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PARLIAMENT OF TASMANIA

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**PARLIAMENTARY STANDING COMMITTEE OF  
PUBLIC ACCOUNTS**

**REPORT ON**

- **AMBULANCE MODULE PROJECT**
- **INTERNAL AUDIT**
- **WOODEN BENCHES—LONGFORD PRIMARY SCHOOL**
- **PRISON OFFICERS ABSENTEEISM**
- **POSSIBLE TAX/REVENUE AVOIDANCE**
- **LAKE ST CLAIR—RANGER'S HOME**
- **CORPORATE AFFAIRS—LATE RETURNS**
- **RATIONALISATION OF INVESTMENT AND BORROWING OF PUBLIC BODIES**

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*Laid upon the Tables of both Houses of Parliament*

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By Authority:  
M. C. REED, Government Printer, Tasmania

## AMBULANCE MODULE PROJECT

In his 1987-88 annual report (page 153) the Auditor-General made the following comments:—

The ambulance replacement programme consists of the purchase of cab chassis assemblies for fitting with ambulance body units, and for the installation of necessary equipment. After substantial delays, a Tasmanian contractor was engaged in January 1988 to supply and fit fifty-one body units over a two and a half year period. The first three completed ambulances were to be supplied in conjunction with a South Australian co-contractor in June 1988.

After further delays, the delivery of the first unit is not currently expected before December 1988, approximately six months behind schedule. The Service has requested a revised schedule from the contractor, but at the time of preparation of this part of the report (6 September 1988) it had not been received.

In 1987-88, it was necessary to supplement the program with the manufacture and assembly of ten body units from a New South Wales contractor at a cost of approximately \$280 000. Cab-chassis components and equipment, already purchased by the Service prior to 1987-88 and valued at approximately \$320 000, were supplied to that contractor for the completion of the ten ambulances.

Total vehicle replacement expenditure in 1987-88 was \$901 435 (1986-87, \$482 921). This included twenty-three cab-chassis assemblies, of which thirteen were purchased in 1987-88 and ten in 1986-87. As at 1 September 1988, three of these were in South Australia being fitted with the initial body units under the contract and the remaining twenty were in storage awaiting fitting and completion under the contractual program. It is understood that, due to the nature of the vehicle manufacturer's production schedules, it is necessary to purchase cab-chassis assemblies timed to production runs. Furthermore, any contractual arrangements for the supply and fitting of the body units also impact on scheduling those cab-chassis purchases.

The Committee first heard evidence from the Tasmanian Development Authority and Director of the Ambulance Service concerning the government's contract with Ron Gee Enterprises to produce ambulance modules for the State. This was followed by an inspection of Ron Gee Enterprises at Penguin on 15 March 1988. Despite ample notice having been given, Mr Gee did not attend this inspection. His assistant was also away from Penguin for the day and remaining staff were not briefed for the visit.

On 26 April 1988 the Director of Ambulance Services was recalled to answer further questions from Committee members which was followed by evidence from the Manager of Supply and Tender Department on 23 May 1988.

The Committee then recalled the Managing Director of the Tasmanian Development Authority and had further discussions about Ron Gee Enterprises module manufacturing in Tasmania. The Committee questioned Mr Chandler with regards to the tendering procedures, in particular, a breach of protocol with the Supply and Tender arrangements.

In response, Mr Chandler said:

'Broadly speaking the statements that were made are absolutely correct; we do not deny that at all, Yes we did notify both the successful and unsuccessful tenderers prior to that meeting of the Supply and Tender Board and we do not believe that there was any great problem or significance in doing that. In fact we do not believe that we had much choice but to do that. We are talking about a matter of days but, yes, that is absolutely correct—we did advise them before the meeting of the Supply and Tender Board.

The reason for it was that we and others had made submissions to Cabinet. Cabinet had considered what it wanted to do about ambulances and particularly about making ambulances in Tasmania. Cabinet had decided to give the work to Ron Gee Enterprises at Penguin and we were then required to provide Mr Gee with a grant which was to be used for the development of the moulds for the prototype.

This saga had gone on since October 1984 and indeed there was a lot of disquiet amongst the people in the private sector and all the various players who had put their hats in the ring. These effectively came down to three principal contenders: Ceilcote which is a subsidiary of Transfield; Ron Gee Enterprises; and, in its view, Gutz Systems. So that once we had been told by Cabinet of its decision we were required to communicate with Ron Gee and to prepare grant documents. We had to do so; we cannot prepare grant documents without doing that. When we get to the situation of having to tell the successful tenderer that we will prepare grant documents we then have to tell the unsuccessful tenderers, if we are to maintain the principle of telling both at the same time or as near enough as possible to the same time.

In the context of Cabinet's decision, we felt that there was a matter of urgency—indeed that is what was conveyed to us—so that is what we did.'

He added that the decision had already been made. Supply and Tender had no ability to alter the matter that had been considered twice by Cabinet—first

On 19 December 1984 and then reaffirmed on 29 January 1985.

Following this evidence the Committee deliberated on the appropriate action to take.

On 22 November 1989 an officer from the Audit Department came before the Committee to update members on the module production. He told the Committee that there were nineteen units due—thirteen had been delivered with six still in arrears. In terms of time and delivery rates Ron Gee Enterprises is three months behind schedule—the delivery schedule being fourteen days per ambulance. He added that the arrears situation had not worsened.

The Committee was informed that in general there were no major problems with the quality of the modules with the added bonus of the body being a bit bigger allowing ambulance officers greater access from outside.

The total number of ambulances ordered was fifty-one—forty-eight to be produced in Tasmania by 11 February 1991, plus three proto-types which were manufactured in Adelaide in conjunction with the contract to allow Ron Gee Enterprises to gain the necessary expertise.

The Committee then wrote to the Tasmanian Ambulance Service asking them for comment on the modules received. In the return correspondence the Ambulance Service said of the modules—

'With the exchange of technology between Ron Gee Enterprises and Javelin Auto Bodyworks of South Australia, an excellent product has been produced; at least the equal to any ambulance produced elsewhere in Australia.'

The Committee was also told of a cost increase of \$4 185 per module which was in accordance with the provisions of the contract and had been approved by the Supply and Tender Department. The increased cost of the modules still comparing favourably with costs of ambulances manufactured in other states.

#### **INTERNAL-AUDIT**

The Auditor-General provided the Committee with notes on the subject which related to his original comments made in his annual report to Parliament for the year ended 30 June 1988 (pages 6-7).

The Committee was then advised that comments had been made on internal auditing during the budget debate in the Legislative Council. (Question asked by Hon. E. J. C. Stopp, MLC)

Concern was raised because of the difference between the former Treasurer's method of auditing and that recommended by the Auditor-General. A copy of the letter from the former Treasurer explaining his method was forwarded to the Auditor-General for his appraisal and comments.

The Committee resolved that they would write to each minister stressing concerns, as the Auditor-General has, that agencies are not using internal audit methods and urge that such methods be adopted as soon as possible.

#### **WOODEN BENCHES—LONGFORD PRIMARY SCHOOL**

It was brought to the Committee's attention that three Lister Warwick teak seats had been fixed into the playground at Longford Primary School. This is despite the recommendations by the Committee in the report on the subject of Lister seats used at the Kingston Police Station (Paper No. 92 of 1986).

The Education Department was asked for an explanation on the purchase of the seats instead of a comparable (cheaper) local product. Having received correspondence from the Education Department, the Committee decided that the Director of Construction be called to discuss why the seats were installed into the Longford School.

The Manager of Platcha Products, Mr T. Cowell, was recalled to give the Committee further evidence on his products.

It was resolved that a letter would be sent to the Minister for Construction stating that it is a recommendation of the Committee that tender specifications listing items identified by trade name include a statement of all other Tasmanian made products of similar quality and price.

### **PRISON OFFICERS ABSENTEEISM**

Once again the Public Accounts Committee noted with concern the Auditor-General's comments on the high levels of absenteeism amongst prison officers.

On 14 April 1988 the Auditor-General was called to appear before the Committee. He informed members that there was a significant increase in sick leave during the second half of the 1986-87 year at the prison which corresponded with a relaxation of administrative procedures. The Secretary of the Law Department and the Director of Corrective Services gave evidence to the Committee which was followed by an inspection of Risdon Prison.

Members of the Committee decided that a visit to mainland prisons would be advantageous and that two officers of the Law Department should accompany the Committee.

The investigation of mainland prisons commenced on Monday 5 September and was completed on Wednesday 7 September 1988. It included visits to Pentridge Prison, Coburg, Fairlea Women's Prison, Coburg, Metropolitan Remand Centre, the Central Industrial Prison, the Long Bay Prison Hospital and the Malabar Training Centre, Sydney.

#### **Pentridge**

A high security prison of 494 capacity. At the time of the Public Accounts Committee visit there were 454 inmates, 350 uniform staff and fifty vacancies. The Governor thought stress was a factor in absenteeism. There is a high turnover of staff. The Victorian strategy is to deny overtime to those who take a large amount of sick leave which is not supported by medical certificate. But sick leave with certificate is not counted against an officer in allocating overtime.

Total turnover in the Victorian prison system is about 7.3 per cent, which is similar to the position in Tasmania.

Like all prisons, Pentridge always is below full strength as vacancies are filled by intakes with the inevitable delays caused by recruiting and training. Morale is not helped by a perceived lack of discipline. Policy imposed on the prison system includes contact visits, no mail or telephone censoring. These contribute to a serious drug problem.

The average sick leave per officer at Pentridge is thirty-three days. There is no dormitory or shared-cell accommodation at Pentridge and the 'pleasant', modern 'J' Division is used as an incentive to good behaviour.

#### **Fairlea**

At the time of the visit, there were 86 prisoners in this women's maximum security prison. The scale of the drug problem in prisons is illustrated by the fact that the Governor estimated that there were twelve active drug users among the inmates. The Committee saw factory facilities in which some good work was being performed in making garments and seat components. However most inmates preferred not to work and the facilities were under-utilised.

While the physical nature of Fairlea seemed quite pleasant, with space, gardens and largely cottage style accommodation for several prisoners together, we were told that from the prison officers' point of view the work can be more stressful than that in a male prison. This was because the males tended to be individuals concerned with their own affairs. Thus the staff would essentially be concerned with only one at a time. The women, on the other hand, seemed to regard any perceived grievance as the business of all of them and this could be difficult. It was noticeable that quite a few of the inmates were to be found either sitting or lying in their quarters in mid afternoon. Of the staff of forty-six, eight were off because of sickness, at the time.

### **Metropolitan Reception Prison**

This is a very large prison of some 500 inmates. It is the institution which takes remand and newly convicted prisoners pending classification and assignment to maximum, medium or minimum security prisons in city or country Victoria. It therefore contains a mixture of minor offenders, some extremely dangerous criminals and numerous psychiatric cases. Some inmates of course are found not guilty and released.

There is considerable dormitory accommodation in this prison. The inspection included the rebuilt Jika-Jika top security division which among other things boasts inch and a half thick windows.

About 80 per cent of all uniform staff take more than five days sick leave per year.

Prisoners are given what work is available.

Staff turnover is about 30 per cent annually, but this figure includes many who transfer to country prisons.

The whole Coburg complex appeared to be spacious compared to Risdon, with comparable numbers of inmates in Pentridge and the Metropolitan Reception Prison.

### **Parklea**

This maximum security prison is the most modern facility in Australia. It has very spacious grounds and an impressive factory section producing a range of high standard goods including timber furniture and printed items. It is situated on the western edge of Sydney. The average number of inmates is 205, including some uncontrollable women from Mulawa. The Committee gained the impression that the prisoners of Parklea tended to go in for physical activity, i.e. games and training. A number were observed queuing in mid afternoon for their issue of methadone. As is the experience elsewhere, there is a drug problem in Parklea. In fact there have been two accidental overdoses this year. Because of the pleasant environment, Parklea is very popular with prisoners. All are required to work and those who do not are transferred to other less attractive institutions.

A system of privileges which can be withdrawn or suspended is used throughout Victoria and New South Wales as a means of gaining the co-operation of prisoners. Other items are television and contact visits.

The factory operation at Parklea is profitable: the profit goes to Consolidated Revenue. The job of prison officer at Parklea was considered to be unattractive and it had the worst sick leave in the State. The security system, like Pentridge, is very advanced. There is reliance on video cameras which can be armed to react to movement in the picture. There is provision for video recording of incidents which require it.

### **Long Bay**

This is a large complex of prisons within reasonable reach of the City of Sydney. It consists of the Metropolitan Remand Centre, the Metropolitan Reception Centre, the Central Industrial Prison (which has no industry but has in fact the function of a reception prison), the Malabar Training Centre (minimum security) and the Long Bay Prison Hospital. In discussions with the officer in charge of the complex, the Assistant Director of the Department, many of the factors in absenteeism were covered. It was said to be high at Long Bay but also to be found in other services, such as the army and police. It was produced by higher expectations of life, low pay, poor conditions, the behaviour of prisoners, rising incidence of assaults, the presence of more aggressive types and the trafficking in drugs. Prison officers feel that recognition of civil liberties reduces their authority. Because assaults tend to attract concurrent sentences, they are seen to make no difference to the prisoners concerned. As is the case in all prisons, the warders are not armed. There is little work for the prisoners in the three maximum security prisons. Absenteeism is lower in the minimum security prison. The Committee was told that there had been laxity since the Vagle Royal Commission in 1976. The new government intended to effect a return to stricter discipline. The average age of prison officers was about twenty-five, that for prisoners somewhat less.

Absenteeism is very high in the C.I.P. (reception) prison. It contains newer prisoners in a maximum security atmosphere and they react badly to the younger prison officers who represent society. This prison was said to have 75 per cent of the problems that arise at Long Bay. There are 440 inmates in accommodation for 300. It was thought that average annual sick leave had fallen from about thirty to about fifteen. Long Bay has twenty AIDS sufferers. A section of the hospital is allocated to the Witness Protection Unit. The Committee was unable to visit this section because the level of security is so high that nobody is allowed to see or know who is housed there. The hospital is a modern and very secure institution with a staff of seventy-one. Absenteeism is a problem there also as in the past year more than one staff member a month has been injured in the psychiatric wards. The Committee walked through an exercise yard in one of these wards. There were quite a large number of obviously profoundly disturbed prisoners for the area available. Because of the overcrowding in the C.I.P. prison shared cell accommodation is common. The Committee found No. 1 Protection Yard, which is an enclosed small area surrounded by a double layer of two-bed cells quite horrifying. It houses some of the worst deviants in the Long Bay complex who have to be kept from the other prisoners. On the subject of work, in this as well as in any other maximum security prison, it was pointed out that it is hard to meet supply deadlines. For this reason it was suggested that the manufacture of something like wooden toys for children's homes could have merit.

It was most striking at this prison that because of employment equality considerations many of the prison officers were women. They did not appear particularly robust and given the high degree of fitness seen in many of the prisoners, some of whom were actually working out with weights while we were there, would have no hope of prevailing in a riot situation. This seemed a most unlikely use of female labour.

The Committee saw how difficult the task of conducting a prison is made by the presence of such a variety of often incompatible types. The Assistant Director thinks an ideal reform would be a 200 man prison for incorrigibles, with one hour of non-contact visits per month and no remissions. This would allow the remainder to get on with work and recovery. On the subject of remissions, it was explained that up to twenty days per month can be gained. For example, with a sentence of four years with a none parole period of two years, it is possible that a prisoner could be out after only eighteen months. In Tasmania up to ten days per month remission can be gained. The Metropolitan Reception Centre, the other remand prison, has 320 prisoners and a capacity of 220. It therefore has the same experience as the adjacent C.I.P. The Committee was shown an excellent sports/games facility with brick walls which it had been planned would be breached with explosives. As a result there is a 9 foot no-go area next to the wall and any prisoner who moves into this zone loses the right to use the area. The Committee's final inspection was of the Malabar Training Centre, a minimum security prison. This was largely for prisoners soon to be released and the atmosphere was comparatively relaxed and pleasant.

The Committee concluded that it seemed doubtful that there was a direct proportional correlation between stress and absenteeism in prison services.

Most areas visited seemed to be not as bad, or certainly no worse, than Risdon (except the Metropolitan at Coburg and C.I.P. at Long Bay) yet absenteeism seemed more prevalent on the mainland than in Tasmania where it is unacceptably high.

Sick leave is an unavoidable condition of service and therefore worthwhile economies in prison services may be more easily found in other directions. Work orders is a good example of how this can be done. Another revolutionary development in the U.S.A. is home detention for appropriate offenders. This is achieved by use of electronic devices that register at police stations when a prisoner leaves the place in which he has been ordered to remain during his sentence.

Following the mainland visit the Committee decided to revisit Risdon Prison and Hayes Prison Farm to again see how the two establishments are organized and maintained.

As in past investigations, representatives of the prison officers' union were called in to talk with the Committee about the continuing excessive absenteeism.

Information on sick leave taken by individual at the prison for the last twelve months was requested from the Justice Department to assist in discussions with the union. The union representatives told the Committee that there was a minimum manning level at the gaol—that being twenty-one officers. Therefore if people are off due to illness, injuries, etc. then the current roster covers the posts. They added that as an industrial organization they were not interested in who was having time off but whether the safe level of officers was present within the gaol. The union did not agree with the minimum manning level of twenty-one and believe it should be twenty-three officers—nineteen on posts and four extras, thus allowing an extra two officers who are available to lend assistance where need be, apart from having to relieve them of their duties. Inevitably these extra men would also alleviate some of the stress of other officers, particularly in confrontations with prisoners.

After some discussion over the information given by the two union representatives the Committee decided to recall the Director of Corrective Services. In their discussion with the Director, the Committee hoped to raise some possible remedies for the ever present absenteeism problem.

When the Director came before the Committee he also brought with him the Chief Superintendent who assisted him in his presentation.

The Director told the Committee that for the year ending 30 June 1989, the average sick leave right across the prison was 9.41, with the senior prison officers and prison officers being 9.87. In essence, that being an improvement bringing it down from around 15.0 days when the Auditor-General first made comment on it. Projected through to a full year in 1989-90, the average would come down to 7.4 days (less six officers who are genuinely ill).

The Committee was concerned that with the inclusion of the six officers who are genuine cases, the sick leave figures become distorted to 13.2 days, thus showing an increase rather than decline in days taken.

A recommendation will be made to the Auditor-General allowing for genuine cases of illness to be shown in a different section to those of some doubt, therefore making the figures more accurate.

Prison management conceded that there will always be a group that plays the system which they will continue to monitor.

The Committee was told of a dramatic increase in the presentation of doctors' certificates since the legislation was changed to require a certificate after a set number of days. This becomes a problem when officers come forward with a certificate for one or two days on a regular basis. Management then has to either question the doctor or approach the A.M.A. It was suggested that it was very easy for staff to obtain doctors' certificates with the union recommending certain doctors for the men to visit.

The Director added that there was a power under the State Service Act for an agency to require a person to undergo an independent medical assessment, but for officers who have just one or two days it becomes an impossibility.

On a suggestion from the Committee that the prison have its own doctor to interview sick officers, the Director said that it would not be impossible but would require a policy direction from the Minister.

The Chief Superintendent of Prisons commented that this practice, if adopted, would not be as attractive as it might first appear because management would get all sorts of objections on the ground that officers like to select their own doctors.

The Committee was informed by the Director that they were fast approaching the acceptable levels of sick leave with management acknowledging that the prison officers' union had worked in close conjunction in trying to discourage what they believe to be inappropriate sick leave. He added that in New South Wales management had gone to the extreme of having an internal investigation unit within corrections, which actually carries out investigative, almost CIB work, to try and eliminate some of the sick leave taken in prisons. It was his personal view that it would be most upsetting if such methods of surveillance needed to be adopted to curtail his own staff practices.

The Committee asked if management has/will cut down on overtime and were told that last year ten additional staff were employed after a submission had been put to Cabinet. In the submission certain theoretical propositions were put to Cabinet which were accepted but could only be tested in practice. The outcome being unknown until management experienced the situation.

As a result, management felt that overtime could be reduced by putting on more people but conversely overall salary costs are not decreased—it just balances out.

Other factors that cannot be ignored in the employment of more staff include the stress factor on staff and the effect on their families of the relatively small group of officers that are off duty and can be recalled to work overtime. It must affect their family life and in turn increase the stress on each officer. So to reduce that stress there is now a greater number of officers available to call on to share the overtime. In turn the benefits flow on to reducing sick leave.

Another spin off from the increased staffing levels was to allow management to substantially increase the in-service training component for officers—at no extra cost to the department, the additional staff covering the vacancies so that officers could be updated on such areas as weapons handling and practice which had not been done for about 4-5 years.

Overall the Committee was greatly impressed by the steps taken by management to try to curtail the excessive sick leave and officer absenteeism that had been occurring for a great many years.

## **POSSIBLE TAX/REVENUE AVOIDANCE**

The Committee was briefed on the matter by the Chairman who suggested that it may be worthwhile to enquire into the possibility and extent of the problem. It was decided that the Committee would hear evidence from taxation officers. The Deputy Commissioner of Taxes and Director, Financial Policy from the Department of Finance, came before the Committee and gave evidence.

The Committee was briefed on the two areas that the Commission consider: tax evasion, and tax avoidance. Tax evasion referring to people who take illegal actions to avoid paying taxes.

Tax avoidance being people who use loopholes within the legislation and thus avoid paying tax.

The Deputy Commissioner added that there was not a large problem of tax evasion in the State. She identified four main areas where there could be tax evasion. These being in the owner/operators type of businesses, of motor vehicles; the rental business; and the liquor and tobacco retail areas.

The Committee was told that for the current system of self-assessing forms of payment of tax to continue to work properly there must be a very strong and active Inspectorate acting on behalf of the tax-gathering authority.

Without the Inspectorate's role the State runs the risk of having a system where people only pay what they want to pay which is unfair to the other taxpayers and to the general community.

The Committee was summarised that if the optimum result is to be achieved in the area of tax evasion then it will be necessary for Parliament to provide the legislative powers and resources to the Commissioner to allow the Inspectorate to operate with maximum efficiency and effectiveness.

## **LAKE ST CLAIR—RANGER'S HOME**

Members of the Committee were concerned about the cost of construction of the ranger's home at Lake St Clair.

Department of Lands, Parks and Wildlife was asked to provide a breakdown of construction and incidental costs, information on the design philosophy and any information on the reasons for selection of such a design. After receiving the information requested, the Committee decided to inspect the buildings (12 April 1989) which included the kiosk, head ranger's house and other rangers' houses.

The Committee considered that in view of the costs involved in the completion of the development at Lake St Clair, i.e. \$265 696.73, the money could have been put to more prudent use in upgrading the kiosk which they found to be of a very poor standard. The house is in an area not seen by visitors so that the expense of its camouflage design was a waste of money.

Furthermore, the Committee believes that more attention should be focused on the inherent environmental problems which are caused by tourists in the area.

In particular, the practice of drivers of visiting tourist coaches who, after passengers have disembarked, continue to leave their motors running for extended periods of time. This contributes both noise and air pollution,

## **CORPORATE AFFAIRS—LATE RETURNS**

The Auditor-General, Mr Kirby, made comment in his 1988-89 report with regard to the number of outstanding annual returns by companies and incorporated associations (page 52).

The Committee called in the Commissioner for Corporate Affairs and the Director of Management Services to discuss why this was occurring. A transcript of the meeting was sent to Mr Kirby for his comments. Upon receiving a reply from Mr Kirby, a discussion arose on the collection of monies from companies. The Chairman queried some of the points raised from that discussion with the Commissioner.

In his written reply to the Committee, the Commissioner stated that there were approximately 1 400 companies that had failed to lodge annual returns for 1988.

He further explained that it was not possible to provide accurate figures in relation to the number of returns overdue until a physical check of each company file is undertaken.

It was indicated to the Committee that of those annual returns requisitioned 80 per cent would lodge the outstanding documents required. The remaining 20 per cent would either be struck off the register or be prosecuted for non-lodgement.



The Committee found that the methods used by the Corporate Affairs Office to be somewhat antiquated and drawn out. Thus allowing for lost revenue and records that are not up-to-date.

Staffing levels at the Corporate Affairs Office need to be reviewed so that it is possible to have accurate figures to hand when necessary.

#### **RATIONALISATION OF INVESTMENT AND BORROWING OF PUBLIC BODIES**

The Auditor-General made mention in his 1988-89 report that the Services provided by Tascorp were not being maximised.

One of the functions of Tascorp being to develop and implement borrowing and investment programs for the benefit of State Authorities.

Tascorp's governing legislation—the *Tasmanian Public Finance Corporation Act 1985*—gives it the power to borrow money within or outside Australia, to lend money to State Authorities and to accept money on deposit or loan from the Treasurer or a State Authority.

Tascorp has been in operation for four years and as a result of audit of its financial statements and those of other organisations it was found that there is scope for a rationalisation of the investment and borrowing activities of Public Bodies.

As a consequence of the lack of support, financial benefits are being forgone by the State in the form of lower returns on investments, than otherwise would be achieved and additional costs incurred for administration.

To further acquaint themselves with the organisation, the Committee had discussions with the manager of Tascorp and asked his views on the Auditor-General's comments.

The manager was able to provide the Committee with a list of State Authorities and local government bodies which he felt could benefit from an increased usage of Tascorp facilities.

The Committee requested that it be provided with some estimates of the financial benefits being forgone by these authorities, in particular the Hydro-Electric Commission and the Motor Accidents Insurance Board.

Comments were also sought on the advantages available to Local Government bodies who chose to use Tascorp's services.

Upon receipt of this information the Committee shall be conducting an investigation into the matter as it would appear that the situation that is prevalent at the moment is costing the State very dearly.

Committee Room No. 1  
Parliament House  
5 April 1990

NEIL ROBSON, M.H.A., Chairman.