

Second Reading Speech

Audit Amendment Bill 2013

Mr Speaker

The Auditor-General has recently raised two matters in relation to the *Audit Act 2008* and has requested that the Act be amended.

The first matter relates to the strict confidentiality provisions in the Audit Act and the effect that this may have on the Auditor-General's ability to contract outside parties to provide administrative or audit services to the Tasmanian Audit Office.

During 2012-13, the Auditor-General undertook a review of certain administrative services of the Tasmanian Audit Office, including human resources, information technology and financial matters.

Since the finalisation of the review, the Auditor-General has decided to outsource the provision of administrative services.

Mr Speaker

This Bill ensures that communications relating to the procurement by, or provision of, audit or administrative services to the Auditor-General do not breach the confidentiality provisions of the Audit Act.

A similar amendment was made to the Audit Act in 2011 to ensure that communications between the Tasmanian Auditor-General and the Commonwealth, State and Territory Auditors-General on collaborative audit matters would not breach the confidentiality provisions in the Audit Act.

In order to avoid the need for further small amendments of a similar kind, it is proposed that the Act should provide the Auditor-General with discretion in determining whether or not it is appropriate and within the public interest for him to communicate with another party. This will provide the Auditor-General with greater certainty in the future if there is the need to provide information to external parties.

Amending the Audit Act to enable the Auditor-General to communicate with those that provide a service to the Tasmanian Audit Office is appropriate. It is also appropriate that the Auditor-General be provided with some discretion in deciding whether or not communication with external parties is appropriate. The existing legislative safeguards against inappropriate disclosure have been retained.

Mr Speaker

The second matter raised by the Auditor-General relates to the scope of the Audit Act. The Auditor-General has requested that the Audit Act is amended to clarify that the Local Government Association of Tasmania and certain other authorities and bodies are within the scope of the Audit Act.

The proposed amendment also provides that the Treasurer, in consultation with the Auditor-General, may make a determination that a particular entity is within the scope of the Audit Act. This will avoid future uncertainty as to whether newly created public sector entities are within the scope of the Audit Act.

Mr Speaker

The Auditor-General has been consulted in the drafting of the Bill and supports the Bill. I commend the Bill to the House.