

AUDIT AMENDMENT BILL 2010

SECOND READING SPEECH

Mr Speaker

Tasmania's Auditor-General has raised a number of procedural matters regarding provisions in the *Audit Act 2008* relating to the tabling of reports.

The Auditor-General is concerned that existing provisions in the Audit Act, relating to the tabling of performance audit reports, do not provide for those reports to be made public when neither House of Parliament is sitting.

The Auditor-General is concerned that, if a report were to become public before it is tabled in Parliament, that report would not be protected by privilege and the Auditor-General, or any person working for the Auditor-General, may not be covered by the provisions in section 45 of the Audit Act.

In order to address this, the Audit Amendment Bill adopts the approach taken in the audit legislation of other jurisdictions, such as New South Wales, Victoria, Western Australia and the Australian Capital Territory.

The proposed amendments provide that a report that is presented to the Clerks of the Houses of Parliament is taken to have been laid before Parliament and that such a report is taken to have been ordered to be published by the Parliament.

Mr Speaker

The Auditor-General occupies a fundamental role in ensuring the proper financial management of the State sector and of taxpayer's money.

The Auditor-General provides assurance to the Tasmanian community that operations, controls and procedures within government are performing effectively and are sufficiently robust to safeguard government assets and the government's financial position.

In order for the Auditor-General to perform his duties effectively, it is essential that the Auditor-General is afforded appropriate legislative

protection for any action, that has been authorised by the Audit Act, that is undertaken in good faith.

The Audit Act provides the Auditor-General with significant independence and discretion in relation to the conduct of his office.

The Audit Amendment Bill will make it clear that the Auditor-General is protected from liability for all acts undertaken in good faith, irrespective of whether those acts are undertaken because of a requirement of the Act or because of a discretionary authority authorised by the Act.

Mr Speaker

The Auditor-General has also advised that situations could arise where information arising from a performance audit should, in the public interest, be protected.

This includes information that, if reported, could prejudice an entities commercial interest, cause damage to an investigation, prejudice the fair trial of an individual or damage intergovernmental relations.

Consistent with the audit legislation of Australia and Queensland, the Audit Amendment Bill enables the protection of sensitive information.

The Bill also authorises the Auditor-General, at his discretion, to provide a report containing such protected information to the Treasurer and the Public Accounts Committee.

Should such a report contain recommendations, both the Treasurer and the Public Accounts Committee would be able to consider those recommendations and initiate appropriate responses.

Mr Speaker

The Department of Treasury and Finance has consulted closely with the Auditor-General during the drafting and finalisation of the Bill. The Auditor-General supports the Bill.

I commend the Bill to the House.