

Department of Treasury and Finance

The Treasury Building
21 Murray Street HOBART TAS 7000
GPO Box 147 HOBART TAS 7001 Australia
Telephone (03) 6166 4444 Facsimile (03) 6173 0219
Email secretary@treasury.tas.gov.au Web www.treasury.tas.gov.au



Doc reference 16/62552

Ms Gabrielle Woods
Secretary
Public Accounts Committee
Parliament House
HOBART TAS 7000

Dear Ms Woods

Inquiry to review Public Accounts Committee Act 1970

I refer to your letter of 7 April 2016 where you invite me to provide a submission to the Inquiry to Review the *Public Accounts Committee Act 1970*.

I note that the Inquiry is tasked by the Terms of Reference to look at challenges associated with fulfilling the Public Accounts Committee's functions under the Act, any amendments to the Act that would better reflect the contemporary role and scope of the Committee and any other matters incidental thereto.

I am not aware of any specific issues that are likely to significantly affect the Committee's ability to fulfil its functions under the Act. In addition, the current Act appears to be sufficiently robust and broad in its scope. In particular, section 6 of the Act provides the Public Accounts Committee with significant powers.

However, I think consideration could be given to the scope of the Committee's powers and to the role of the Committee and, in particular, whether or not there is a legitimate argument in favour of increasing the capacity of the Committee to communicate more widely and more directly with other entities.

In this regard, I note that the Act authorises the Committee to disclose or publish information to the world at large (consistent with the default requirement for hearing evidence in public) and yet, under the Act, the Committee may only report to the Parliament. There is no authority under the Act for the Committee to refer matters to, to seek assistance from, or to enter into any memorandum of understanding with any other party.

The Inquiry may wish to consider whether it might be appropriate that the Committee be authorised to communicate more broadly, or to communicate with certain specified entities, such as the Auditor-General, the Ombudsman, the Police, the Integrity Commissioner, or with equivalent Parliamentary Public Account Committees in the Australian Government and in other States and Territories. I note that the Audit Act authorises the Auditor-General to liaise with, and undertake audits in conjunction with Auditors-General from other Australian jurisdictions. I also note that, in Queensland, the equivalent Parliamentary Committee may refer certain matters to that State's Auditor-General.

I note that the term "Agency" is given the same meaning as in the *State Service Act 2000*. The definition of "Agency" in the Financial Management Bill, which is currently before the Legislative Council, is different from that used in the State Service Act. In the Financial Management Bill, the definition of "Agency" now includes all entities in the General Government Sector. The Inquiry may wish to consider the most appropriate definition of this term.

There is no provision in the current Act relating to the requirement to disclose pecuniary interest or for members to prevent potential and actual conflicts of interest. Respective Standing Orders of the two Houses do address member responsibilities in relation to pecuniary interest but they do not do this equally.

The Inquiry may wish to consider whether it is preferable that Committee members should, whilst serving on the Committee, all be bound by the same requirements. It may also be beneficial to review Standing Orders to determine if there are other instances where inconsistent Orders apply to Committee members.

As a general observation, notwithstanding the application of section 24A of the *Acts Interpretation Act 1931*, the Inquiry may consider modernising the gender specific language in the Act. The Inquiry may, for instance, consider replacing gender specific references to "chairman", "vicechairman" and "his" in section 4 with more contemporary references.

The only other observation I have is that, unless you have already done so, the Auditor-General should be consulted in relation to the Inquiry.

Should you have any queries or require any further information regarding this matter, please contact Craig Jeffery on (03) 6166 4438 or email craig.jeffery@treasury.tas.gov.au.

Yours sincerely



Tony Ferrall
Secretary

4 May 2016