**PARLIAMENTARY STANDING COMMITTEE OF
PUBLIC ACCOUNTS**

**REPORT ON THE ESTABLISHMENT OF A
SECURITY AND INVESTIGATIONS UNIT**

Laid upon the Table of both Houses of Parliament

The Committee was appointed under the provision of section 2 of the *Public Accounts Committee Act 1970 (No. 54)*

MEMBERS OF THE COMMITTEE

LEGISLATIVE COUNCIL

Hon. G. A. Shaw (Chairman)
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Hon. P. R. Schulze

HOUSE OF ASSEMBLY

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REPORT

ESTABLISHMENT OF A SECURITY AND INVESTIGATIONS UNIT

1. In July 1991 the Committee received a submission from Mr S. J. Coombs of Trevallyn, Tasmania claiming that there were anomalies with the screening of Motor Accident Insurance Board (M.A.I.B.) claims, and with security arrangements within Government departments.
2. Among the anomalies claimed were that:—
 - (a) The State was losing on average at least \$695 268 in reported criminal damage to property, thefts or irregularities each year;
 - (b) Since 1986–87 there has been a 76 per cent increase in the cost of reported theft of property and a 256 per cent increase in the cost of reported damage to property; and
 - (c) . . . many of the unreported losses may include some of the following:—
 - (1) the taking (theft) of small items such as batteries, pens, tissues etc. by employees from their place of employment;
 - (2) the unauthorised use of Government equipment such as photocopiers and telephones etc;
 - (3) the unauthorised use of Government vehicles, petrol and lubricants etc;
 - (4) the unauthorised taking of larger items such as building equipment and materials etc.
3. It was further stated that:—

‘There appears to be an obvious need to co-ordinate details of all frauds, thefts, defalcations and property damage for all Government departments in an effort to identify the cause and subsequently avoid costly recurrences.

. . . I would like to offer my services to provide such a function . . .’
4. The proponent also stated that considerable savings could be made by M.A.I.B. (and therefore the State Government) by the tightening of procedures, and more detailed investigation of claims to reduce the incidence of fraud.
5. The Committee considered the submission, and, during the conduct of its investigations noted that similar submissions and proposals had been forwarded by Mr Coombs to:—
 - (a) Two subsequent Premiers of Tasmania (1987 and 1989);
 - (b) Department of Treasury and Finance;
 - (c) Minister for Administrative Services and Consumer Affairs (1990);
 - (d) Audit Department (1990);
 - (e) M.A.I.B. (from 1987); and
 - (f) Tasmania Police (1992).
6. Despite the fact that the matter had been considered by the above, and that a negative result had been advised to the proponant in each case, the Committee decided to enquire into the proposal.
7. During the conduct of the enquiry, the Committee sought answers to specific questions and called for general comments from the General Manager, M.A.I.B. A detailed reply was received in April 1992. This evidence was considered in detail by the Committee.
8. Opinions were also requested from Tasmania Police, Audit Department and others.
9. In May, 1992 the Committee finalised its deliberations and concluded that:—

‘. . . the Committee was satisfied with the replies received from M.A.I.B. and intended to take no further action’.

Parliament House, Hobart
22 July 1993

Hon. G. A. SHAW, M.L.C., Chairman.